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Joint Evaluation

Charity Kerapeletswe  
Jan Isaksen  
Anneke Slob  
Alf Morten Jerve

# Managing Aid Exit and Transformation Botswana Country Case Study



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**Charity Kerapeletswe**  
**Jan Isaksen**  
**Anneke Slob**  
**Alf Morten Jerve**

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**Authors:** Charity Kerapeletswe, Jan Isaksen, Anneke Slob, Alf Morten Jervee

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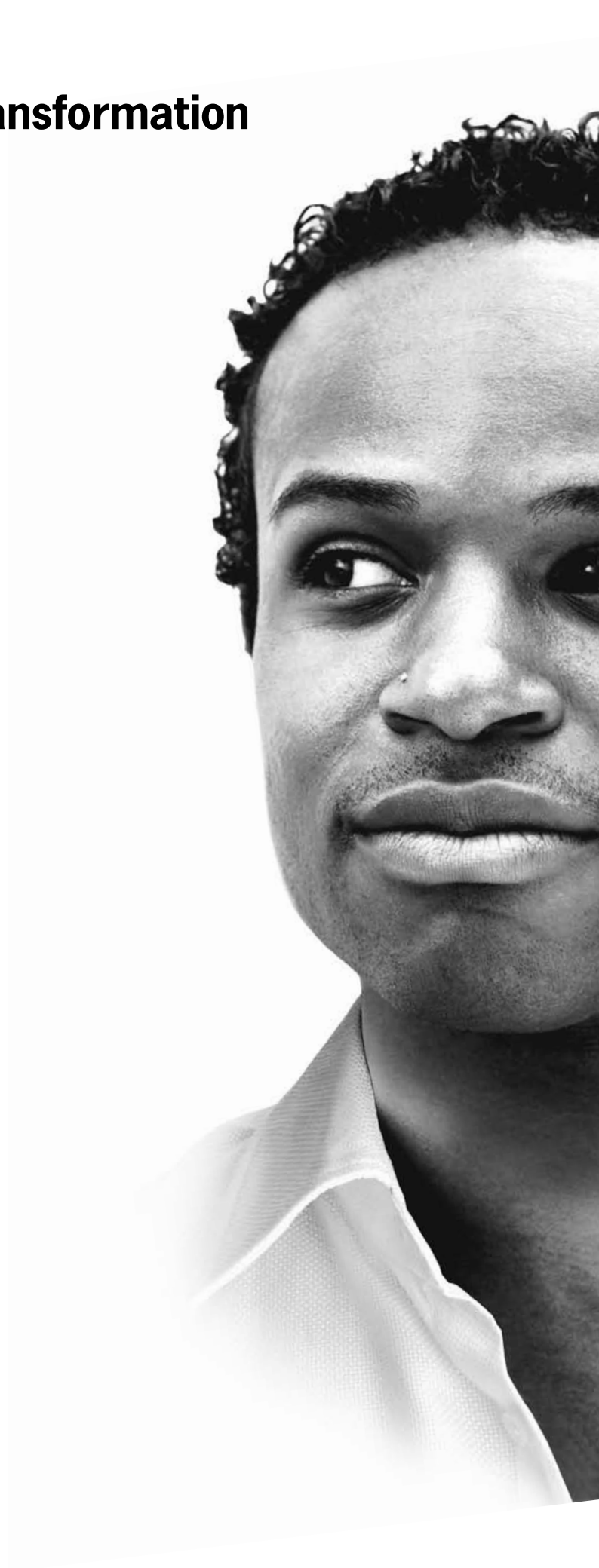
Joint Donor Evaluation



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# Foreword

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This is one of five country case study reports for the evaluation of Managing Aid Exit and Transformation, jointly initiated and funded by the evaluation departments of the ministries and government agencies responsible for development cooperation in Denmark, the Netherlands, Norway, and Sweden. Based on studies of completed and ongoing exits by one or several of the four donor countries from bilateral government-to-government development cooperation with Botswana, Eritrea, India, Malawi, and South Africa the larger evaluation is intended to make a contribution towards the formulation of a shared international framework for the ending and transformation of bilateral aid relationships.

The evaluation was conducted by an independent evaluation team representing a consortium of ECORYS Netherlands BV, Rotterdam, and Christian Michelsen Institute (CMI), Bergen, Norway. While Ms Anneke Slob, ECORYS, and Mr Alf Morten Jerve, CMI, were the principal team leaders and jointly authored the evaluation Synthesis Report, each country study was managed by a separate country team that included both local and international evaluators.

As stressed in the evaluation Synthesis Report every development cooperation exit has its own unique features and must be planned and implemented accordingly. What this means is developed in detail in the five case study reports. Whereas readers interested in the broader picture must consult the Synthesis Report, each of the country reports can be read and understood on its own.

While the evaluation Synthesis Report is published in print as well as electronically, the five country studies must be downloaded from the Internet (<http://www.sida.se/exitevaluation>) or from the CD-ROM attached to the Synthesis Report.

*Stefan Molund*  
*Evaluation Manager*  
*Department for Evaluation (UTV)*  
*Sida*



# Preface

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This *country report* Botswana is an integral part of the joint evaluation of aid exit and transformation management. The report is one of the building blocks for the Synthesis Report for this evaluation.

The evaluation was an initiative of four donor countries: Denmark, the Netherlands, Norway and Sweden. The Terms of Reference were published in 2006. Sida has acted as a lead agency for the management of the study. The Terms of Reference asked for five country studies: Botswana, Eritrea, India, Malawi and South Africa. The purpose of the evaluation is to facilitate mutual learning on issues of exit from development co-operation partnerships at country level. Although primarily catering for the information needs of the four donors, it is also expected to be useful for the developing countries that participated in the case studies. The evaluation is seen as an opportunity for donors, development organisations and their developing country partners to share experiences and learn from each other with regard to country exits and their management.

The evaluation was contracted out to the consortium ECORYS (the Netherlands) and Chr. Michelsen Institute (Norway) and started in February 2007. A Steering Group composed of representatives of the aid evaluation departments of the four commissioning donors<sup>1</sup> provided guidance throughout the evaluation. The evaluation was led by a core team with a team leader (Anneke Slob) and a deputy team leader (Alf Morten Jerve) and two assistants for file research. The country case studies were carried out by five separate country teams with both national and international evaluators.

The *Synthesis Report* presents a full comparative analysis based on the five country reports. Furthermore, it provides recommendations for donors when considering guidelines for exit management. The country reports and the *Inception Report* provide detailed insight into the methodology and the research findings.

The authors of this country report are presented on the front cover. It has been checked by the core team for consistency with the overall methodological framework developed for this evaluation. The core team was also responsible for quality assurance. For enhanced comparability the core team has produced summaries of the country reports that are included as annexes in the synthesis report. Therefore, this report does not contain an executive summary.

Responsibility for the synthesis report, the five country reports and the inception report rests entirely with the evaluation team.

Anneke Slob

Alf Morten Jerve

Director Evaluation ECORYS NL

Senior Researcher, CMI

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<sup>1</sup> Evaluation Department of the Ministry of Foreign Affairs of Denmark, Policy and Operations Evaluation Department (IOB) of the Dutch Ministry of Foreign Affairs, Evaluation Department of Norad, and Evaluation and Internal Audit Department (UTV) of Sida

# Chapter 1

# Introduction

---

This report is the result of an initiative taken by four donor countries – Denmark, the Netherlands, Norway and Sweden – for “a joint evaluation of country level exit processes in development co-operation”, with a main focus on exit management. The terms of reference (ToR) for the evaluation required field studies to be carried out in five countries – Botswana, Eritrea, India, Malawi and South Africa – each of which represents different reasons for donor exits or aid transformation. This report presents the findings of the case study on Botswana.

## *Definition of the evaluation object*

The ToR specifies that the evaluation should focus on exit management and country-level exit processes. However, during the inception phase it became clear that this definition requires further explanation. According to the ToR, country exits are defined as “exits from bilateral country-level development co-operation”. However, the definition of bilateral development co-operation varies from one donor to another. Moreover, and more problematically, the word ‘exit’ is not generally accepted and has some negative connotations in specific case study countries. In practice, the study deals with phasing out, scaling down and/or aid transformation processes at the country level. In the Botswana case, the focus is on the process of transformation from bilateral country-level co-operation to an intended broader relationship based on institutional co-operation. This transition took place for several donors in the early 1990s and is arguably the first case of an African country ‘graduating’ from aid.

## *Purpose*

The purpose of this evaluation, according to the ToR, is to facilitate mutual learning on issues arising from exiting from development co-operation partnerships at the country level. Although primarily catering for the information needs of its four sponsors, it is also expected to be useful for the developing countries participating in the case studies, and more widely for other countries and donors approaching similar transitions.

## *Methodology*

The methodology was elaborated in the inception report on the basis of the requirements indicated in the ToR. A common methodology was worked out for all five country case studies. The main elements of this methodology are reflected in the structure of the country reports. Minor adaptations to tailor the methodology to specific issues at stake in the country studies have been allowed. The main common elements of the methodology are:

- An overview of the *volume of aid and aid strategies* of each of the donors and an overview of trends in the total volume of aid to the country concerned (chapter 2);
- An analysis of phasing out, aid transformation or exit *decisions and planning* from the perspective of the donors and the recipient country (chapter 3);
- An analysis of the *management and implementation* of these decisions from the perspective of the various actors involved (chapter 4);
- An analysis of the consequences of these decisions at different levels and for different groups of stakeholders that also illustrates *exit management at the programme and project level* (chapter 5).

Data collection started during the inception phase with desk research and a round of interviews in the sponsoring countries. In the field phase, the main instruments were desk research, interviews and focus groups (see Annexes 1 and 2 for the documents consulted and people interviewed). At the end of the field visit, a debriefing session was organised for the representatives of the sponsoring countries and the case study country (see Annex 3 for participants). The debriefing session served to present and validate preliminary findings and conclusions.

The Botswana case is special in that a long time has passed since decisions to “change the aid relationship” or “exit” were made, making archive and interview data potentially less accessible than elsewhere. These difficulties were to some extent mitigated by the administrative and political stability that the country has achieved since independence. Long-serving civil servants and intact filing systems made the research task easier.

At the time of the mission none of the four donors had any representative in charge of aid issues in the country. Sweden has an Embassy in Gaborone<sup>2</sup> which although it manages a very small portfolio of aid projects has no explicit aid management task and the ambassador was not available for interview. Only a few interviews of resident aid personnel could be undertaken in addition to the first round of interviews. Since it was also not possible to examine resident development co-operation archives, attention was turned to local interviewees and sources.

### *Scope*

The methodology is based on a combination of width and depth. Decisions and planning as well as exit management and implementation are analysed for all sponsoring countries which took decisions to exit or fundamentally transform their aid. In addition, the analysis of consequences focuses on a few specific development interventions and issues. For Botswana, it was decided to select case studies from the larger donor programmes as well as issues which appeared to be significant for the Botswana country case. Three case studies are presented in chapter 5:

- Norwegian support to the health sector;
- Norwegian support to the roads sector;
- Botswana’s handling of the loss of technical assistance caused by the changing aid relationship; and
- The squeeze on NGO funding as ‘collateral damage’ from the exit of official bilateral aid.

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<sup>2</sup> To be closed down in 2008.

### *Organisation*

The Chr. Michelsen Institute (CMI) and ECORYS formed a consortium that was selected to carry out this joint donor evaluation. In each country a local consultant was part of the country evaluation team to strengthen the knowledge of local circumstances and cultures and to ensure that the points of view of local stakeholders were sufficiently represented. The consultants were independent evaluators. Although consultations with donors and recipients were organised during the preparatory phase of the study, the evaluation is not a full 'joint' evaluation as only the four sponsoring donor countries are represented in the steering group.

Archival research on the four donors and the search for literature on relevant aspects of aid to Botswana were completed shortly before the start of the country mission. There was a slight delay in archival work on Sweden because the local representative's aid archive had to be moved from Botswana to Sweden while archival work proceeded on the other countries.

For the Botswana case study the Embassy of Sweden was responsible for the management of the evaluation on behalf of the sponsoring countries. Mr Arnold Madikwe, head of the Ministry of Finance and Development Planning (MFDP) Development Co-operation Section, was appointed Botswana government link person to the study.

The country mission started on 9 July with the arrival of Jan Isaksen in Gaborone and an initial meeting with Mr Madikwe took place on 11 July. Contact with the Swedish Embassy was sought but the Ambassador was about to depart and a meeting was unfortunately not possible. The Chargé d'Affaires, Cecilia Romson Örnberg, assisted the mission, which was afforded all the support it requested from the Embassy.

A local consultant had previously been recruited. A meeting between Mr Isaksen and the consultant on Friday 13 July made it clear, however, that the expert had decided to withdraw. A new consultant was proposed and accepted by the project management.

During the mission Mr Isaksen was offered office accommodation and services at the Botswana Institute for Development Policy Analysis (BIDPA). The excellent facilities and backup made it possible to cover information collection and interviews satisfactorily despite delays caused by the withdrawal of the first appointed consultant.

The mission conducted some 30 interviews (see Annex 2) and perused donor file documents in the MFDP back to 1990. A workshop on 30 July was attended by 15 people from government, NGOs, civil society and academia as well as the private sector. A particular pleasure was the participation of the former President, Dr Ketumile Masire. Lars M. Johansson from Sida's Department for Evaluation and Internal Audit also attended.

### *Finalisation of the country report on Botswana*

The country report has been prepared by Jan Isaksen as team leader with contributions from Charity Kerapeletswe. The draft version of this report has been presented to the stakeholders in Botswana and elsewhere for their comments. The comments have been taken into account in this version of the country report, which will serve as one of the building blocks for the synthesis study.

## Chapter 2

# Country background and aid dependency

## 2.1

### Country background

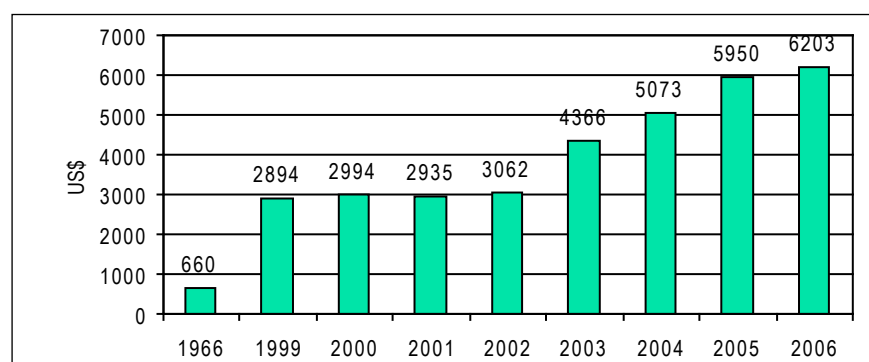
Botswana is a landlocked country situated in Southern Africa with a population of 1.7 million. At independence in 1966, Botswana was one of the poorest countries in the world but has since the 1970s achieved a real GDP growth rate averaging 6 percent per annum, with diamond rents the main engine of growth. Despite a decline in poverty over the last 20 years, poverty is still widespread, particularly in the rural areas. Income distribution is highly skewed, implying that the benefits of growth have not been equitably distributed.

The HIV/AIDS epidemic presents a challenge for Botswana as it is eroding the achievements in socio-economic development. Life expectancy at birth declined from 65.2 years in 1993 to 56 years in 2007 mainly because of the HIV/AIDS. (Population Census, 2001). Botswana aims to reverse the spread of HIV/AIDS by 2016.

Botswana's per capita GDP of US\$ 660 (2000 prices) in 1966 had climbed nearly tenfold to US\$ 6203 by 2006 (see Figure 2.1). Over the years Botswana's rapid per capita GDP growth has made the country ineligible for the special development funding sources open to poorer countries. Botswana received its last IDA credit in 1974 and was reclassified as a middle income country in 1992. Since 1998, the World Bank has classified Botswana as an upper middle income country.

In 1966, Botswana's population was largely rural (94 percent). With the strong economic expansion in the 1970s and 1980s, the pattern of settlement changed rapidly and by 1991 45.7 percent of the population was urban (Government of Botswana, 2000)<sup>3</sup>.

**Figure 2.1 Trends in GDP per capita**

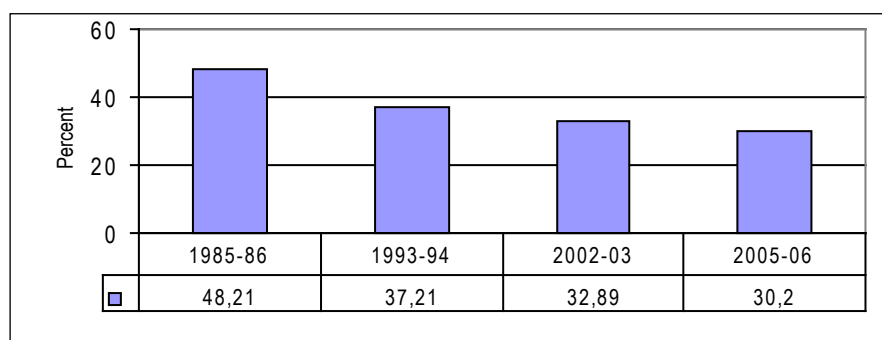


<sup>3</sup> A settlement is defined as urban for statistical purposes if 75 percent or more of its workforce is in non-agricultural activities and its population is at least 5000. According to this definition, all the major villages in the country were classified as urban villages.

Foreign investment in Botswana has been considerable, mostly in the mining sector. A number of foreign companies, including from the Nordic countries (Volvo and Scandia), have had car assembly plants in Botswana. Owens Corning of Norway produced piping for a major water project. The copper/nickel mine BCL at Selebi Phikwe refined its copper nickel matte at the Falconbridge plant at Kristiansand in Norway.

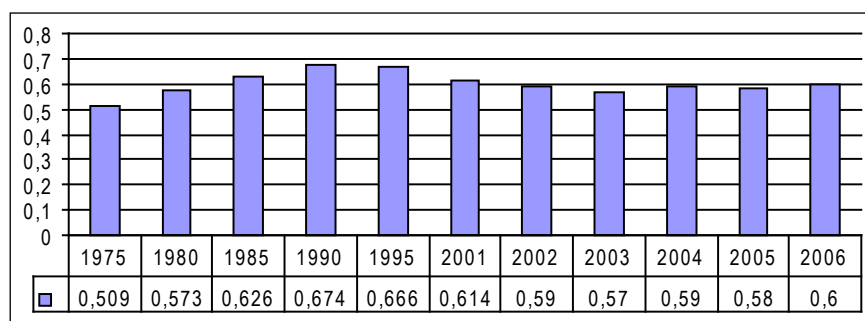
Notwithstanding its impressive economic performance, Botswana still has a high level of poverty and unemployment. A 1997 study on poverty and poverty alleviation<sup>4</sup> reported that the national income poverty rate had declined sharply from 59 percent in 1985 to 47 percent in 1994. In 2002/03, national income poverty was estimated at 33 percent, falling to 30 percent in 2005/06. Figure 2.2 displays the per cent of the population (headcount ratio) with incomes lower than the poverty line.

**Figure 2.2 Head count ratio (1985–2006)**



Botswana has made positive strides in human development through considerable public expenditure in social sectors. In 1975, the Human Development Index (HDI) for Botswana was 0.5 but by 1990 had risen to almost 0.7, placing it among the top countries in the developing world. However, this score has since declined due to the impact of HIV/AIDS. Figure 2.3 below shows that the decline in Botswana's HDI has been dramatic, from 0.674 in 1990 to 0.614 in 2001. Only three other countries (the Russian Federation, Moldova and Lesotho) have witnessed such a marked fall.

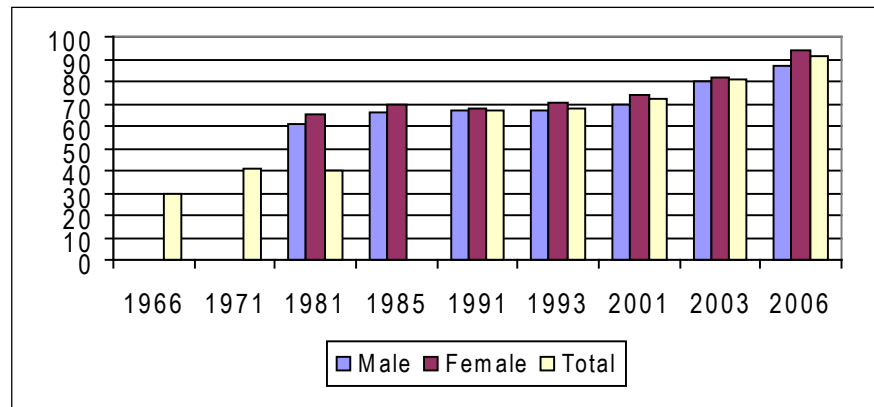
**Figure 2.3 Trends in human development index**



Botswana has realised remarkable achievements in *education*. Adult illiteracy has fallen below 20 percent for both males and females. It is estimated that in 2003, 81.2 percent of the population were literate. Literacy was higher among females (81.5 percent) than among males (76.1 percent) (see Figure 2.4). Literacy levels in urban areas tend to be higher than in rural areas: in 2000, 83.3 percent of those in urban areas were literate compared with 64.1 percent in rural areas (UNDP, 2005).

<sup>4</sup> BIDPA, 1997.

**Figure 2.4 Literacy rate**



The literacy rate for adults (15 to 65+) increased from 68.9 percent in 1993 to 81 percent in 2003 and to almost 90 percent in 2006. The 2004 Status Report of the Millennium Goals<sup>5</sup> concludes that Botswana has achieved universal access to primary education.

Botswana has made remarkable achievements also in *health*. The health status of the population has improved since 1966 with investment in health infrastructure and in training of health personnel. Much of the effort has gone into developing an extensive primary health care outreach system.

Infant mortality fell from 95 per thousand births in 1970 to 56 per thousand in 1995. The ratio subsequently rose to 80 per thousand in 2000 as a direct consequence of HIV/AIDS, but has recently fallen markedly, to 54 per thousand in 2006.

The share of HIV/AIDS allocations in the total national budget was almost 2 percent in 2002/03 and has since hovered around 1 percent.<sup>6</sup> Over the coming years, HIV/AIDS is likely to exacerbate the existing shortages of skilled labour, putting pressure on all sectors of activity (e.g. health services, secondary and tertiary education, and business services) which already rely on the costly importing of expatriate skills. Overall, HIV/AIDS is likely to affect the Botswanan economy in terms of declines in the labour force, productivity and overall GDP growth.

#### *Governance*

Good governance is often characterised by a high measure of political stability and social order; a government which is not corrupt and self-serving and which possess the means to protect property rights and maintain an efficient economic system. Botswana seems to have demonstrated these characteristics and is often hailed as one of Africa's success stories. An important facet of economic governance in Botswana is its planning system which since Independence regularly has produced five or six-year National Development Plans articulating government policies and development priorities.

Botswana has had political stability within a multiparty system and a constitution based on equal rights and freedom of expression. This is supported by a system of consultation and citizen participation called "Therisanyo". This embodies grass-roots democracy based on village assemblies (Kgotla) where communal decisions are made and simple disputes settled by the village headman. Traditional leadership and institutions such as the House of Chiefs have been sustained and incorporated into the modern governmental system. The country has conducted regular free and fair elections. The three changes of presidents since independence have all been democratic and peaceful.

<sup>5</sup> Republic of Botswana/United Nations, 2004

<sup>6</sup> The reason for the decline is partly that external off-budget funding has been attracted.

Several institutions serve to keep corruption in check. These include the constitutionally entrenched role of the Auditor General and the Attorney General. The more recent Directorate on Corruption and Economic Crime deals with all cases of corruption, fraud and bribery in all sectors. According to the 2007 World Governance Indicators Report, Botswana is among a small group of developing countries that score higher on key dimensions of governance than a number of leading industrialised countries (World Bank, 2007). The country has since 1998 been ranked as the least corrupt country in Africa by Transparency International's Country Corruption Perception Index.

### Aid dependency

The favourable development environment in Botswana made the country attractive to donors. Since independence in 1966, Botswana has at times been the largest aid recipient of all developing countries on a per capita basis.

At independence, aid from the UK provided almost 60 percent of the recurrent budget. The trend of ODA flows to Botswana was generally upwards from the 1970s till it reached a peak in 1988. In 1990, Botswana was the fourth largest per capita aid recipient after Gabon, Jordan and Israel. Since then, aid volumes have declined drastically and by 1999 Botswana was ranked 23rd in per capita aid receipts.

Botswanan aid dependency has declined. Whereas between 1975 and 1979 aid averaged 15 percent of GDP, by 1997 it accounted for only 3 percent (Bräutigam, 2000). This was mainly due to receipts from mineral exports, good governance and prudent economic management.

Figure 2.5 Grants as per cent of state revenue 19793/4 to 1991/2

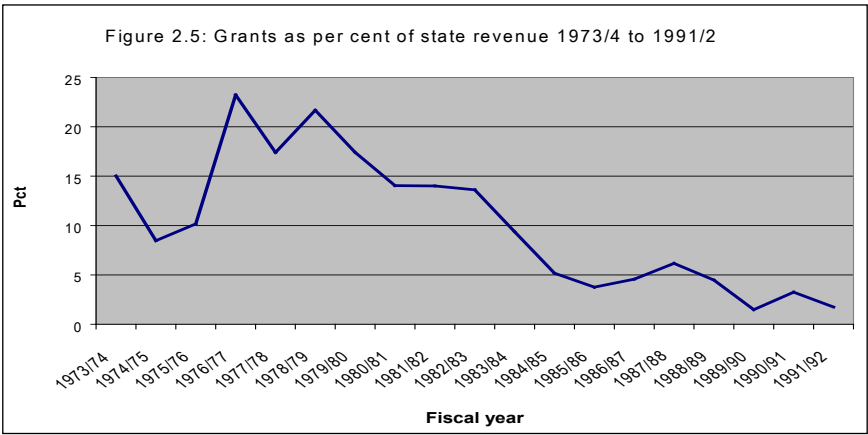


Figure 2.5 shows a dramatic decline in grant aid as a proportion of government revenue from the mid-1970s, when it reached 20-25 percent, to the early 1990s level of 2-3 percent. The reason for the decline was not only a fall in grant aid but in fact mostly resulted from a strong increase in state revenue.

Botswana's National Development Plans (NDPs) are at the centre of Botswana's aid management system. The plans guide public expenditure as well as aid from donors. The Ministry of Finance and Development Planning (MFDP) acts as donor coordinator. The NDP's list of projects for which finance is sought gives donors the opportunity to choose projects which address government priorities. Duplication among donors (see Table 2.1) is more or less avoided by encouraging individual donors to concentrate on particular sectors.

**Table 2.1 Sectoral Emphasis of donors in Botswana, 1966–1991**

Donor	Emphasis
United States	Education Generating private sector employment
Sweden	Water resources, Natural resources, Training local government officials, Small businesses
Norway	Health, Rural roads, Remote area development programme, Environment
Denmark	Electrification, Railways, Water projects
Netherlands	Environment, Water, Land use planning, Health Gender
Britain	Training public sector officials
Germany	Energy, Vocational training
China	Agriculture, Railways
United Nations Development Programme	Population. Food aid, General technical assistance
African Development Bank	Infrastructure lending
World Bank Group	Infrastructure lending
European Union	Agriculture, Health, Natural resources

*Source: Congressional Budget Office (CBO), Congress of the United States, 1997*

From the mid 2000s the European Union was the only substantial provider of grant development assistance to Botswana. The current co-operation with the European Union has a contractual character and predictability under the terms of the 20-year Cotonou Agreement. Since 1997, there has been an upturn in donor support in response to the perceived threat of HIV/AIDS to the country.

## 2.3

### Involvement of the four donors

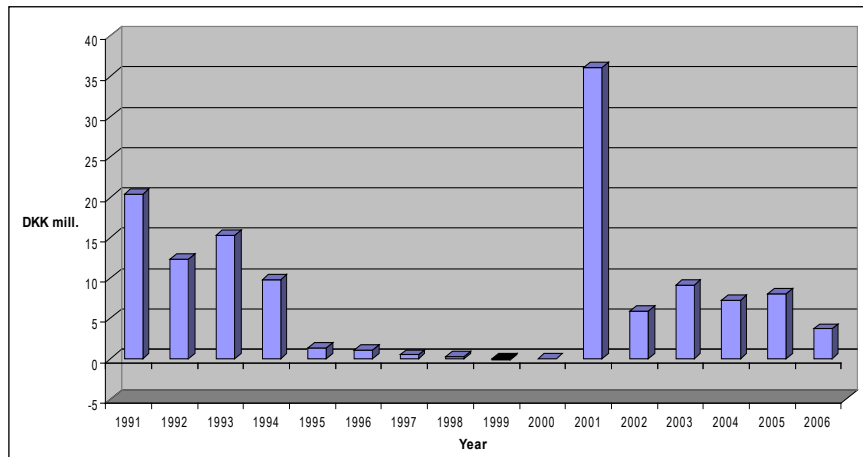
Despite the fact that the four donors included in this study operated in different sectors and in somewhat different ways, interviews in Botswana in 2007 indicated that respondents considered them quite similar. In particular, Norway and Sweden were seen as virtually the same donor. The donors all started a process of restructuring and scaling down bilateral assistance roughly at the same time in the early nineties. Norway and Sweden had ambitions for a widened, self-propelling type of relation with Botswana after conventional bilateral assistance had been phased out.

#### 2.3.1 Denmark

Botswana and Denmark started their development co-operation in the early 1970s. Danish assistance was primarily focused on the electricity and transport sectors and was equipment oriented. A considerable part of aid in the early days consisted of the ‘Danish State Loan’, an export credit which paid for a variety of Danish goods procured by the Botswanan Government. Later, in the mid-1980s, conventional grant aid was introduced. By 1987, Denmark was the fourth largest contributor of development aid to Botswana.

Quantitatively, the aid inflow chart (see Figure 2.6) gives the impression of an “out and in” movement.

**Figure 2.6 Danish bilateral assistance to Botswana 1991–2006**



In the early nineties a number of changes took place within the Danish aid system that had an effect on the decisions that were taken about Botswana. In 1990, the Danish authorities indicated that an exit would take place but would not start until the mid-1990s as DKK 75 million had been allocated to Botswana for the period 1990–1994.<sup>7</sup> Planned support was stopped in 1994, hence the remarkable drop in 1995 shown in Figure 2.6. From 1995 to 2001 there was virtually no bilateral aid from Denmark to Botswana. During the early 2000s it revived with the start of three relatively large projects, the last of which was completed in 2006/07.<sup>8</sup>

### 2.3.2 Netherlands

The Netherlands never had a very significant development assistance relationship with Botswana. Dutch bilateral aid amounted to Euro 64,000 in 2000, when it was phased out.

Dutch development assistance consisted mainly of support to SNV programmes, e.g. the Dqae Qare Bushmen Game Farm project and the HIV/AIDS programme, and some technical assistance provided to the Ministry of Wildlife and the university. In the 1990s, the SNV supported projects in the environment and water sectors.

### 2.3.3 Norway

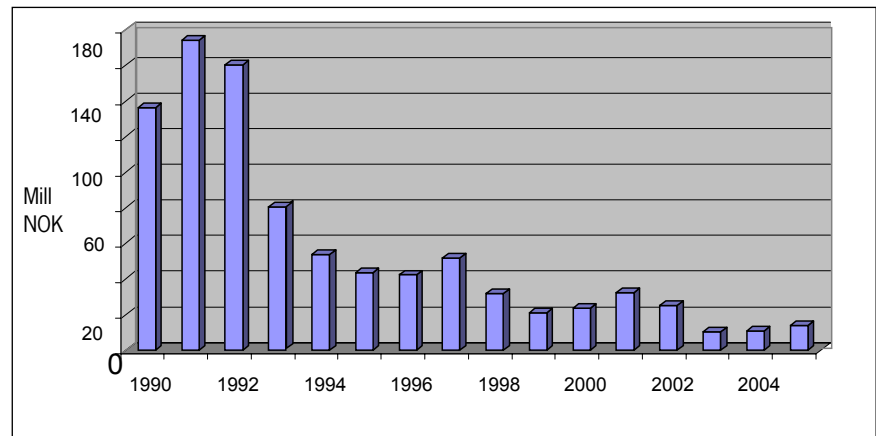
Bilateral agreements between Norway and Botswana have existed since 1972. The main reasons for making Botswana a development co-operation partner in 1972 were that:

- it was among the 25 least developed countries listed by the UN;
- it was a landlocked country surrounded by hostile South Africa, Rhodesia and South African-ruled Namibia; and
- the Government of Botswana was assumed to be able to create the conditions necessary for Norwegian assistance to contribute effectively to combating widespread poverty.

<sup>7</sup> Danida 02.10. 1992 Notits.

<sup>8</sup> The projects were: Water Conservation and Demand Management Project: Botswana (1 March 2002 - 31 December 2004); Okavango Delta Management Plan (September 2002 to December 2005); and Developing Energy Efficiency and Energy Conservation in the Building Sector (1 May 2004 to 1 May 2007).

**Figure 2.7: Norwegian bilateral assistance to Botswana, 1990–2005**



The two most prominent Norwegian development co-operation sectors were health and roads but Norwegian support went to several other sectors such as agriculture, rural programmes (remote area dwellers and general rural development) and environment.

Reduction in the Norwegian development assistance through the country programme started in 1992. Total Norwegian bilateral assistance was NOK 51.6 million in 1997 compared to NOK 80.5 million in 1993.<sup>9</sup> Before that there had been a sharp increase, primarily due to the support schemes for business and industry (mixed credits). From 1994, Botswana's status as a medium-income country precluded benefits from the mixed credits scheme due to OECD regulations.

#### **2.3.4 Sweden**

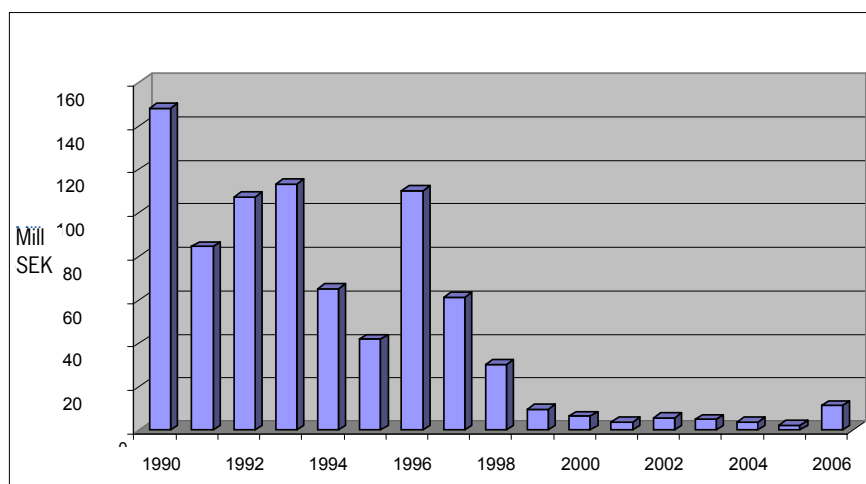
Botswana became a recipient of Swedish aid in 1966. The first bilateral development co-operation agreement between the Governments of Sweden and Botswana was signed in 1971 and in the same year the development agency, Sida, opened a development co-operation office in Gaborone.

During the years 1966–1970, development co-operation between the two countries mainly consisted of Sweden granting scholarships to students and building and equipping secondary schools and vocational training centres. From the middle of the 1970s, co-operation was concentrated mainly on three major sectors:

- Education and culture;
- Rural water development;
- Small industries.

<sup>9</sup> Norad Annual Report 1997:46; Norad Annual Report 1993:22.

**Figure 2.8: Swedish bilateral assistance to Botswana 1990–2006**



During the 1980s the “Small Industries” sector was replaced by support to “District Development”.<sup>10</sup>

The volume of government-to-government support amounted to about SEK 22.7 million in 1998, SEK 5.8 million in 1999 and only SEK 1 million in 2000.

Restructuring and phase out of aid was effected during the 1994–98 programme. A strategy was prepared for the mid-term programme review in mid-1996. During the review, the Swedish sense of the future was expressed as follows:

“Given the substantial achievements made by Botswana in different areas of development, we are convinced that you in the years to come successfully will manage to pursue matters which have been of common concern to us for almost thirty years. Further, we look forward to entering this new phase of collaboration which certainly will be as interesting as the one which are about to be completed. Trade between our countries, both in terms of commodities and services, has been limited. We do not anticipate any substantial increase in trade in the future. However, we believe that co-operation between institutions in Sweden and Botswana may be maintained and increased. After 1998 such co-operation can be facilitated by jointly financing contracts between Swedish and Botswana institutions, especially in areas where Swedish institutions have been involved for many years and for training in Sweden financed by Sida.”<sup>11</sup>

The Swedish reports from the 1996 mid-term review praise Botswana for its understanding of the situation, the new style of co-operation and the principles on which it was to be built. The delegation appeared, however, to expect a much increased effort from Botswana in terms of new ideas and suggestions for future co-operation.

<sup>10</sup> Sida Annual Report 1993:94.

<sup>11</sup> Agreed Minutes: Botswana / Sweden Development Co-operation Consultations, 3rd to 5th June, 1996. Annex 1 Introductory speech by Mr Jan Bjerninger, Sida.



## Chapter 3

# Analysis of country exit decisions and planning

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## 3.1

### Botswana's aid policy

At the beginning of the 1990s, Botswana had the experience of some 25 years of development assistance. The country had adopted a centralised aid management system and had built institutions that incorporated aid into a comprehensive development plan. The responsibility for aid rested with MFDP, which exercised strong control and was known even to reject donor-financed projects that did not fit with the government's development strategy.

These were features which attracted donors to the country. In addition there was little corruption, and most of the financial aid was on-budget. Botswana became "a donor darling" and most foreign aid personnel enjoyed working there, because the environment was relaxed, crime was low and it was possible to achieve results. Many of the aid workers settled in Botswana, some of them to do business, after a period as TA personnel.

During the 1980s, with state budget showing major surpluses year after year it became evident that financial aid was not really needed. It was clearly realised, however, that much of the surplus was due to lack of implementation of government programmes. Since this was in turn caused by a shortage of institutional and individual capacity, there was little doubt about the need for TA.

Botswana was reclassified as a middle income country in 1992. The major donors had already started to consider aid restructuring or exit. The 1992 reclassification strengthened their view and had a considerable effect on both the conditions for multilateral aid and on the policies of bilateral aid donors. Many of the bilateral donors conveyed their intention to exit Botswana roughly at the same time in the early 1990s. They typically withdrew across the entire range of co-operation.

## 3.2

### Denmark

During the late 1980s and early 1990s the Danish aid budget had grown rapidly, attaining the stated one percent of GDP target in 1992. A number of changes in the Danish aid system influenced the decisions that were taken about Botswana. A new organisational structure was implemented in the Danish Ministry of Foreign Affairs in 1991. In 1992 the Danish Parliament also decided on a new additional budget framework outside the aid appropriations to mobilise additional resources for environmentally sustainable development and to respond to the rapidly increasing demands for emergency assistance. In the same year the Danida management initiated a new strategic planning

process and during 1993/94 several new countries were chosen as programme countries.

In 1992 Denmark communicated to Botswana that a scaling down of aid to the country was planned. Reasons for the decision were the Danish aid policy of concentrating assistance on fewer countries, combined with Botswana's economic development.

The cut in aid was accelerated by a sudden crisis over an aid project involving the disappearance of some refrigerated containers which Denmark had donated to the Government of Botswana<sup>12</sup>, and their alleged use by private Botswana and South Africans.

A *Note Verbale*<sup>13</sup>, from Denmark to Botswana in 1994 in that connection reiterated the reasons for exit and added the 'container problem'.

- a) The concentration of bilateral assistance, implying selection of a limited number of programme countries and an accelerated phasing out of official bilateral assistance to other developing countries;
- b) Strict priority being given to countries ranking among the poorest in the world, with Botswana's GNP per capita far exceeding the limits applied in Danish development policy;
- c) The trouble with the projects "Botswana Railways Refrigerated Containers" and "Northern Cluster Electrification", which had "aggravated the problems".

The Botswanan reaction expressed understanding and acceptance of the message. A later communication from Botswana pointed out that the country would not "seek to persuade [Denmark] to classify [Botswana] as a programme country". However it was suggested that the then Minister of Foreign Affairs Dr. Chiepe meet the Danish Foreign Minister Uffe Elleman-Jensen in Europe to "thank Denmark for what it had done for Botswana", seek redress for the difficulties with "the refrigerated containers" and to consider ways of cooperating outside the traditional aid system.

The Danish communication had contained a reference to SADC and a hope that Denmark's close ties with SADC would continue and contribute to "stability and economic progress in Southern Africa".

## Netherlands

In 1999 the Netherlands' Ministry of Foreign Affairs,<sup>14</sup> following a general decision to concentrate bilateral aid, decided that Botswana should not be selected as a 'partner country', the main reason being its classification as a lower middle income country. In 2001 all TA contracts were phased out.

The Netherlands never had either an embassy in Botswana or a substantial bilateral development assistance programme. Some Dutch TA was administered from Zimbabwe. Since 1973 Dutch activities in Botswana had been implemented mostly by SNV-(Netherlands Development Organisation), a Dutch quasi-NGO.<sup>15</sup>

The decision not to include Botswana as a partner country was preceded in 1998 by an examination of recipient countries and decisions about which

## 3.3

<sup>12</sup> According to the stories related in Gaborone by persons remembering the case of the troublesome containers, they were a gift to Botswana to be used by Botswana Railways, which was alleged to have discarded some of them. These had come into the hands of private businessmen. Some of the containers had also been located in South Africa and the Danes found this unacceptable.

<sup>13</sup> Note verbale from the Ministry of Foreign Affairs, S.7 File No. 104.SADC.25, 12 August 1994.

<sup>14</sup> Minister for International Development Eveline Herfkens.

<sup>15</sup> SNV was originally a volunteer or TA organisation. It changed to become an implementer of bilateral aid projects in the 1980s, changed again in the 1990s to a programmatic approach to focus on performing an advisory role in the new millennium.

would remain partner countries and which would be countries for thematic co-operation. This policy development in the Netherlands, leading to both the 1999 decision and a later 2003 policy, identified countries from which the Netherlands would withdraw its bilateral development co-operation.

Botswana did not argue against the decision, but the decision makers and the project aid administrators were generally not happy with the fact of the exit. Voices from within government echoed disappointment as there were gaps in technical expertise.

Unrelated to this, a 1997 evaluation of SNV in Botswana suggested that SNV should plan a phasing out from Botswana. This was eventually accepted but SNV support continued in three important fields: HIV/AIDS, community-based natural resource management and to some extent also Remote Area Dwellers (RAD).

## 3.4

### Norway

Worldwide, the 1980s had witnessed a global recession and a new climate in the development co-operation arena. The talk about a “lost decade” and “donor fatigue” was, however, hardly appropriate for Norway where rising oil prices accelerated economic growth and popular support for aid was strong. The aid system had come into its own with Norad as a strong executing organ. Total ODA from Norway nearly tripled during the 1980s and the aid/GDP ratio was above 1 percent in most years. This trend continued into the 1990s.

It appears that some bureaucratic politics was played around the issue of future co-operation with Botswana. From the “head office” point of view it seemed that on a GDP per capita criterion Botswana should have its aid curtailed. However, a number of former aid workers and administrators who had worked in Botswana and claimed a deeper understanding of Botswana’s situation felt that there were good reasons why Norway should stay in Botswana for some time to come. The two sides did however appear to find common ground in the idea of *changing the character* of aid to Botswana.

In 1989 the outgoing Botswanan Ambassador in Stockholm travelled to the Nordic countries for talks with authorities. His appreciation of key policy makers’ views, which was communicated to MFA in Gaborone, was that there would *not* be any changes in Norway’s aid to Botswana in the foreseeable future. This indicates that the discussion among Norwegian aid professionals of ideas for a change in the aid relationship with Botswana had not yet reached the policy making level.

In 1990, they did: Oslo pressed for change in the implementation of the 1989-1993 country strategy. However, any major change was opposed by the Embassy, which argued that the frame had been agreed upon by the two countries and could only be changed marginally. The Embassy nevertheless expressed its concern about the “unacceptable”<sup>16</sup> gap between aid inflow and aid implementation,<sup>17</sup> resulting in the accumulation of a large amount of unspent Norwegian aid funds. This no doubt reinforced the argument for changing the aid relationship with Botswana.

In mid-1991 the MFDP was informed that the structure of Norwegian aid was to change towards a greater emphasis on institutional links and private sector co-operation to attain Botswana’s aims on economic diversification. The early reaction was rather negative. One important reason stressed by some government officials was that there were no readily available modalities for applying aid funding to the problems of private sector growth and diversi-

<sup>16</sup> BO T /39/89/ VI / I E 08.01.90 from the Embassy in Gaborone.

<sup>17</sup> Bistandssamarbeidet Botswana / Norge. Noen Refleksjoner. Attachment to BOT /39/89/ VI / I E from the Embassy in Gaborone.

fication which were at the centre of the signalled “new-style” aid. At roughly the same time the 1991/92 Norwegian government White Paper suggested that development co-operation with Botswana should change, referring to the UN decision to take Botswana out of the Least Developed Country group. The White Paper also noted that there was ongoing “dialogue” with the Botswanan authorities.<sup>18</sup>

The Norwegian Parliamentary Foreign Policy Committee’s deliberations and the debate in the Parliament (Storting) showed that there was agreement on *considering* whether Botswana should be phased out as a programme country but, according to most, only after a “post-apartheid regime” in South Africa was in place.

After a May 1993 aid debate in the Foreign Policy Committee and the Norwegian Parliament, the reorganisation was taken a step further. In late November 1993 a communiqué was signed by Mrs Nordheim Larsen, the Norwegian Minister of Development Co-operation, and Mr Masisi, the Assistant Minister of Finance in Botswana. This laid out a strategy for the new style of assistance to Botswana and was based on a paper prepared largely by headquarters in Norway.

Botswana understood the Norwegian decision on the change in aid strategy as an *administrative* matter. It was seen as a political decision Botswana could not influence. The overall aid agreement between the two nations was not viewed as (and was in fact not) a “treaty” covered by international law for which a change had to be agreed by both states and ratified by their parliaments. Also, the changes proposed seemed reasonable enough and there was no talk about any exit. So there was no basis for Botswana to bring the matter up at the political level.

The 1995/96 Norwegian White Paper on Development Co-operation,<sup>19</sup> which was tabled in Parliament in early 1995, was based on the report of the commission on Norwegian policy towards developing countries<sup>20</sup> and drove further home the decisions which had in fact already been taken (see Box 3.1). This stronger line was now also based on an improvement in the geopolitical situation in southern Africa. By 1995/96 the (1993) communiqué outlining the change had already been agreed and signed and more detailed work on the restructuring of Norwegian aid had in fact proceeded quite far, running ahead of policy development.

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<sup>18</sup> Part of this dialogue presumably refers to a joint consultancy between Botswana and Norway to produce proposals for the change process. A report was prepared by the University of Botswana but did not prove to be useful and was characterised by some as useless or very orthodox. The consultancy document itself has been impossible to trace.

<sup>19</sup> Report No 19 to the Storting (1995-96) A changing world. Main elements of Norwegian policy towards developing countries.

<sup>20</sup> NOU 1995: 5 Norsk Sør politikk for en verden i endring (Rapport from Nord/Sør Bistandskommisjonen).

**Box 3.1: The 1995/96 White Paper, statement on Botswana**

The recommendation specifically referring to Botswana is quite brief:

“The long lasting Norwegian co-operation has been based on the particular situation of the country being a front line nation. This situation has now changed. Also, Botswana has, over time, developed an economic basis and an institutional framework. This makes it proper to change the character of development co-operation.”

“...in Botswana ... the conditions are right for financing co-operation using funding allocations for regional co-operation and extended co-operation.”

The “extended co-operation” would be a form of co-operation designed for relatively developed countries and would be concentrated on:

- \* Democracy, human rights and peaceful conflict resolution
- \* Civil society and international co-operation
- \* Private sector development and economic development, and
- \* Environment.

The programmes agreed upon under this mode of co-operation would concentrate on areas where Norway had special advantages and an interest in contributing.

In establishing a system for co-operation with countries falling into Botswana’s category (using regional funding) the following are key guidelines:

\* Plan documents will spell out the main areas of concentration and criteria for allocating regional funds.

\* The mode of co-operation for countries utilising regional funding may vary with the needs of the country: some may favour private sector development, others infrastructure, others reform of public administration. All forms of co-operation will be aimed at changing structures which produce or maintain poverty.

\* For long-term co-operation, a main goal will be to strengthen organisations through building institutions and capacity by linking up with counterpart Norwegian institutions.

\* Co-operation will not be restricted to the public sector but will also comprise private sector and civil society institutions.

Formally, the situation was still not one of ‘exit’ but of a change in the aid approach. Despite some signs that an exit was imminent, most people in the Government of Botswana and apparently also at the Embassy really believed in a ‘restructuring’ rather than some form of ‘exit’.<sup>21</sup> To a number of players on both sides, however, there were indications that spelled the virtual end of Norwegian aid. The exit was accelerated by the snap decision to close the Norwegian Embassy in Gaborone, which is dealt with in section 4.3.1 below.

## 3.5

### Sweden

Sweden and Botswana had a long history of development co-operation, which started in 1966. It is not clear when Sweden started considering whether its strategy for co-operation with Botswana needed to change. An evaluation carried out in 1993 was seen as an input to the discussion of a transitional programme to be prepared for 1994–98. But according to sources in Gaborone it was clear even at the time of the 1993 study that a *de facto* decision had been taken to change the aid relationship with Botswana. The evaluation took the line that although changes might be necessary, Botswana would still need Swedish assistance.

<sup>21</sup> See, for example, the Norwegian Ambassador’s speech on 17 May 1996, which was widely interpreted as signalling that Norway is in Botswana to stay.

**Box 3.2: Recommendations: Support for Independence, 1994**

- Continuation of Sida support is needed until adequate capacity has been established and until satisfactory levels of performance in service provision are achieved.
- Sida support should focus primarily on capacity building, training and institution building, mainly for those activities which Sida has previously helped to establish in the water, education and local government sectors.
- There is scope for further reducing the level of Sida support provided for capital investment. However, it would be advisable to keep this matter under review since capital investment could conceivably become justified under difficult economic conditions.
- It would be premature for Sweden to expect to be able to broaden its development co-operation significantly with Botswana from support through Sida towards more commercial contacts and joint venture formation (for example, through SwedeCorp). For such a transition Botswana would have to make further advances in manpower development and capacity building and have a comprehensive vision of how economic diversification can be accomplished and how countries such as Sweden can assist this.
- At the least, any plans for future activities in the private sector should start with a thorough analysis of experience from Botswana's Financial Assistance Project (FAP) and earlier Swedish involvement in Botswana's industrial sector.

*Source: Support for Independence. An Evaluation of 27 Years of Development Co-operation with Botswana. Steffan Dahlgren, Tyrrel Duncan, Allan Gustafsson and Patrick Molutsi. SIDA Evaluation report 1994/2.*

Despite the report's plea that Botswana was not really ready to graduate, Sweden decided to pull out. The 'graduation' argument was clearly important for the decision. The change of government in South Africa in 1994 strengthened the resolve to exit. Also, the general movement towards *country concentration* in Swedish development co-operation policy moved decisions towards exiting.

In addition, Sweden had domestically a real need to reduce state expenditure. As expressed by Sida in 1996:

"Sweden experiences since some years back a huge budget deficit. Strong measures are taken to improve the economy. These measures include severe budget cuts that will result in the Swedish development assistance being reduced to 0,7% per cent of the GNP, thus to the level recommended by United Nations for international aid, but which as we know very few countries adhere to. However, the Swedish Government intends to honour the allocation to Botswana as agreed upon in 1994."<sup>22</sup>

The decision to phase out programme aid was communicated to Botswana in 1994 in connection with the negotiations for the country programme for 1994–1998. The Swedish strategy was based on the principle that by the end of 1998 Swedish aid should change from traditional grant aid to broader co-operation with a focus on commercial and private sector relations.

The 1994–98 programme appears quite like the programmes that had been run under the Botswanan-Swedish co-operation relationship for a long time. The description of the programme of SEK 163 million over the period however included the proviso that the balance at the end of the period would be refunded to Sweden. The profile of the programme was characterised by an emphasis on the continuation and conclusion of aid in the traditional

<sup>22</sup> Agreed Minutes: Botswana / Sweden Development Cooperation Consultations, 3rd to 5th June, 1996. Annex 1 Introductory speech by Mr Jan Bjerninger, Sida

Swedish areas of co-operation: District Development Sector Support, Education and Culture Sector Support and the Personnel and Consultancy fund. When the programme was set up there was little indication of the profile of and strategy for the new style of aid post-1998. This was outlined in greater detail during the mid-term programme review in 1996.

During this programme review Botswana was informed of the aid mechanisms and channels that would be in place from 1999. The phasing out strategy was discussed openly with Botswana. Several candidates for emphasis were mentioned, among them Local Government and also the Water programme that had been phased out earlier. Also discussed was the human resources situation, which was set to worsen because of AIDS. The AIDS-discussion focused on how to deal with the personnel crisis in the health sector and the role of civil society and NGO support. Education and the cultural sector were suggested as sectors for emphasis but appeared to have low priority for Botswana.

The decision taken, there was no audible protest from either side. While not welcoming the change, Botswana's response was passive, the feeling clearly being that the recipient just would have to accept the actions of the donor. On the Swedish side there was neither any strong interest from non government organisations nor from the private sector in maintaining the relationship. However, the Swedish government wanted to indicate that there was "a future together" notwithstanding its clear indication that programme-aid would be phased out. Clearly, Sweden saw a certain amount of self-interest in maintaining a good relationship.

Botswana's Foreign Affairs Minister Merafhe visited Sweden in September 1996. He was briefed beforehand by the Swedish Mid-Term Review delegation and according to their report expressed his great satisfaction over the plans as well as Botswana's gratitude for what had been done so far, saying that "Botswana is truly indebted to Sweden".

## 3.6

### Response from Botswana

The Botswana Government reaction to the exit decisions, though not very active and vocal at the time, was, according to interviews in Botswana, clearly against the termination of donor aid. Botswana argued that an exit justified merely by a high per capita income would be unfair, since development could not be equated with economic growth. The exit decisions appeared in many cases too hurried and took the authorities by surprise. The Government of Botswana had come to consider the aid inflow as part of their public finance system and still felt that aid was needed.

A key concern for the Botswana was to retain the TA which was at the time much more important than financial aid. As the early signals from the two bigger donors were about *restructuring*, not *exit*, the reaction was however one of understanding. Botswana would in principle like to see "a soft landing" where aid could be reduced and reshaped but where increasing trade and other co-operation took over as aid was phased out. The latter was however seen to be difficult because of the lack of known implementation modalities for institutional co-operation and private sector development.

Ever since NDP 7 (1991–1997), Botswana had expected a drop in financial support from donors. When NDP 8 (1997–2003) was being prepared, however, Botswana tried to re-engage previous donors, among other things by setting up an office for donor coordination, which Botswana did not have before. The attempt however did not succeed to any significant degree.

During the process of exit, as reflected in the interviews in 2007, the Botswana expressed sentiments that perhaps were more emotional than official. Some felt that donors should have stayed in Botswana to make sure the coun-

try became a development success. They argued that this would highlight the country's position as a role model for other developing countries. Another sentiment very often expressed at various levels was that the real message coming out of the way donors left was that "you have to mismanage to benefit from development co-operation".

Also heard was a more complex argument involving taxpayer perceptions in donor countries. It was argued that it was, in a global sense, important that northern taxpayers appreciated aid. They could be convinced by seeing aid work in Botswana, which used its assistance to better effect than many other countries. There was also the argument that donors, having invested so much in Botswana, had a 'duty' to stay with the country to make sure that the investment was maintained and not wasted. Finally, it was argued that Botswana is now requested to give TA to countries such as Liberia and Sierra Leone. While Botswana would have to say no for lack of expertise, it would be able to deliver if it was given TA by the former donors.

Both donors and Botswana still felt that the withdrawal in many ways was good for the country. Although Botswana reacted by saying that "we still need your expertise", government appreciated the medium-term exit planning that the major donors put into effect. Some Botswana also had the feeling that the pull-out created a higher degree of ownership: "It's good to be regarded as grown up".

Culturally, it is easy to conclude that the reason for the non-existent or muffled resistance against exit is embodied in the Setswana saying "you should thank somebody who has taken you across the river".

Summing up the Botswana reaction to donor exit is perhaps best done in the words of former President Masire: "We did not feel that it was terribly fair, but we cannot thank them enough for what they did!"

## Conclusions

## 3.7

At the turn of the 1990s many donors had made up their minds to leave Botswana. The economic growth had already in 1974 made Botswana ineligible for IDA credits and later in 1992 gave it middle income status. The message to Botswana was clearly that the country was a case for 'graduation'. After 1994 it was indicated that since a reason for support had been the country's role as a frontline state, the change in South Africa was also an argument for exit. The argument for exit had a further element of "others need aid more". One reason why this element strengthened in the early 1990s was that restructuring and reform of earlier 'basket case countries' during the 1980s in some cases had generated potential recipients which could use aid as effectively as Botswana.

For the four donors included in this study not only the circumstances in Botswana but also their internal processes played important roles in the decision making around exiting. In Denmark, for example, the changes taking place in its aid policy and delivery systems, particularly the emphasis on the concentration principle, was clearly one of the reasons for the perceived need to exit from Botswana. The concentration principle also lay behind the Netherlands' exit decision. In Norway, the decision had ripened over a number of years and was supported by several government papers and policy discussions on aid in general. Whereas in Norway budgetary problems were never said to be a reason for changing the character of aid, financial stringency at home clearly contributed to the Swedish decision and perhaps also to the determination and speed with which the exit was executed.

Botswana did not consider the option of bringing the exit decisions up to the political level or attempt to influence the electorates and parliamentarians

in the donor countries.<sup>23</sup> When this point was raised during the interviews a fairly common reaction was a) to agree that a political approach had not been tried b) to agree that it could (in some cases should) actually have been done. Aid was defined – by the donors as well as the recipient – as an administrative issue and the idea that it could be subject to political discussion had not materialised at the time. “The one who pays the piper calls the tune”. Botswana however basically shared the donors’ view that aid could not last forever. The loss of aid did not seem to cause any concern in the Botswanan Parliament. The consultation that took place between Botswana and the donors focused on exit planning and management rather than discussing whether or not exit would take place.

When donors signalled their decisions on exiting, Botswana had solid budget surpluses and the withdrawal of financial aid was not likely to be a cause for concern. The apprehension shown on the finance side may be explained by the fact that the administration had come to regard financial aid as a *part of the public finance management system* of Botswana. Finance officials found it a useful system that they largely controlled and were not enthusiastic about the proposed changes, which would both reduce aid inflows and, as important, take co-operation funding out of the government budget sphere.

All donors to some extent adopted plans for their exit. For all of them, a key strategy was not to spoil the results of previous co-operation. In the case of the Netherlands, the plan was largely synonymous with the SNV withdrawal plan. For Denmark, the orderliness of the exit decided upon in the early 1990s was apparently somewhat affected by the snap 1994 decision to cut aid to Botswana. In the cases of Norway and Sweden, plans were worked out and based on consultation with Botswana. The plans were implemented during phase out periods for conventional aid of respectively three and four years’ duration. In both cases, plans contained an ambition and suggested modalities for continued co-operation with Botswana without significant aid funding. In both cases, institutional co-operation and trade/economic co-operation were highlighted.

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<sup>23</sup> As had been done by the three main Tswana chiefs in the UK during colonial days when they with the help of politicians and the church went to action on the British political stage in order to prevent Botswana from being annexed by the Union of South Africa and coming under the apartheid regime.

## Chapter 4

# Analysis of exit management and implementation

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## 4.1

### Denmark

Whereas the Danish 1990-1994 co-operation programme with Botswana included the use of DKK 75 million, an intention to exit was communicated to Botswana in 1992. Botswana proposed a ministerial meeting, among other things to discuss co-operation after the era of bilateral aid. The phase out plans were however overtaken by the events that led to the Danish decision in 1994 not to make further funding available for official bilateral assistance to Botswana.

After 1994, Danish bilateral aid to Botswana was kept virtually at zero until 2001. The management strategy was based on a project by project approach. Small contributions to projects on occupational safety and a container terminal/dry port were phased out by 1996/97. The ill-fated “Northern Cluster Electrification” project came to nothing and so apparently also did the “Botswana Railways Refrigerated Containers” project, although a reappraisal of this project was suggested by Denmark. In summary, although the 1994 decision seemed abrupt and cuts were made to potential aid, the exit was managed project by project in a way that did not damage ongoing work.

A brief resurgence of aid took place from 2001. The expenditure ‘spike’ for that year was due to several projects being implemented roughly over the same period,<sup>24</sup> falling to the DKK 5 million level in the years following. By October 2007 only some NGO activity remained: “Human rights and legal aid” (Danish Centre for Human Rights), “First People of Kalahari” (IWIGA), and “The Bushmen Project” (Mellomfolkeligt Samvirke).

## 4.2

### Netherlands

There is little evidence of any planning of the exit from Botswana although apparently the Zimbabwe Embassy was requested to develop a strategy.

The official strategy was premised on:

- fulfilment of legal commitments or handing over to the government or other donors;
- no destruction of capital;
- no new commitments; and
- completion of the exit within three years.

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<sup>24</sup> The expenditure data received from Denmark give a peak in 2001 whereas the project information for the relatively large projects around that time does not appear to indicate such a peak.

In 2001 the Netherlands decided to phase out all TA contracts. At the same time it decided that Botswana would be part of the regional HIV/AIDS programme managed by the Dutch Embassy in Zimbabwe. In 2003, implementation of the exit strategy was considered to have been completed.

SNV, in principle a NGO, was very closely connected to the Dutch Ministry of Foreign Affairs. Whether therefore SNV's activities should be seen as country to country assistance or institutional/NGO assistance seems to be a rather formal point. SNV's exit from Botswana may be seen as part of the Netherlands' exit.

In 1997, an evaluation of SNV activities was conducted. The report emphasised that the presence of SNV in Botswana was critical. However, Botswana was perceived to be a non-poor country, having graduated from least developed country status.

SNV development co-operation personnel worked in a number of sectors, e.g. as local authority planning officers. The phase out planned for 2001 was delayed by problems concerning the audit of the last SNV game farm project. By 2003, the exit strategy had been accomplished and activities in Botswana were thenceforth to be managed by the Dutch Embassy in Zimbabwe.

Although generally stakeholders in Botswana were disappointed with the decision to exit, they appreciated the gradual phasing out by the Netherlands over a period which allowed for adjustment and remedial planning.

The SNV exit must be characterised as fairly smooth although the local NGO partners were not able immediately to replace the funding channel that SNV constituted. There was, however, some disagreement between the SNV headquarters and its Botswana office over the role of AIDS programmes, which HQ wanted to abolish but which the Botswana representative argued had been very successful as a small project on HIV/AIDS care and should be completed. HQ nevertheless reduced the overall budget and timeframe. Also, the Ghanzi farm project run by the Dutch Reformed Church on a private farm in Ghanzi was difficult to hand over and needed additional audits. The SNV office closed in 2003.

In conclusion, the SNV exit was nearly as smooth as it could have been. The problem was that the way SNV worked – with local NGOs – and the sectors in which it worked – HIV/AIDS and rural areas – were of particular importance for many Botswana.

## Norway

The plan for restructuring was set out in an annex<sup>25</sup> to a signed communiqué that came out of a late 1993 meeting between the Norwegian Minister for Development Co-operation and the Botswanan Assistant Minister of Finance and Development Planning. The annex, headed 'Strategy', was prefaced with reference to "main objectives, principles and guidelines for Norwegian development co-operation presented in a report to the Norwegian Parliament,<sup>26</sup> approved in June 1993". The strategy was, for all intents and purposes, also a road map for the change. The key points of the strategy were to:

- Gradually reduce traditional development assistance over a period of three years;
- Phase out on-going programmes without undue disruption;
- Target development assistance during the phasing out period at four main sectors, i.e. roads, health, remote area dwellers and the environment, and

<sup>25</sup> Memorandum on the Strategy for Development Co-operation between Botswana and Norway 1994-1996 and Beyond.

<sup>26</sup> Innst S nr 195. (1991-92) Innstilling fra utenriks og konstitusjonskomiteen om utviklingstrekk i Nord-Sør forholdet og Norges samarbeid med utviklingslandene (St meld nr 51 for 1991-92).

## 4.3

lay the foundation for long-term co-operation not dependent on development aid;

- Concentrate development co-operation on capacity building;
- Facilitate the establishment of new forms of co-operation not dependent on development assistance funding;
- Base plans on the assumption that Botswana's status as a programme country would be maintained up to 1997, although development assistance funding could also be made available after 1997 "taking into account the conditions at the time"; and
- Stress recipient responsibility: "The Botswana authorities shall be invited to investigate potential areas of co-operation, and present their own proposals". Experience with the Botswanan authorities had shown that recipient responsibility had been assumed to a greater degree in Botswana than in other African programme countries. Recipient responsibility clearly influenced the thinking in the process of restructuring. Botswana was asked what kind of restructuring it wanted. Problems arose in respect of coordination and of the slowness of Ministries in Botswana in coming up with proposals. Some Norad officials felt that "we went too far on recipient responsibility".

At the general policy level the Norwegians saw the strategy as a 'pilot programme' that could be applied also to comparable cases of development co-operation in Africa. It was realised that the programme would have to be adapted to the priorities of Norwegian and Botswanan institutions, a task that was seen as very demanding for the state apparatus, particularly in the start-up phase.

The in-house deliberations on the management of the 1994–1996 strategy (October 1993) in advance of the Ministers' meeting in Gaborone set out the following objectives for the period:

- No reduction in the overall financial country frame but a slight reduction in the country's conventional bilateral programme by reducing financial assistance and TA for the road and health sectors;
- Change the character of assistance towards mutuality, aiming to end aid dependence;
- Safeguard the results achieved so far;
- Emphasize particularly directions and channels such as institutional co-operation, private sector co-operation and capacity building, to be applied particularly within the health and roads sectors;
- In a number of new areas, called the "modern institutions", use co-operation funding to start off and establish institutional links that could continue after aid had been phased out. Examples of 'modern institutions' cited were the central bank and the bureau of statistics;
- Explore co-operation relations within interesting sectors such as minority groups, the environment and research; and
- Avoid reducing allocations to the voluntary service during the period.

It was assumed that establishing the "new style" co-operation would require conventional development co-operation financing during the initial phase.

#### *The new style co-operation blueprint – management and channels*

Annual meetings between the Botswanan and Norwegian governments were to be the key management tool for monitoring progress and agreeing on work plans and budgets.

To develop co-operation between Norway and Botswana for long term post aid co-operation posed challenges for both the Norwegian development co-operation administration and the Botswanan authorities. Changes in the Norwegian development co-operation apparatus were envisaged to adjust to the new co-operation framework. This would include increased facilitation and coordination of measures.

Within the country programme which was to be the main channel for assistance during 1994-96, there would be a special item for financing specific assignments aimed at reorganising development co-operation. Optimistic plans were announced for NGOs which would be invited to examine the possibilities for more target-oriented co-operation with Botswanan NGOs with a view to strengthening them and developing their expertise. The expertise offered by the Volunteer Service was seen as corresponding closely to the needs expressed by the Botswana authorities. The level of assistance was supposed to be maintained at more or less the existing level during the 1994-1996 period. The blueprint also opened the way for special allocations during the reorganisation phase, particularly for environment, women, culture, AIDS and research. Support mechanisms for industrial and commercial co-operation, scholarships and SADC programmes and projects were also mentioned as useful channels.

The Botswana all along expressed the need to proceed slowly. In his speech at the signing of the communiqué, Minister Masisi hoped for slippage into 1997 and that TA "in its present form would be continued beyond 1996 given the current acute shortage of manpower in the professional field".

The programme period 1994-96 was thus a period for phasing out the "old style" projects and phasing in the new. Each of the sectors was handled differently depending on the interest of the Botswana and the capacity of the Norwegians to find suitable cooperating institutions.

A study on new aims and sectors for the restructuring had been undertaken by the University of Botswana, as agreed between the MFDP and the Embassy in Gaborone. The study was accepted by the MFDP but was seemingly of little assistance, and was characterised by some as 'disastrous'. The Embassy later reported that line ministries had been asked to prepare project proposals based on the report, which the MFDP would then consider for negotiation with Norad. Apparently the MLGLH in particular prioritised the follow-up of the report. The Embassy considered the process "positive and creative" but little is known to have come out of it.

### *Key programmes*

In preparation for the new style of co-operation, the more important inputs for subsequent operations were sectoral studies, plans and agreements.

In the case of *health*, a consultancy study towards the end of 1992 prepared the backbone of the new programme. An escalation plan for Botswana's share of financing was proposed. The 1996-2000 agreement was extended several times and a new agreement focusing on human resources development and capacity building for the HIV/AIDS sector was signed despite the declared exit. The final agreement will expire in 2012 (see section 5.3).

Concerning the *roads* sector, the Department of Roads (DR) had prior connections with the Norwegian Public Roads Authority (NPRA) and was encouraged to continue to use that link. An old-style sector agreement was signed in 1993 for 3½ years and a new institution-based agreement in 1998. Institutional contracts have been extended several times and the latter agreement is due to expire in 2007 (see section 5.4).

The Botswana Society's Symposium on *Remote Area Dwellers* (RAD) in 1993 helped to form the basis for a future policy in the RAD field. Norad later

(1994) commissioned a sector study which however became so controversial that it could not form a constructive bridge to future aid for the sector. A subsequent study by CMI (published in 1996) did not evoke the same problem but its recommendations were not followed up. Except for the long-term, still existing research co-operation between the University of Tromsø and the University of Botswana, there was therefore, by mid 2007, no Norwegian supported activity in the RAD area.

In respect of *the economy and economic diversification*, the idea was to supply expertise for both the public and private sectors. A study was to be carried out to acquire insight into the potentials and limitations of various forms of industrial development in Botswana in order to evaluate the possibilities for Norwegian interests. This would identify relevant and interested institutions, organisations and companies which, after an initial phase of funding assistance, would pursue long-term independent co-operation.

Also, an idea of a Norway / Botswana seminar to chart the way forward on economic co-operation was discussed at a meeting in Gaborone in 2001 between the Permanent Secretary (PS) MFDP and the then Norwegian Ambassador accredited to Botswana. Despite goodwill on both sides and several attempts by Botswana to revive the idea, neither the study nor the seminar has up to 2007 taken place.<sup>27</sup>

#### *MFA and the exit*

When the incoming Ambassador arrived towards the end of 1996, what looked like a change in the aid relationship had started. A number of institutional co-operation agreements had been entered into, particularly in the NGO sector, and the new style health project was also running. The ambassador, however, maintains that he was not aware of the phasing out or exit strategy that was in place. The message that the Embassy was to be closed drove home the impression that the Norwegians were aiming at a close-down rather than the restructuring for which they were presumed to be preparing.

In 1997 Botswana officially ceased to be a prioritised Norwegian partner country. Institutional co-operation in the health, roads, natural resource and environmental management sectors as well as in the productive sector was to continue in accordance with the co-operation agreements covering aid financing. The reduction of development co-operation with Botswana had by and large been accomplished according to the plan. An evaluation of the development assistance concluded that it had been successful. A particular success factor was said to be the Botswanan authorities' efficient coordination.<sup>28</sup>

For most sectors the phase out period was gradually extended much longer than initially envisaged. Within the health and roads sectors, small-scale activities still take place based on institutional co-operation. The future of these activities is generally considered to be uncertain.

#### *Success or failure?*

The success rating by involved aid officials is split, the assessment of aid professionals deviating from that of MFA officials. There is clearly a feeling among some Norad staff who were active at the time that Norway should not have seen it as an absolute requirement to end traditional co-operation at a specific *time*. They hold that in many programmes and projects much better results could have been gained with small extensions. MFA was, however, reluctant to accept this.

<sup>27</sup> Personal experience. The Embassy requested BIDPA, of which I was director at the time, to arrange the seminar together with CMI. Repeated attempts to implement the idea and contacts with MFA indicate to me that the Norwegian authorities have decided to park the matter.

<sup>28</sup> St.prp.nr. 1 1998–1999.

Other aid officials rate the exit management as a *success*. They consider that it had been a good strategy to raise the issue in the early 1990s, far in advance of communicating the actual decision. This was said to be a good form for the start of negotiations. The process of phasing out was helped by the continuity and stability of the Botswanan civil service.

The interviews with aid officials create the feeling that Norad's and MFA's assessment of the success of exit management differ. Most Norad officials who worked on the ground saw the restructuring as real and not as a euphemistic term for the end of co-operation. Indeed, the blueprint strategy and the government documents referred to above never talked about ending aid to Botswana.

The success rating depends on which position is taken: Seen as an exit, in the sense of termination of aid, it may well be said to have been successful, apart perhaps from the sudden and unexpected closure of the Embassy. If the aim was the proclaimed 'change in the aid relationship', it is hard to conclude that it was successful.

It appears that development professionals and foreign policy officials had different ideas about the exit, giving rise to a slight controversy on the Norwegian side. The dividing line ran essentially between Norad and MFA, since nearly all development professionals at the time were gathered in Norad and the political/diplomatic staff in MFA. Whereas development professionals saw an interesting challenge in the new style of co-operation and pushed it through the government apparatus, from the outside it looks as if the diplomatic side at MFA, needing another 'slot' for an embassy, exercised its dominance at the diplomatic side to close the Botswana Embassy. This "pulled the rug" under the main pillar for development of post aid co-operation relations between Norway and Botswana. Had the aid professionals prevailed, one might have ended up with much more substantive post-exit co-operation than the 'near-zero-and-declining' co-operation seen on the ground in 2007.

There is little doubt that the exit decisions were, in the final analysis, 'political' in the sense that they were based on decisions and documents of the Norwegian Storting. Considering the timing of the political decisions and the start of the administration's preparations for change, it is fairly clear that the development professionals were in the lead. At the time of the 1995/96 White Paper the blueprint for exit was clear and many implementing steps had been taken. However, a real 'political' decision was the closure of the Embassy, in which apparently development professionals did not have a say at all.

During the exit process, it appears that communication was a problem. While the blueprint appeared to be pretty adequate, there is little evidence that Botswana took it to heart or even focused on it. In some cases, there may have been good reasons for recipient confusion about the exact message:

- After the strategy was launched there was a brief scale-up of the volunteer service, which was later seen not to be a good idea and had to be scaled back;
- In the middle of the process of communicating and agreeing on the restructuring, the Minister of Foreign Affairs visited Botswana and apparently made new promises to Botswana;
- The 2002 agreement on a new anti-HIV/AIDS project also seemed, although for perfectly laudable reasons, to negate the exit; and
- Finally, quite far into the process the Embassy must still have been working under the impression that the process was one of restructuring and not of termination. An example of this is the 17th May Norwegian Constitution day speech in Gaborone only about a year before the Embassy was closed. The Ambassador's enthusiastic statement was difficult to understand in any other way than that "Norway is here to stay".<sup>29</sup>

<sup>29</sup> 17th May 1996 speech by Norwegian Ambassador. Government of Norway (1996).

### *Remains*

What remains of co-operation is not much. In *roads*, the Roads Department (RD) will finish its Co-operation Agreement with the Norwegian Public Roads Authority (NPRA) this year and it is uncertain what will happen next. The feeling is that if Norad funding does not come into the picture, nothing will happen. In the health sector, the final phasing out will happen in 2012 and it does not seem that anybody has ambitions for joint activities after that.

The private sector co-operation and focus on economic diversification never got going. What may be seen as trade and private sector links at the present time has little or nothing to do with the aid 'restructuring' link.

The Botswana Institute for Development Policy Analysis, which was supported by institutional co-operation with the CMI during the early days, still has 'off and on' relations with the CMI.

Looking at the situation on the ground, there is doubt that the intended institutional linkages can be said still to endure. Personal links appear to be more central but in the long run are of course ephemeral.

#### **4.3.1 Embassy closure**

Since 1990 the Norwegian Embassy in Gaborone was a combined Embassy in that the Ambassador was also the head of the aid office and all staff were occupied with aid rather than political and diplomatic matters. The staff were engaged in running programme aid and a closure of the Embassy would under normal circumstances have left programmes hanging. In theory, of course, when the restructuring of the programme was completed programmes and projects would not need much attention from the donor officials since activities would be based on the cooperating institutions. Nevertheless, in practice the Embassy was an important overall manager of programmes in the 1994–96 period and beyond and would be irreplaceable as a door opener and problem solver for any Norwegian institution that wanted to cooperate with Botswanan institutions.

The Ambassador who arrived in Gaborone in late 1996 first heard news of the decision to close the Embassy a few days before travelling to Botswana. He was not allowed to inform the Government of Botswana before December 1996 since such a message had to come from the higher levels of the Norwegian MFA. Foreign Affairs Minister Vollebæk (MFA) brought the official message in early 1997 when he attended a SADC meeting in Gaborone.

In Botswana, according to the observations of the incoming Ambassador, the situation was that work on the restructuring of the programme was under way and that a number of contracts and agreements with private organisations had been signed. That a termination rather than a restructuring was at hand was understood neither by the Botswana counterparts nor by many of the Embassy staff and was met with disbelief and regret. From a personnel perspective, it was a difficult task to have to terminate contracts or stop extensions, which had to be done in fairly large numbers with the volunteer corps. Also, Embassy staff contracts had to be terminated in a situation where the closure was still officially unknown to the government of the host country.

Although the closure decision considerably speeded up the exit process, it does not appear to have been consciously used with that purpose in mind. It is difficult to interpret the closure as anything else than a gigantic breakdown of communication between Norad and the 'mother' ministry, MFA. The 'snap' closure decision stands out clearly as a unilateral and un-diplomatic act on the part of MFA. The reasons for the decision are unclear. There are no indications that it was planned as a part of the aid restructuring. Most guesses were that the reasons were political and of importance to the incoming coalition government in Norway led by the Christian Peoples Party (KrF). If an em-

bassy were to be closed there would be more room to open embassies in countries which so far did not have Norwegian representation (perhaps Nepal, Madagascar, Uganda and Ethiopia).

Norad had supported a *restructuring* of aid and wanted representation in Botswana as long as Norwegian aid personnel were there. The closing of the Embassy was characterised by the majority of officials interviewed as unnecessarily abrupt. In Norad, it was felt that Norway had an obligation to stay as a real partner with Botswana, but that this had no priority in MFA.

The Embassy finally closed down in reasonably good order at the end of 1997, only 6-8 months after the official announcement. The reaction from Botswana was one of regret and was characterised by some as “painful”. Botswana tended to see the closure as an end of the direct contact which they appreciated and needed more than the money. Today, the Botswana officials involved remember the Norad office with its resident coordinator and staff as being very helpful. Through the Embassy, Botswana was able to liaise with implementing agencies but the personal contact was lost at closure. The Swedish decision to keep its Embassy was much preferred.

There appears to have been no strategy for the closure of the Embassy. It was not, as it could have been, seen as a logical step in the phase out of the Norwegian aid. The problem that arose from the combination of the closure with several running and legally binding multi-year contracts was for a while solved by placing a Norad representative with the consulate to follow up projects. Later, project responsibility was transferred to the Zimbabwe Embassy.

## Sweden

## 4.4

A Memorandum of Understanding between the Governments of Botswana and Sweden covering the period 1994-1998 was signed in February 1994. According to this the majority of grant-based aid would be terminated by the end of 1998 and then replaced by broader co-operation with a mainly commercial focus.<sup>30</sup> In 1994, only a broad outline of the change was agreed. A more detailed strategy was prepared in a 1996 mid-term review of the 1994–1998 programme.

The broad lines of the transition process from traditional to ‘widened’ co-operation were drawn up strategically and operationally by means of the mid-term review. Up to the end of 1998, traditional country programme modalities were to be used. For the new-style co-operation beginning in 1999, an important part of the operational strategy was the indication of available funding channels which were still to be available. Measures to attain sustainability were also addressed. After the mid-term review, Sida was to produce suggestions for a strategy for co-operation with Botswana from 1999 based on the lines and principles drawn up.

The broad post-1998 areas of co-operation were “Promotion of Increased Economic Co-operation”, “Regional Programmes and Co-operation”, and “Intensified Political Dialogue on Issues of Mutual Concern”.

Particularly under “Promotion of increased economic co-operation” and in general for the whole post-1998 structure, a key funding channel was the so-called Kontraktsfinansierad Teknisk Samarbete (KTS, in English ‘Contract-Financed Technical Assistance’). Under KTS Sida gives a partial contribution to co-operation projects, especially in the initial phase. The funding is often aimed at productive sectors and public administration but not in the form of support to private companies. There is some doubt as to whether this

<sup>30</sup> Sida 24.05.1996 Instruktion för halvtidsöversyn; Embassy of Sweden 11.03.1996 Review of the 1994 Country Strategy.

funding mechanism has worked as well as expected and indeed whether it was in fact very different from the traditional funding mechanisms. Comments on the KTS funding in late 1998 pointed out that it would hardly be much used for the reason that Sida had been “reactive”, i.e. had not pushed the KTS option.

Box 4.1 below shows some of the results of a study of the use of KTS in Botswana and Mozambique. In Botswana, most of the characteristics of KTS projects were said to have been applied with the exceptions that longer-term project funding had been allowed and that it was not as “hands off” as it was supposed to be.

**Box 4.1: Evaluation of KTS and Local Ownership**

- The principle of ‘limited duration’ has been used in a flexible way, whereby both projects with a multi-year duration and projects that were one of a series have been approved;
- Sida’s role was not really hands-off, as it is supposed to be in KTS projects. Reasons were:
  - The history: an intensive relationship had already developed between some of the partner organisations and Sida during the country programme;
  - Sida’s policy: organisations were asked to pay attention to various objectives (gender, environment and remote areas). This tends to contradict the hands-off approach;
  - Sida’s desk officers decided to take action in two cases of delays in project approval and implementation.
- The cost-sharing criterion has, however, been applied rather strictly, which is understandable given the fact that Botswana is an upper middle-income country;
- In fact, several organisations remarked that they did not see much difference from other projects, which are not described as KTS, but where there is also a contract, cost-sharing and tendering;
- It is not clear who decides to put the label “KTS” on the aid form. Apparently, it is not the budget line that is decisive, as we have found that certain phases of KTS projects were funded through the Personnel and Consultancy (PK) Fund and not through INEC/KTS.

Excerpted from: Evaluation of Contract-Financed Technical Co-operation and Local Ownership, Botswana & Mozambique (2nd Draft 22/03/2002), Gaspar Cuambe, Annet Ungen, Gloria Somolekae, Peter de Valk.

Under the label of ‘economic co-operation’ there would be access to the so-called “Start South” programme for Swedish small enterprises interested in business relations with Botswana. Botswana would furthermore continue to be eligible for concessional credits and participants from Botswana would continue to be invited to take part in the Swedish arrangement called ‘international courses’. Special efforts would be made to increase participation from the social sectors, from civil society and from NGOs.

For “Regional Programmes and Co-operation” Botswana would be eligible for support from the regional financing mechanisms for public administration and cultural co-operation. Botswana would also be prioritised for regional funding of HIV/AIDS projects since the country was considered to be one of the countries hit hardest in the Southern African region. Botswana would continue to be eligible for Sida’s regional programmes and projects supporting democracy and human rights. One potential area pointed out was support for maintaining the culture and rights of the Basarwa. Botswana was also seen as playing a continuing role in regional co-operation under a Swedish-funded regional programme comprising some Southern African countries and SADC to secure a balance between national demands for water and the availability of

water in the region. Funding would be available for Botswana's participation in regional research programmes "where this is considered suitable".

The final area of post-1998 co-operation, "Intensified Political Dialogue on Issues of Mutual Concern", would be funded as and when necessary. The declared background for this was that Sweden wished to maintain and intensify political dialogue on issues of mutual concern. A number of examples were mentioned: regional matters and issues of national concern in Southern Africa; matters of common interest in the UN; and aspects of EU policies such as the promotion of democracy and human rights in the region, conflict prevention, security issues, and economic and social development.

Comments and action from various stakeholders, both Swedish and Botswanan, indicate that the realism of the planned post-1998 programme was in considerable doubt:

- a) The Gaborone Embassy argued repeatedly in favour of using a certain level of development co-operation funding to support activities to create links between Swedish and Botswanan institutions and enterprises. In a number of instances the Embassy asked to be allowed to use some development co-operation funding on "catalytic" measures or projects, but the home administration kept a very restrictive line;
- b) It was pointed out that there was a capacity shortage among NGOs in Sweden, which would make it very difficult to build broader co-operation. The possible benefits of further promotion of Botswanan tourism and more and better press coverage about Botswana in Sweden were pointed out;
- c) The Embassy also suggested that money that could not be used from the country frame when it came to an end in 1998 should be deposited in a fund to be used to support activities in Botswana "without too much bureaucracy". The request was not granted;
- d) There was all along agreement, not even a real discussion, about the fact that the scope for private sector co-operation was very limited. An HQ comment on the Embassy's plea for more catalytic resources for this purpose was that it was supposed to work *without* the 'oiling' of development funding but that the prospects for this were poor indeed since it had never been made to work even *with* such funding!
- e) The semi-annual meeting in December 1995 discussed private sector co-operation and the Botswanan Chairman noted that this had been elusive over the years. While the importance of high-level visits was fully appreciated, the meeting felt they would be more fruitful if local business people themselves could meet their Swedish counterparts;
- f) During the same meeting the Swedish Ambassador suggested that the Botswanan Embassy in Stockholm should be encouraged to facilitate exchange programmes between Botswanan and Swedish institutions for successful implementation of "broadened co-operation". The suggestion was fully supported;
- g) It appears that up to 2000 the Embassy was active, within its restricted frame, in promoting 'widened co-operation'. The Swedish Export Council was called upon to undertake a study on the possibilities for Botswana-Sweden trade and investment.<sup>31</sup> However, a number of activities to follow up this study as well as attempts to use co-operation funds 'catalytically' to start new self-propelling activity were declined by the Swedish MFA on the grounds that they were not self-propelling or based on cost-sharing or did not fit into the sectors and categories for which broadened co-operation had been planned.

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<sup>31</sup> Country Survey: Possibilities for Swedish trade and investments in Botswana, October 1998.

The phase out of traditional co-operation during the 1994–98 period was dealt with much according to plan but with small differences between the main components, DDSS, “Education and Culture Sector Support” and the “Personnel and Consultancy Fund”.

The last *DDSS agreement*, which Sida had supported since 1979, expired in June 1997. The overall objective of the programme had been to strengthen the administrative capacity of local authorities at district level and create conditions for the decentralisation of decision-making to the local level. A comment from a HQ mission in September 1997 indicates that there were concerns from the Swedish side that the exit from this sector would act as a brake on the ongoing process of decentralisation in Botswana.

A final sector review was carried out in November 1997, focusing on achievements during the last three years (DDSS V) and the sustainability of the programme. An evaluation of the DDSS was completed in November 1998. Concerns for any negative effects arising from the Swedish exit were not prominent.

In the area of *Education and Culture Sector Support*, an annual sector review took place in May 1997, indicating that all the government sub-programmes seemed to be sustainable. The only sub-programme with some concern for sustainability was the Sida support to cultural groups provided through the Botswana Cultural Activities Support Trust. The seven years of institutional co-operation between the National Museum in Botswana and Folkens Museum in Sweden came to an end in December 1997. The National Museum’s officers, who benefited from the assistance in the form of on-the-job training, were considered to be able to continue their functions without the consultants. A final result analysis was prepared and reported on in the last Semi-Annual Meeting in November 1998.<sup>32</sup>

The Agreement on the *Personnel and Consultancy Fund* was extended up to December 1998 with the addition of SEK 15.2 million from the available country frame. Balances from the DDSS and the Education and Culture Sector Support would also be added to the PC Fund. The fund agreement was later extended up to the end of June 1999 with the proviso that project activities to be reimbursed by Sida would have to be finalised at the latest by 30 September 1998 and if financed directly by Sweden, by 31 March 1999.

A number of *smaller projects* were ending and about to be phased out: the Sanitation and Hygiene Promotion Pilot Project (UNICEF) and in addition projects within HIV/AIDS, Environment, and Personnel Computerised National Atlas and Geographical Information System. Other projects comprised Business Development (Tswelopele), a Rural Electrification Project, Democracy and Human Rights, a Political Education Project/Emang Basadi, a Human Rights Education Programme, Ditshwanelo – the Botswana Centre for Human Rights, Women and Law in Southern Africa, and the Media Institute of Southern Africa (MISA). It was considered important not to exclude Botswana from the HIV/AIDS co-operation because the country frame co-operation ceased at the end of 1998.<sup>33</sup>

At the annual meeting in June 1996 it became clear that SEK 25.1 million of the 1994–98 allocation might not be spent before 1998. Some new areas of co-operation were pointed out. The Swedish Delegation indicated that co-operation should preferably focus on organisations which had been assisted in the past, given the limited time perspective. It was agreed that the time between 1996 and 1998 did not allow for engagement in building up new institutions.

<sup>32</sup> In fact another meeting was held in the first half of 1999.

<sup>33</sup> Report from travel. Lars-Olof Höök mission to Botswana, Namibia, Zimbabwe 1997-09-22 1997-10-.03.

Some problems in day-to-day management and “nuts and bolts” administration are pointed out under 4.4.1 below. In 1998, decision making rights were delegated from AFRA (Department for Africa) to DESO (Democracy and social development) within the Sida head office. Responsibility for the personnel and consultancy (PK) fund was transferred to the Embassy from AFRA for funding decisions up to a certain (low) ceiling. Access to PK was rendered cumbersome since the Embassy was no longer linked to Sida’s accounting system but to MEA’s.

During and after 1994–1998, MFA stuck very strictly to the decision not to use aid funding to ‘oil’ institutional or commercial co-operation. One concession was, however, that projects that ‘just’ missed the deadline for the country programme as it expired in 1998 could be financed within the regional frame. Projects in such a situation were assessed to have SEK 6–10 million outstanding by the end of 1998.

In 1999 Botswana ceased to be a Swedish programme country and from that time the Embassy had no Sida staff. In the same year the Swedish government reiterated that it would like to continue co-operation in a broader form and a document concerning future co-operation with Botswana was produced.<sup>34</sup>

An official final punctuation mark for the orthodox development co-operation programme was made by the Swedish Foreign Affairs Minister Anna Lindh in February 1999. The talks with her Botswana counterpart stressed that Sweden and Botswana were still close and underlined the following five areas for continued co-operation:

1. Intensified political dialogue on issues of mutual concern. These could be regional matters and issues of national concern in Southern Africa, also matters of common interest in the UN or aspects of EU policies;
2. Regional development in Southern Africa, of which Botswana had for many years been a champion, having had the chair of SADC and the secretariat in Gaborone;
3. The promotion of increased economic co-operation, business contacts, trade and investment. Several Swedish companies were already active in Botswana;
4. A programme initiated by Sweden in the region, together with the countries concerned and SADC, that aimed at securing a balance between national demands for water and the supply of water in the region;
5. HIV/AIDS, a devastating killer that Botswana was trying to prevent and combat.

The final results analysis of the Swedish programme from 1966 to 1998 gives<sup>35</sup> a rather flattering picture of the way and time during which the exit was implemented. The main conclusions of the analysis were that:

- “basic capacity now exists in the areas addressed by Sida over the period of co-operation. All the programmes/projects that were originally run by Swedish experts have now been handed over to Botswana, who have produced this report”;
- “...the GOB is committed to continue funding the programmes started with Sida funds, as evidenced by their inclusion in National Development Plan 8 which runs up to 2003”.

<sup>34</sup> Swedish Embassy 17.06.1999, Promemorior Breddat ekonomiskt samarbete mellan Botswana och Sverige.

<sup>35</sup> Government of Botswana (1999). Final Results Analysis Report, Swedish Development Co-Operation with Botswana, 1966–1998. Government of Botswana, Gaborone.

A listing of the Swedish activities on the ground at the beginning of 2000, about a year after the programme aid had been concluded, shows that a true exit, compared to the SEK 160 million programme of 1994–98, had indeed been executed. What was left comprised small projects with a number of institutions such as the Department of Surveying and Mapping, HIV/AIDS programmes (with UNDP and UNICEF), Emergency relief (with UNICEF), support to the women's group Emang Basadi, support to the Botswana Telecommunications Authority (with IFTC), Traffic Safety (traffic police) (with IFTC), Industrial competition/BNPC (with IFTC), International courses in Sweden, and Research co-operation (environmental science).

A small number of projects were planned, among them continued support for combating HIV/AIDS (UNDP, UNICEF and NGO), the Government Computer Bureau (IFTC) and the Botswana Agricultural Union (IFTC), as well as more international courses in Sweden.

Looking at the picture in 2007, the Embassy was still playing a role in managing a small aid programme in Botswana. The Embassy dealt with the International Training Programme (ITP) but saw this as an uphill battle because Sida had not shown much interest in it. The Contract Finance Technical Co-operation (KTS) was the biggest area with, for example, co-operation in broadcasting and metrology and some other items being planned or considered. Considerable NGO support for HIV/AIDS work was expected to come on stream, but the present intervention was managed mostly by the Swedish-Norwegian AIDS team in Lusaka. The Ministry of Works and Communication was still engaged in TA co-financing with Sweden. One example was the review of the Road Traffic Act but the project appeared not to be moving. There was a feeling that Botswana was not really a priority with Sida. The Embassy still expressed its long continued general concern about limited access to funds for worthwhile projects<sup>36</sup>. The present HIV/AIDS programme was run through UNDP and UNICEF but with Sida funding.

Comparing Sweden and Norway, it is clear that Norway was less interested in a strict cut off point for conventional aid than was Sweden. From the Norwegian side, the Ambassador's 17 May 1996 speech indicated that for Norway it was the results that counted and that they were therefore ready to put in more resources where things worked well<sup>37</sup>.

#### **4.4.1 Role of the Embassy**

Apparently Sweden had considered closing the Botswana Embassy but when Swedish Foreign Minister Anna Lindh visited the country in February 1999 she had apparently influenced the decision in favour of *not* closing it.

In 1997, in spite of the still on-going 'country-frame-type' 1994–1998 programme, it was decided that the Embassy would cease to be a so-called 'Integrated Embassy' from as soon as 1 January 1998.<sup>38</sup> This implied a number of practical problems, for example with regard to the new Sida accounting system, as the Embassy did not have a computer link to this system. As a consequence of not being an 'Integrated Embassy', the internal accounting system was changed to the one used by the MFA.

With regard to the staffing of the Embassy, Sida agreed that the two remaining 'Sida' staff (one first secretary and one locally employed part-time senior programme officer) could remain until 15 July and 30 December 1998 respectively, provided that the costs could be covered by the country frame, which was agreed to by Botswana. As from 1999, no Sida staff was engaged in

<sup>36</sup> Closure of the Swedish Embassy mid 2008 was decided late 2007.

<sup>37</sup> 17th May 1996 speech by Norwegian Ambassador.

<sup>38</sup> Botswana - Development Co-operation Report 1998, P Keskinen/C Rehlen, Embassy of Sweden, Gaborone, 1 December 1998.

the Embassy (apart for a part-time officer posted in Windhoek), which meant that the Embassy to a large extent had to rely on the capacity of Sida-Stockholm and its regional officers for continued co-operation with Botswana.

One may question whether it was a good idea to withdraw the Sida personnel from the Embassy a full year before the country frame-based co-operation came to an end. A Sida official travel report from late 1997 suggests that a particular effort would have to be made by the Sida office (AFRA) to make sure that the 30 years of co-operation could be concluded in a proper way and a base be laid for continued contacts.<sup>39</sup>

In 2007, small aid projects continued to be handled by the Embassy, as mentioned above. The ambassador's main job was officially SADC but the capacity was restricted.<sup>40</sup> More than half of the activities were related to SADC and nearly all were political activities.

The Embassy has been asked to work with "widening" but the lack of interest and resources makes it frustrating. There is no proper system to take care of the particular situation within the Embassy or within Sida. Attempts to integrate Sida into projects have not really worked. Communication is difficult without a Sida presence.

The mere existence of an Embassy does not appear to have had a very noticeable effect on the extent of broader development co-operation compared to the Norwegian case where the Embassy was closed. The Botswana, however, appear to appreciate the maintenance of the Swedish Embassy and feel that it makes a difference in bilateral relations. Sweden has been sympathetic on certain issues and the Embassy provides a basis for discussions.

## Response from Botswana

## 4.5

The donors decided to leave Botswana at roughly the same time. As the Botswanan Government realised that there would be a withdrawal of at least some aid, there was considerable concern about the effect on TA. Botswana attempted to stem the donor exodus with measures like the opening of an aid management unit in the MFDP, but it appeared to have little effect.

Form and process are important in the Botswana administration. When interviewed, many Botswana officials involved at the time, although not pointing to any damaging consequences of the exit, felt that a more than 30 year old relationship had been ended in an "abrupt" and "unceremonious" way. In particular, but not exclusively, this is related to the Norwegian closure of the Gaborone Embassy.

Botswana felt generally that they had received little information on the donors' decisions to withdraw or restructure. Key Botswanan officials at the time make mention of informal messages and indications in private conversations. To their mind, the information came in dribs and drabs without any clear official communication setting out a plan for what was to happen later. The lack of clear information led to some misunderstandings about the intended objective of the restructuring. The feeling was that the content of "partnership" after the restructuring was not well defined.

The scepticism about the possibility of invigorating the private sector without any 'oiling' with aid funds was at least as profound in Botswana as in Norway and Sweden. The private sector in Botswana seems to think that the emphasis on trade and private sector links was "cold comfort". Within Government circles the new Norwegian and Swedish emphasis on institutions, trade and the private sector was felt to have little chance because of the lack of modalities to make such interventions operational.

<sup>39</sup> Report from travel. Lars-Olof Höök mission to Botswana, Namibia, Zimbabwe 1997-09-22 1997-10:03.

<sup>40</sup> Interview with Karlstrøm Dorph.

Botswana officials interviewed characterised the aid exit as smooth. There was no evidence of any project that collapsed because of withdrawal. In no way was there any crisis situation. They pointed out that the planning system within which aid had operated was known to them and did not need donor input. Problems had, however, arisen around performance and delivery, mainly because of the exodus of TA. This had made a dent, not in planning but in knowledge management systems, organisation and technology, which are important for efficient public sector delivery.

The Botswana interviewed tended to distinguish clearly between financial (hard) support and TA/human resource/institutional support (the soft side). Whereas Botswana's needs were heavily on the soft side, donor systems linked the two sides so that the exit from one necessarily meant exit from the other. Several interviewees stressed that the soft side did not comprise only TA, and emphasised the learning effect through donors which have worldwide access to a variety of development experiences.

Among some there was a feeling that the presence of donors had a positive effect on transparency and accountability. The way Botswana used to have to "open its books to the world" made it necessary to keep the highest professional standards. The same observers feel that this effect was about to be eroded and/or that there was too much political influence on professional matters.

## 4.6

### Conclusions

*All the exits were conducted in such a way that ongoing activities were not harmfully affected.* This is true even in the case of Denmark where the snap decision in 1994 might have halted activities. In summary, although the 1994 decision seemed abrupt and cuts were made in potential aid, the exit was managed project by project in a way which did not damage ongoing work.

The damage caused was of course to planned activities that could not go forward, but this was related to the *decision* to exit more than the *way* in which it was managed. The reasons for the successful outcome were several. First, a quick exit was not really the predominant priority in any of the cases and therefore projects could be concluded before exit. Second, most projects were part of a government programme managed by the recipient which had its own financial means to complete the activities.

On the financial side the *withdrawal was helped by the simultaneous improvement of diamond revenue*. A donor exit combined with a decline in diamond revenue might have caused some financial disruption. To a certain extent, therefore, the orderly withdrawal was fortuitous. Still, it should be remembered that grant funding from the beginning of the 1990s up to 2007 comprised only 2-4% of the government budget.

The size and shape of bilateral co-operation for Denmark and the Netherlands did not really necessitate elaborate plans for exiting. *In the case of the major donors, Norway and Sweden, plans for exiting clearly existed.* The similarity between the respective plans was that they aimed at continuing cooperative relations with Botswana post exit. In both cases, there were certain general objectives for the new style of co-operation but these were clearly less important than the methods for implementation, which, in both cases, emphasised inter-institutional co-operation. Above all, objectives appeared less important than the requirement that in the (undefined) long run little or no *aid funding* should be involved.

Because both donors had long implemented bilateral co-operation through medium-term programmes, the obvious approach was to define somewhat similar programmes for completing the phasing out of old -style aid and phas-

ing in the new. Norway decided on the three-year period 1994–1996 and Sweden the five-year period of 1994–1998.

#### *Phasing out traditional aid*

In the case of Norway and Sweden, *the most important emphasis for the transitional period was to phase out sub-programmes and projects in an orderly manner.* The central management tools were annual and semi-annual meetings at the programme level, which enforced shrinking aid budgets in full coordination with the Botswana authorities.

Despite evidence of ‘difficult times’ and ‘hard work’ for the staff involved we find a surprising absence of indications that any project or programme was anywhere near rendered unsuccessful or unsustainable by the type of exit management used. The end evaluation of Swedish aid was overwhelmingly positive with regard to sustainability as well as phasing out. A one-sentence comment in a report from a Swedish mission to Botswana pointed out a danger that Botswana’s progress in building up the district administration might be restricted because of the ending of the DDSS programme. The only critical comments in an overall evaluation of Norwegian aid to the health sector pointed out that given a major imbalance between infrastructure and personnel to run it, Norway had not communicated this strongly enough to the Botswana authorities.

While results in terms of projects were successful, a focus only on discrete interventions often misses the overall role of TA as a lubricant and problem solver in the general administration of the recipient country. The exit of TA was seen by many as the most negative feature of the donor exit. Considerable flexibility was exercised by all the donors and the planning system, with donor aid on budget, as well as the orderly way in which co-operation was conducted helped reduce the negative effects. But because of the tendency of most donors to be involved in the more human resource-intensive social sectors, the parallel withdrawal of finance and TA affected those sectors most.

In a situation like Botswana’s at the time of the withdrawal, *cost sharing* would seem to be a logical solution. It was used by the Norwegians and Swedes (particularly through KTS), UNDP and a number of other bilaterals, e.g. the Germans. One example often mentioned was the African Development Foundation, which is engaged in a number of development areas, e.g. support to small business. Still, the feeling is that the cost-sharing system was not used as flexibly and as much as it could have been.

#### *Phase in of ‘new’ co-operation*

The Norwegians and Swedes took slightly different routes with regard to the phase in of new co-operation activities. While Norway conducted several consultancy studies as an input to the transitional programme and produced an overall blueprint before the start, the Swedish approach was to use the mid-term review (1996) of the 1994–98 programme to discuss the transition with Botswana and then decide about activities for the last two traditional years and modalities for the ‘new’ phase. It seems as if both approaches worked well but that the work done by Norway to establish institutional partners before and after 1996 led to relatively more ‘new’ activities early on in the ‘post aid’ period.

For both Norway and Sweden there was a tension between the aid professionals (particularly in-country staff) and the MFA/HQ, with the HQ much more focused on completing the exit in line with the time plan and the in-country being concerned with a phase out that did not jeopardize development results. The Swedish resolve to complete on time was, probably for budget reasons, stronger than the Norwegian. Norway had a much more explicit aim of using aid funds to build institutional links. Particularly after 1998, Swe-

den was very clear about not ‘oiling’ new relationships with aid money. Again, this led to somewhat greater ‘new’ activity on the Norwegian side in the first years after the transition.

With regard to the countries’ different approaches to resident representation, Botswana clearly favours the Swedish solution with a functioning Embassy in Gaborone. It is, however, uncertain whether a ‘diplomatic’ Embassy (without Sida personnel) is much better than no Embassy at all in terms of post-exit development activities in Botswana. If Sida personnel were to be reintroduced at the Embassy, the problem would be whether they would be helpful under a regime where access to aid funds (even for ‘catalytic activities’) would be very restricted.

Whereas the Botswana administration, with its strong corps of long-serving civil servants, operated ostensibly seamlessly during the phasing out of aid, the build-up to the new form of co-operation was much more problematic. This was mainly because there was a communication problem, perhaps rooted in the fact that objectives and modalities for the post-aid phase had to be created along the way.

Botswanan civil servants expressed their scepticism very early in the process on the basis of the lack of known modalities for the new-style co-operation. In Botswana there was perhaps a feeling that whereas the idea was the restructuring of aid, donor officials did not manage adequately to think “outside the box”. The donors, on their side, focused on recipient responsibility, which meant that it would be incumbent on Botswana to come up with the “outside-the-box” ideas.

Were the objectives for the restructuring realised? In the cases of Norway and Sweden this is a particularly difficult question because the intentions for the new-style co-operation were not quite clear at the outset. On the one hand, aid channels and modalities available for Botswana up to 2007 appear to have conformed quite well with what was foreseen. On the other hand, considering Botswana’s actual use of these channels and the present volume and direction of co-operation, the situation is far from what probably had been envisaged.

## Chapter 5

# Analysis of exit consequences

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## 5.1

### Introduction

The following sections deal with the consequences of exit in some key areas. The emphasis is on the transition from conventional bilateral co-operation to an envisaged new relation between Botswana and Norway. After a brief consideration of overall bilateral relations we look at Norwegian co-operation in the Health and Roads sectors and the “minority group sector” usually called the Remote Area Dweller (RAD) sector. We also look at two special issues, namely how in the aftermath Botswana handled the loss of TA and the funding squeeze on NGOs which came as a fall-out from the exit of state to state co-operation.

In the cases of Norwegian and Swedish co-operation, the idea of “exit” was to continue relations through institutional co-operation after conventional government to government aid had been phased out<sup>41</sup>. On close inspection one will still find remnants of such institutional relations. The lack of potential for mutual economic interests, the geographical distance of Botswana from the European donors and the size of the Botswana economy are clearly key reasons for that situation. The ‘remnants’ in existence are however largely based on somewhat erratic activities, characterised by individual initiatives and implementation. There is some uncertainty over whether this was the outcome aimed at by the donors. Although some interviewees would characterise it as a success that any links exist at all, most would agree that the present level of contacts and co-operation is much below what was expected or hoped for.

## 5.2

### Change of bilateral relations

In terms of diplomatic relations the major result of the exit has been that Norway closed its Embassy in Gaborone. Denmark and the Netherlands never had diplomatic representation in Botswana. The Swedish Embassy still<sup>42</sup> exists and, according to the Botswana, diplomatically sets this donor apart from the other three. Denmark, the Netherlands and Norway are represented by consulates.

The process leading to majority rule in South Africa was completed in 1994 and affected Botswana’s relations with South Africa itself as well as regional and non-regional powers. It led to a shift in donors’ attention away from Botswana as a poor country and frontline state and towards the country’s important regional role<sup>43</sup> as the seat for SADC.

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<sup>41</sup> The Swedish talked about a broadened co-operation, the Norwegians more often used the term restructuring of bilateral relations.

<sup>42</sup> But is planned to close down in mid-2008.

<sup>43</sup> As illustrated by the Swedish post-exit emphasis on Intensified Political Dialogue on Issues of Mutual Concern, among others regional matters and issues of national concern in Southern Africa.

Despite the greater private sector involvement envisaged by the touted restructuring and widening, little has happened. Companies that tried mostly failed. It is often pointed out that Botswana has more important trade links to Norway than to any other European nation, but this is built on the longstanding transport of Botswanan nickel for refining by Falconbridge in Norway and has little connection with a Norwegian private sector presence. Norway and Sweden also take a considerable quantity of Botswanan beef.

Sweden, Denmark and the Netherlands also relate to Botswana via the EU. Norway, which is an EFTA country, also has relations to Botswana via the EFTA/SACU agreement. The Norwegian, Dutch and Danish Embassies in Pretoria now cover Botswana.

## The health sector

## 5.3

Apart from Norway's long standing support to the health sector in Botswana an important reason for selecting this sector as one of the new institutional co-operation areas was the feeling within the Norad top management that HIV/AIDS should be exempted from any phasing out.

The phase out of the conventional programmes seems to have gone smoothly. The reaction from health officials interviewed in Botswana characterised the exit as "consensual". A consultancy study towards the end of 1992 set up the basis for a new programme which came to cover eight different sub-programmes and involved seven Norwegian participating institutions. The consultancy report stressed that there had been a high level of consensus between Botswana and Norway about selection of priority sub sectors and that the new approach signified a move away from "giving and receiving" to "dialogue and partnership".

Except in the case of medical students in Norway, for whom Botswana would pay all costs not related to language training and tuition, an escalation plan for financial sharing was set up. At the start Botswana would cover local costs with topping up from Norway. From 1997 however 30 percent of the cost of services from Norwegian institutions would be defrayed by Botswana. From 1998 the share would be increased to 50 percent.

The new Health Sector Agreement started in 1996 and was to end in 2001. Each of the eight different projects involved a relationship between a Botswanan and a Norwegian partner within the health sector. On the Norwegian side three universities were involved in medical education and research. Also participating were the Norwegian Bureau of Statistics, the Norwegian Board of Health, the District Medical Service of Rogaland, and Diakonhjemmet College (International Department).

The total budget was NOK 90 million, of which Botswana would pay NOK 30 million. After the end of the agreement, the remainder of Norway-Botswana bilateral co-operation would be the education of Botswana physicians at Norwegian universities. In 2007 it was believed that the programmes would end in 2012 with a planned output of 40 Botswana physicians.

The agreed new programme did not imply that the door was closed for other initiatives. A new programme, the so-called Human Resource Project (BOT 2201), starting 2004 was based on the successful co-operation between Botswana and Norway during the 1980s and 1990s when health personnel from Norway were stationed in Botswana. The proposal for the new programme was presented in 2002 when the President of Botswana visited Norway. The Norwegian Minister for Development Co-operation accepted the proposal. The Botswanan authorities later defined their requirements through dialogue with Norad. The objectives of the project were to alleviate the additional workload on the Botswana health system caused by the increasing use of ARV therapy; to build capacity for the training of health personnel with a

view to meeting the human resource requirements for the health sector; and to improve the ARV therapy programme uptake.

Also, in addition to the institutional co-operation programme of 1996, in a less formal way it was hinted from the Norwegian side that in the event of a medical faculty being established at the University of Botswana, Norway would be ready to contribute TA on a long-term basis.<sup>44</sup>

The training component under the 2004 programme continues and will be phased out in 2012. This is based on an agreement between the Health and Education Ministries in Botswana and the university hospitals in Bergen and Tromsø. The intention was that the students would do internships in Botswana but they are actually doing them in Norway. The Norwegians do not seem to have anything against this. The students in question have argued that internship in Botswana will not be internationally recognised.

The Botswanan officials doubt that the co-operation will continue beyond 2012. In Botswana there are however ideas for further co-operation in the areas of e.g. telemedicine and expertise-on-tap from Norway as well as medical evaluation and electives for Norwegian students in Botswana. The hospital in Molepolole has a link to Norway whereby a few Norwegian nurses receive practical training.

#### *Development and management of the institutional co-operation programme*

The day-to-day management of the institution based health sector programme was undertaken by individuals from DIS, which was the lead Norwegian institution, and from MoH, the Botswana counterpart. Implementation reporting and decision making took place at the Annual Meetings and were recorded in annual reports. Examination of reports from annual meetings gives the impression of a programme that was initially actively and well managed despite certain difficulties. However over time activities 'fizzled out' and projects were not renewed. This was particularly the case after the Embassy was relocated to Harare. Issues highlighted in Annual Reports and minutes of annual meetings are as follows:

- Needs for administrative resources had possibly been underestimated at the outset. Very early during implementation it was found necessary to strengthen the administrative resources on the Botswana side;
- Although there were suggestions for new sub projects at the beginning, the general impression was that the momentum in terms of new initiatives declined over the years;
- Some common obstacles faced many of the subprojects. Particularly important areas were human resource constraints, a variable degree of partnership between Norwegian and Botswanan counterparts and Botswana's high dependency on Norwegian institutions;
- From 2003 the Botswanan partners took the lead in implementation. The Norwegian partners' skills would be requested as consultants as and when needed and would be paid directly by the Botswanan authorities. This would simplify the coordination requirements, reduce the DIS mandate and give MoH a chance to decide on their own consultancy requirements. The arrangement seems to have worked well;
- A number of implementation obstacles however arose perhaps as a result of the Embassy being moved to Harare. One particular issue was the delay of approval by the Botswana Nursing Council for midwifery instructors. In general the Harare Embassy complained that "it was in many ways not easy to cooperate with the Ministry of Health about transfer of health

<sup>44</sup> 17th May 1996 speech by Norwegian Ambassador.

personnel from Norway and the preparations took much longer time than what was expected. When they arrived in Botswana, housing, equipment, and furniture were lacking for many. They were only given hotel accommodation for two weeks. The rest has been covered by Haukeland University Hospital (HUH) as well as local salaries for the first months. The latter have now been paid back to the HUH<sup>45</sup>;

- Particular problems arose in the area of public health. This is clear from the minutes of several annual meetings and was also reflected in interviews in Botswana in 2007. Firstly, it was unpopular for students to specialise in public health because clinical work was thought to be more interesting. A second problem was that medical personnel educated for Botswana preferred to stay in urban areas. It was also difficult to get foreigners as public health officers since there was a language problem in the rural areas. Botswana felt that more could have been done about the District Medical Officer (DMO) problem by increasing remuneration. Norway was asked whether the problem could not be solved through a Norwegian top-up. This was however not possible within the Norwegian system. With hindsight, however, the view from the Botswana side was that “it was really our lack of planning that caused the trouble”<sup>46</sup>. The problem was finally solved by the situation in Zimbabwe which became so bad that it was possible for Botswana to recruit physicians and other health personnel from that country on a scale beyond their expectations.

The conduct and the results of the “new” health programme have not yet been evaluated. Most of the officers interviewed however tended to consider the exit as having worked well. However, as pointed out above: if the objective for the ‘exit’ was enduring institutional relations post exit, the likely end of all co-operation after 2012 spells failure rather than success.

An evaluation of the conventional bilateral Norwegian health programmes in Botswana<sup>47</sup> from 1972 to 1996 was published in April 1998. It pointed out that the co-operation was helped generally by the fact that Norwegian experts had long been both administrative and operational personnel and had “been sitting on both sides of the table”. The strongest point of criticism in the report was that Norad should have entered into a stronger dialogue with Botswana when it became clear that the country was not following up its plans to localise the physician positions (DMOs) in the district health teams.

## The roads sector

TA in the roads sector had been somewhat reduced in the late 1980s. At an informal level, talk about withdrawal started before 1987. An equipment-intensive phase was wound down before that, in line with a shift in aid away from construction to human development and social programmes. Although it was not a sudden withdrawal, Botswana and Norway failed to follow up with an aggressive training programme. The Norwegians said that they had already done this. Key areas for future co-operation were research and preparation of various manuals. The Norwegians showed flexibility and agreed to pay for a new head of DR after the departure of the Norwegian TA-financed incumbent, and financed training programmes in the UK.

## 5.4

<sup>45</sup> Government of Norway (2006). Letter to MFA, Section for Southern and Western Africa from the Norwegian Embassy in Harare. BOT 2201- Rapport fra årlig møte i Gaborone, Thomas Dahl / Sonja McLeod, Harare 2006. (translated to English by author).

<sup>46</sup> Interview with senior health official in Gaborone July 2007.

<sup>47</sup> BOT 003, 008, 009, 014, 015, 401, Diverse helseprogram i Botswana 1972–1996, Avslutningsdokument (D/T) April 1998.

The state to state programme co-operation was to be phased out during the period 1994–1996.<sup>48</sup> Consideration would be given to closer co-operation between the Botswanan road authorities and the Norwegian Public Roads Authority (NPRA), and possibly other Norwegian groups of experts in the road sector, with a view to establishing independent, long-term co-operation based on common professional interests. Traditional TA would gradually be reduced in line with Botswana's own plans for training and localisation. Further TA would take place within the framework of institutional co-operation.

The Roads Department and the Norwegian Public Roads Administration (NPRA) had a co-operation relationship going back a number of years. The NPRA, however, seemed unprepared for a different relationship. They were nonetheless turned around by the Norwegian Ambassador, who is reported to have been instrumental in setting up the new relationship, which still lasts.

The proposed institutional co-operation showed some start-up problems. At the Annual Meeting between the Roads Department, NPRA and Norad in April 1998, the new programme was reviewed and Norad expressed the view that the current programme documents did not describe the objectives and activities sufficiently clearly or coherently. In particular, the absence of quantitative indicators would make it difficult to meet Norad's reporting requirements. It was agreed by the meeting "that there is a need to define outputs more precisely in order for Roads Department to be able to report according to the requirements of the Agreement" and "to engage a moderator to assist in redefining the 1998 programme in terms of log-frame requirements"<sup>49</sup>. A moderator was eventually employed and helped the Roads Department (RD) to deal directly with donors. The problem presumably arose because RD did not have the requisite expertise for preparation of aid project proposals. During the period of Conventional programme aid project proposals had been drafted by the MFDP, serving as the government aid coordinator.

Before the closure of the Norwegian Embassy in Gaborone a new institutional co-operation programme between the Botswanan Roads Department and NPRA for four years was set up.<sup>50</sup> For various reasons, the programme was not finalised until mid-2007, but all components were completed and Botswana covered all the costs incurred after Norad support was withdrawn from this programme in 2003.

In November 2004 a new agreement was signed between the Roads Department and NPRA for institutional co-operation over the period 2005 to 2010. This agreement had a budget of P18.4 million, of which the Government of Botswana was responsible for 83 percent. Norad and NPRA supported the programme with 15 and 2 percent respectively.

The main activity for the 2004 programme will be the revision of the Botswana Road Design Manual and the Standard Specifications for Road and Bridge Works, which take about 60 percent of the total budget. Other projects, such as the continuation of the pavement monitoring programme, the Guideline for Highway Safety Planning, revision of the Public Road Act and general assistance on selected topics, are also part of the new programme. The programme for institutional co-operation is managed through a Technical Forum in a similar manner as the previous programme.

On the Botswana side there is great satisfaction with the way the exit from the Roads sector was done. It is conceded that it may not have been properly planned but it was still conducted in an orderly manner. The exit was said to

<sup>48</sup> Memo Dec 1993.

<sup>49</sup> Braithwaite, Mary (June 1998). NORAD Technical Assistance to Roads Department. Report on Review and Refinement of Institutional Co-operation Programme 1998-2000.

<sup>50</sup> The following is excerpted from a joint RD NPRA publication on Botswana – Norway, over 30 years of Co-operation in the roads sector.

help erode the ‘dependency syndrome’ and made the organisation believe in itself. The transition was a difficult period but necessary. “The only way we can leave development aid is to have to!”<sup>51</sup>

According to centrally placed interviewees, the co-operation with NPRA helped Botswana to stand on its own two feet. The possible problem of loss of expertise did not seem to have been crucial. Losing staff was at the time, a general problem for the Government. In the road sector Botswana at the time however appeared to be quite well supplied with technicians and artisans. Botswana was able to fill a large share of such positions when Norwegian TA was phased out. At the *management* level the situation was more critical.

The phase out of Norwegian aid to the roads sector in Botswana clearly illustrates the role of individuals, particularly in the change-over from conventional to ‘new-style’ relations. Botswana is a small country and individuals rather than organisations are decision makers and performers. The story of Norway’s relatively successful exit and further institutional co-operation, derived from both interviews and reports underlying this study, often revolves around three persons. Firstly, the former (Norwegian) head of RD in the late 1980s played a very important role in localising the department and building local skills so that the withdrawal of TA became much less painful than it otherwise would have been. This was not a forwardly planned move but the result of strong individual convictions about the importance of phasing out TA fast. Secondly, the then Norwegian Ambassador was instrumental in getting the institutional co-operation going, convincing a not wholly enthusiastic NPRA about the value of such co-operation. Last but not least, a technical expert formally and informally played the role of hands-on manager and took care of institutional relationships during the implementation of the co-operation and still stays with RD in Botswana.

If we look at the exit from the roads sector as a process towards ending conventional support to the sector, there are good reasons to conclude that it was successful. However, as in the case of health, the conclusion becomes much less certain if the aim is seen as *restructuring* co-operation aimed at a long lasting institutional relationship beyond the period of conventional state to state aid. Continuation of Botswana-Norway relations in the roads sector beyond 2007 will again, as has been the case over the last decade, depend on the existence and institutional support given to enthusiastic individuals.

## Handling the loss of TA

## 5.5

During the start of phase out of TA from Botswana in the beginning of the nineties, the country was recovering from a recession which had succeeded the 1980s boom (GDP actually declined in 1991). The private sector was picking up again but the professional segment of the labour market was still not very tight.

From several rounds of interviews in Gaborone during the fieldwork, it is clear that if there was any effect of the exit which was regretted it would be the loss of TA. The feedback from officials in post at that time clearly showed that the exit of TA was seen to be a blow to development efforts. To some extent this was found to be related to the current situation in Botswana where available government funds still far outstripped implementation capacity. But this sentiment is not uniform. Some well-placed observers seem to think that the exit of TA did not cause too much of a problem and indeed had considerable positive effects (see section 5.4 above).

It was quite clear from nearly all feedback in Botswana in July 2007 that the government at present has a major problem in executing development programmes and delivering public services. Hospitals are not operational be-

<sup>51</sup> Interview in Botswana July 2007 of former high level officer in the Roads Department.

cause of a lack of human resources. Lack of quality control over buildings and road construction render them cracked and sometimes unusable. The government has recently attempted to improve the situation by setting up implementation units in ministries as well as a central secretariat for implementation. There is little doubt that greater capacity is needed. The private sector, according to some, is not able to handle even half of the NDP projects.

A minority of interviewees indicate that the problems of today are linked to the withdrawal of TA in the 1990s but a number of other reasons are also mentioned. To a direct question on whether the quality of planning and implementation is poorer now than before, the answer was in one case that “this is unpalatable but true”. The private sector offers better pay and the effects of globalisation are evident in that Botswanan doctors now work in countries like Ireland. The supply of key professionals increases but demand is also growing fast.

The return of TA delivered by donors is seen as a possibility by a few; others feel that the government would bring on serious political problems if that were to happen. Another sentiment is that if TA could have been continued and not broken off in the 1990s, the Botswanan government could have benefited greatly in terms of implementation and delivery: “If we could have extended the TA input it would have been helpful”.

While it is clearly realised that Botswana has upgraded its staff in terms of the level of education, there is quite a bit of reminiscence about the practical action-oriented approach of the old TA, for example the Implementation Unit for the establishment of Gaborone and the management of the Selebi Phikwe township and infrastructure implementation. Overall, the argument is perhaps not so much about the lack of training and the ability of Botswanan human resources but rather about the need for “excellent people or institutions to benchmark against”. The “role model” effect of former TA was also mentioned. The young volunteers and experts who worked very hard in the early days and had Botswana’s best interests at heart had a positive influence on the young Botswana with whom they worked side by side.

The market for professional skills in Botswana is quite competitive. Construction of infrastructure in Africa in general has been boosted over the last few years. For example, the MWC increasingly has to compete with other African countries in addition to the former competitors, South Africa and the domestic private sector. Botswana has a considerable development budget and uses local as well as foreign construction companies and consultants to implement projects. The lack of highly competent officers that can ‘blow the whistle’ on foreign and local companies that do not perform to the required standards means that the government does not spend money as efficiently as it could.

What could have been done to avoid decline in the supply of key qualified manpower in the aftermath of the TA exit? A perhaps interesting comparison between TA and financial support could be made. Since financial support was mostly delivered through the budget and thus managed through Botswana’s excellent planning system, it was relatively easy to plan for a withdrawal and fill the gap with local financial resources that were available. TA, however, was not fully integrated into the personnel system and it was therefore not so easy to foresee the results of donor exits and take measures in good time. Also, while financial resources were fungible, human resources were diverse and would need to be catered for in different ways with different terms of service, which could not easily be accommodated by the existing government system. It is possible that personnel planning system along the lines of the financial system could have smoothed the problems of TA exit. However no system could have solved the sheer scarcity of resources which was the key problem

on the human resource side, quite unlike the relative abundance on the financial side.

One solution would be to replace experts formerly supplied by donors like Sweden and Norway with experts from elsewhere. It would be financially possible for government to 'purchase' TA in the marketplace. A key problem of such an option is that Botswana government salary regulations cannot accommodate international salaries. Even if they did, there would be political problems with opposition backbenchers as well as the media that would complain about "enormous salaries drawn by foreign experts". Apparently, the requisite amount of political will to counter such criticism does not exist.

The 'enormous salaries' problem might be avoided if expertise could be recruited from less expensive countries outside the labour markets of the richer West. Most interviewees however expressed uncertainty about safe ways of recruiting such experts. There was clearly a concern that good money would have to be paid for second-rate experts.

Another solution proposed was a more extensive use of cost-sharing with remaining donors. Some attempts have been made, for example through the German DEVED. As Botswana's GDP/capita increased UNDP moved its cost-sharing formula towards a higher share for Botswana. Botswana appear to consider that consultants and professionals recruited directly tend to be second rate and interested mainly in earning money, whereas the donor-recruited TA personnel are generally interested in 'development'. A system of links to relevant donor institutions which could deliver TA through some form of retainer contract would be possible.

The final solution will of course lie with the improvement of efficiency and productivity of the local professionals. This is the objective of the present government performance management system, which has been rolled out widely across government. However some observers hold that the system has no precise target and meaning but rather has spawned a great industry of more or less helpful performance management consultants.

To conclude, in Botswana there is today clearly an imbalance between the available human and financial resources. That this has much to do with what happened in the 1990s is unlikely. Perceptions among some officials are however that there is a need for TA. This collides with strong sentiments against bringing in "old-fashioned" TA. A line of least resistance suggested by those in favour of TA is to get the "old" donors to undertake recruitment and pay so much of the bill that the perceived political and media problem is avoided.

## **The NGOs and the funding squeeze**

## **5.6**

Botswana depended from the start on young professionals, Peace Corps and ODINs in MFDP. Botswana, unlike many developing countries, made extensive use of volunteers that were energetic and malleable.

Although the Government of Botswana has always had certain difficulties, formal or informal, with the funding of NGO services, parts of government saw the NGOs' role as important. A report on a visit to the Vice President in 1996 by the then outgoing Ambassador of Sweden indicated that the Vice President had suggested that strengthening local NGO capacity would be a worthwhile area for support under the 'new' aid regime.

Despite having supported NGOs during the period of conventional aid, most donors found it more difficult to do so under the funding arrangements in place after the exit. During the donor exits in the 1990s the NGO sector appears to have been hit considerably harder than the government. Many NGOs tried the route of government support for their ailing finances. Although the government appreciated their importance in many social sectors, its penchant for orderliness and accountability in dealing with public funds

made it difficult to act quickly. Work on a set of guidelines was started with a study in 2002 but was published only late 2007. Government officials however presently point out that many NGOs were assisted through the government recurrent budget.

Interviews during fieldwork made it clear that a number of local NGOs depending on foreign funding had been hurt when the donors left. The majority of NGOs in Botswana have seen a dramatic decrease in bilateral external funding without offset from other sources (domestic, multilateral or regional). Sida was taken as an example of a donor which exited believing that the government would come to the rescue of NGOs. It later realised that this had not worked but by then much damage had been done.

The NGOs generally did not have a clear strategy of operation after the donor exit. A serious NGO such as Bonela received funding from the Dutch (HIVOS) for home-based care and worked on the assumption that the government would take over when they pulled out, but this failed. Now HIVOS has pulled out their official country support but still (2007) supply resources on the basis of Botswana's important position in the region. Other Botswanan NGOs receive financing only on a short-term contract-to-contract basis. Bonela feels that none of the donors had a clear exit strategy as far as NGOs were concerned. Also, the Bocongo, the NGO 'umbrella' in Botswana, did not discover or act on the problems that the donor exit was likely to cause.

It appears that the Botswana Government is becoming more interested in working with NGOs and/or in understanding what the NGOs can do as a complement to the delivery of public services. A consultancy will now be undertaken to look into how government can either assist NGOs to continue the work they are doing or take over the delivery of such services.

## Chapter 6

# Conclusions and recommendations

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## 6.1

### Conclusions

#### 6.1.1 Decision to exit

*Exit decisions were largely based on the high GDP/capita of Botswana and the ending of frontline status.*

Reasons for the donor exit from Botswana were in all cases based on the country's economic progress and ensuing ineligibility for the type of development co-operation given since independence. Furthermore, the 1994 events in South Africa meant that Botswana lost the frontline state status that had been an important argument for support.

*Decisions were also spurred by the donors focusing on the aid concentration principle and, in one case, domestic financial problems.*

*The exit decisions were taken at the political level but Botswana did not contest them at that level.*

Whereas the decisions to exit in the cases of Norway and Sweden clearly were taken at the political level, on the Botswana side they were largely handled as administrative decisions and implemented without anybody questioning the decision itself. The Botswana, who were, at the time, clearly against the exits, did not consider challenging them at the *political* level. The actual process of exit therefore did not resemble that which would take place between two states when they break or change a treaty between them.

#### 6.1.2 Management of exit

*The disappearance of aid funding was no problem for Botswana.*

For Botswana clearly the financial aspect of the exit was not critical. It is quite clear that the withdrawal of *funding* did not at all hurt Botswana because of the adequacy of the state revenue which it had at the time.

*That TA disappeared with the funding was, however, problematic.*

The main obstacle to development in Botswana was access to know-how and TA. In phasing out at programme and project level, a distinction needs to be made between 'software' and 'hardware'. Phasing out TA and other forms of technical support often will require more time, planning and effort.

*The exit was smooth but it is less clear whether this was mainly due to the management of the donors.*

The two major donors may be said to have withdrawn “in good order” in a technical sense. Whether or not the orderliness of the exit was a result of good donor management is less clear. The way in which the exit took place and the preparedness of the recipient to cooperate were probably equally important elements.

*The exit achievement was also assisted by the link between the management system for aid implementation and the national planning system.*

The systems in place on both the donor (multi-year frames and regular annual meetings) and the recipient sides (a proper forward-looking planning and management system) made it possible to execute the exit smoothly and without many surprises. This stresses the value of ownership of the management and planning apparatus. The management system for the implementation of aid projects was integrated well with the national planning system. The system for handling development interventions in the various sectors therefore did not break down when the exit happened.

*The cut-off point for conventional aid was flexible, particularly in the Norwegian case.*

There was, particularly on the Norwegian side, a tendency to be lenient about the timetable for phasing out the aid, particularly in the health sector where substantial assistance has been continued. The local (Norad) administration quite often became an advocate for the Botswana view vis a vis the ‘home’ administration.

*While the Swedish decision to keep the Gaborone Embassy was popular with the Botswana, it is not clear that it made a great difference in operational terms.*

A seemingly major difference between the Norwegian and Swedish withdrawals was that the Norwegians closed their Embassy in Gaborone whereas the Swedes kept theirs. It is, however, hard to find evidence as to whether this made a clear difference in the aftermath. Both donors have done roughly equally badly in terms of the much-touted “broader co-operation” or ‘restructuring’. Although the Swedish Embassy was kept, the ‘development arm’ of the Embassy (Sida personnel) was removed, which has weakened the direct link with Sida and thus negatively affected the Embassy’s ability to champion the broadening of co-operation perhaps almost as much as a full closure of the Embassy would have done<sup>52</sup>.

*The closing of the Norwegian Embassy somewhat damaged Norway’s relationship with Botswana.*

There is no evidence that closure of the Norwegian Embassy had been planned as part of the exit. The abrupt way it happened has been criticised and was characterised as uncalled for, by both Botswana and Norwegian Embassy staff.

*Cut-off points set in terms of project completion rather than by a date or period appear to have been successful in terms of development results and seem not to have delayed the phase-out.*

In favour of a clear time boundary for exit one may argue that a long or not clearly defined exit will create space for delay in phasing out rather than a gradual phasing out, given that key stakeholders are often keen on prolonging

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<sup>52</sup> It has later been decided to close the Swedish Embassy in 2008.

the aid relationship *ad infinitum*. The Norwegian and Swedish experiences, however, indicate that boundaries may also be successfully set in terms of *completion*. It seems that simply allowing projects to run until 'completion' did not lead to undue prolongation of the aid effort.

*The phasing out of activities but not initiation of new projects can be managed from a distance.*

Will the donor managers have to stay right to the end of the last project or programme? Or can a programme be run from a distance? Despite some examples of difficulties in the Norwegian health programme which might have been caused by moving the Embassy to Zimbabwe, most projects, once set up, can in all likelihood be run from a distance. The problem is rather that it is more difficult to initiate new projects from afar.

*Communication with Botswana on management issues was not always clear and some political and some uncoordinated policy statements appear to have clouded issues.*

Politicians making statements while the administrative process was proceeding seem in some cases to have interrupted the stability of the process and made both donor and recipient confused about end targets and processes. This is in particular the case with Norwegian and Swedish aid to Botswana, where the recipient at first did not understand the new co-operation style as an exit but rather a restructuring of the co-operation relationship. Moving from orthodox to new and untested fields of co-operation requires both a clear understanding and clear will to be demonstrated by both parties.

*Substantially helped by the well running aid management system in Botswana, both Norway and Sweden may claim success in the management of exit if defined as **withdrawal** of aid. If however the exit truly was meant to aim at a 'widening' or 'restructuring' of aid, as both Norway and Sweden had expressed it, it is more unlikely that a claim to success would be fair.*

### 6.1.3 Aftermath

*The exits of Norway and Sweden created sentiments in Botswana of being hurt, particularly because the broader co-operation foreseen did not materialise.*

There is still some resentment in Botswana over the way the exit was conducted although the reasons for the resentment appear to be more sentimental (commiserating over good friends breaking up etc) than real and concrete. This applies particularly to the Norwegians and Swedes, who were major donors over a long period. To some extent this may have to do with the fact that both of them talked about a 'widening' or 'restructuring' of co-operation which did not happen in any of the cases.

*Botswana today has a problem in implementing development plans which, however, may only possibly stem partly from the withdrawal of TA.*

The main problem arose on the human resource side. The TA could not easily and quickly be replaced. However, it is not very likely that the problem could have been avoided with a different *management* of exit *processes* given the fact that exit had to be implemented over a few years.

*TA personnel recruited by donors tend to be more interested and geared to 'development' than expertise hired on the open market.*

Why did Botswana not buy expertise to replace donor TA if that was needed? It was tried, but in many cases did not work because Botswana's recruitment system did not manage to handle the expertise markets as well as the donor

countries and recruit people interested in development and not just a job. In addition, there was the administrative and political conundrum that the relatively high salaries for ‘experts’ brought and still brings. The opposition has made many a political buck by pointing out the “exorbitant salaries of foreign experts” when the level was clearly just a reflection of the market for specialist manpower in the developed world.

*A positive effect of the exit of TA was intensified training activities by the government and a feeling of ‘standing on one’s own legs’.*

Evidence and opinions indicate that the exit in some sectors benefited the acceleration of the government’s own training efforts and therefore had a more beneficial long-term effect on development than ‘non-exit’ would have had. Also, the way that after the exit Botswana could have a feeling of ‘standing on its own two legs’ or having ‘grown up’ was often mentioned, particularly by Botswana, as the key advantage of the exit.

## Recommendations

## 6.2

What donors and recipients can learn from the Botswanan exit case is limited. Botswana is a special case, particularly in that it had, at the time of withdrawal, a fairly comfortable financial position and a system of aid management that was centralised and better integrated within the domestic planning system than probably any other developing country. This system and the way major donors were integrated into it helped ensure a smooth phasing out of conventional development aid in a situation where the quick pull out itself was not a paramount concern. The phase in of the post-aid ‘restructured’ or ‘widened’ co-operation was much more problematic. Possible general recommendations would be:

- Communicating the intention to exit is important; a better conducted communication process might have helped Botswana in handling the ‘new aid’ phase slightly better;
- Time for planning and implementing the exit is important. With programmes the size of Botswana’s in the early 1990s it is hard to believe that a smooth phasing out could be done during a period of less than three years;
- Unless a wholesale exit is deemed necessary, there is a case for differentiating between TA and project/programme-based co-operation more than has been the case so far. It is possible also to use imaginative ways of supplying TA in the absence of financial/project aid;
- Donors conducting official aid exits should be aware of the mostly unintended tendency to curtail NGO funding at the same time;
- For Sweden and Norway to form private sector relations on the basis of a long history of aid proved nearly impossible in a small and far away country like Botswana. It is possible that such relations can be formed but it is hard to see that it can be done without access to ‘catalytic’ aid funding and even so it is likely that such funds will have very low returns;
- To form inter-institutional co-operation within the public sector also requires aid funding in the short run (the start-up phase);
- The maintenance and further development of institutional co-operation in the longer run is likely to require both aid funding and the presence of aid personnel;
- Although aid relations are not normally framed in treaties like the Cotonou treaty, the question should be raised whether or not the interests of the weaker (recipient) party would be better protected if they were based on a treaty under which change or termination would be subject to negotiation at the political level.

The aid era in Botswana is long over but there is considerable concern about the slow and sometimes failing implementation of development projects and delivery of public sector services. While this is not necessarily linked to the lack of technical capacity and the government has taken steps to correct the situation, in some quarters there is a tendency to wish donor-based TA to return. Although this is on the borderline of the ToR for the present study, and the realism somewhat doubtful given the decision in November 2007 to close the Swedish Embassy in mid 2008, two recommendations are made:

- It is possible that Botswana would welcome a Swedish/Norwegian initiative to engage in limited TA and capacity building activities on a cost-sharing basis;
- In that connection, to support possible personnel and further the development of institutional co-operation, a joint Norwegian-Swedish representation could be set up in Gaborone with a small staff that included aid professionals, also covering diplomatic and aid relations with SADC.

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## Annex 2

### List of people interviewed

Name	Position at time of the interview
<b>Botswana</b>	
His Excellency Festus Mogae	The President of Botswana
Sir Ketumile Masire	Former President of Botswana
Mr Arnold Madikwe	Director of Development Corporation, Ministry of Finance & Development Planning
Mr Serwalo Tumelo	Permanent Secretary, MFDP
Mr Charles Ntwaagae	Permanent Secretary, Foreign Affairs
Mrs Relebeng Otsweleng	Principal Health Officer, Ministry of Health
Mr Gerald Thipe	Permanent Secretary, Ministry of Works, Transport & Communication
Mr. Ephraim Masimega	Director, Department of Roads
Mr Thato Yaone Raphaka	Deputy Permanent Secretary, Ministry of Local Government
Mr. Malepa Dibonwa	Assistant Public Relations Officer, Ministry of Local Government
Mr Kaelo Kaelo	Public Relations Officer, Ministry of Local Government
Mr Moses Lekaukau	Head, Government Implementation Coordinating Office, Office of the President
Ms Monica Tselayakgosi	Acting National Co-ordinator, National AIDS Co-ordinating Agency
Mr Bergsman Sentle	Senior Private Secretary, Office of the Former President
Mr. Armando Lionjanga	Chief Executive Officer, Public Procurement & Asset Disposal Board
Mr Kenneth Matambo	Managing Director, Botswana Development Corporation
Ms Maria Machailo-Ellis	Executive Director, Botswana Confederation of Commerce, Industry and Manpower
Ms Alice Mogwe	Director Ditshwanelo, The Botswana Centre for Human Rights
Mr Daniel Motsatsing	Executive Secretary, Botswana Network of AIDS Services Organisation (BONASO)
Ms Ida Mokereitane	Director, Emang basadi
Ms Christine Stegling	Organisation (BONASO) Director, Botswana Network on Ethics, Law, HIV/AIDS (BONELA), Director, Emang Basadi
Mr Jay Salkin	Advisor, Research Department, Bank of Botswana
Mr. Paul Malin	Head, Delegation of the European Commission to Botswana
Mr Frank Martin	High Commissioner, British High Commission
Ms Najma Bouakaze-Khan	Deputy High Commissioner, British High Commission
Charles Øverby	Chief Roads Engineer, International Affairs, Norwegian Public Roads Administration
Lars M. Johansson	Evaluator, Department for Evaluation & Internal Audit, Swedish International Development Co-operation Agency (Sida)

Ms Viola Morgan	Deputy Resident Representative, United Nations Development Programme
<b>Denmark</b>	
Ole E. Moesby,	Head of Dept. for Southern Africa, MFA/Danida 1998–2001, Ambassador to Zimbabwe, 2001–2002. Currently in charge of multilateral affairs, South Group, MFA
<b>Netherlands</b>	
Mw. D. Methorst	Policy Officer India, 2006–2007, MFA The Hague and Director, SNV Botswana, 1997–1999
<b>Norway</b>	
Oskar S. Oskarsson	Ambassador, Embassy Botswana, 1996–1998
Dag Larsson	Counsellor Development Co-operation, Embassy New Delhi
Hege Hertzberg,	Counsellor, Embassy Botswana (mid-1990s), Counsellor, Embassy Harare (early 2000 ), now Director Development, Minister s analytical unit, MFA
Helge Stange	Senior Consultant, Africa Division, Norad (first half of 1990s)
Agnete Eriksen	Head of Africa Division, Norad (1990s), Counsellor Development Co-operation, Embassy New Delhi, 2000–2003
<b>Sweden</b>	
Mikael Elofsson	Head of Africa Unit, 1999–2003, Country Programme Coordinator, 1996–1999, Sida
Birgitta Karlström-Dorph,	Ambassador to Botswana, 2002–2004
Göran Holmqvist	Head of Africa Division, Sida, 2006–
Christina Rehlen,	Ambassador Botswana, 1997–2002
Ms Cecilia Romson Örnberg	Chargé d Affaires a.i. Swedish Embassy

## Annex 3

### List of workshop participants

Name	Position
Sir Ketumile Masire	Former President of Botswana
Mr Arnold Madikwe	Director of Development Corporation, Ministry of Finance & Development Planning
Ms Boineelo M. Peter	Director, Budget Administration (Development), Ministry of Finance & Development Planning
Mrs Pauline Mpofu	Acting Chief Finance Administrator, Ministry of Finance & Development Planning
Mr Hussein H.T. Tarimo	Principal Scientific Officer & Head of Food Control, Ministry of Health
Mrs Relebeng Otsweleng	Principal Health Officer, Ministry of Health
Mr Mogomotsi D. Ramodisa	Planning Officer, Ministry of Works and Transport
Ms Shelter Sheleni	Principal Development Officer, Ministry of Local Government
Prof. Jonathan Mayuyuka Kaunda	Senior Research Fellow, Botswana Institute for Development Policy Analysis
Mr Farai Zizhou	FOPRISA/SADC Research Fellow, Botswana Institute for Development Policy Analysis
Ms Keneilwe Mapena	Research Assistant, Botswana Institute for Development Policy Analysis
Ms Keneilwe Mpule	Research Assistant, Botswana Institute for Development Policy Analysis
Ms Onnetse Makhumalo	Policy Analyst Officer, Botswana Council of Non-Governmental Organisations
Mr Jay Salkin	Advisor, Research Department, Bank of Botswana
Charles Øverby	Chief Roads Engineer, International Affairs, Norwegian Public Roads Administration
Lars M. Johansson	Evaluator Department for Evaluation & Internal Audit Swedish International Development Co-operation Agency (Sida)
Ms Cecilia Romson Örnberg	Chargé d Affaires a.i. Swedish Embassy

# Annex 4

## Abbreviations

AFRA	Sida's Department for Africa
Bocongo	Botswana Congress of Non-Governmental Organisations
Bonela	The Botswana Network on Ethics, Law and HIV/AIDS
DANCED	Danish Co-operation for Environment and Development
DESO	Sida's department for democracy and social development
DDSS	District Development Support Sector
DMOs	District Medical Officers
DR	Department of Roads
DIS	Diakonhjemmet College (International Department)
EFTA	European Free Trade Agreement
EU	European Union
FAO	Food and Agriculture Organization
FK	Fredskorpset (Norwegian Voluntary Service)
GDP	Gross Domestic Product
GNI	Gross National Income
HUH	Haukeland University Hospital
HIVOS	Humanistic Institute for Development Co-operation (Dutch NGO)
IWIGA	International Work Group for Indigenous Affairs
KTS	Contract-Financed Technical Assistance
KrF	Kristelig Folkeparti, Norwegian political party (Christian Peoples Party)
LDC	Least Developed Country
MDG	Millennium Development Goal
MFA	Ministry of Foreign Affairs
MISA	Media Institute of Southern Africa
MLGLH	Ministry of Local Government, Lands and Housing
MOH	Ministry of Health
MOU	Memorandum of Understanding
MWC	Ministry of Works and Communication
NACA	National AIDS Coordinating Agency
NPRA	Norwegian Public Roads Authority
NGO	Non-Governmental Organisation
ODA	Official Development Aid
ODIN	ODI 74 Nuffield fellows
PS	Permanent Secretary
RADP	Remote Area Dweller Programme
RAD	Remote Area Dweller

SADC	South African Development Community
TB	Tuberculosis
TA	Technical Assistance
ToR	Terms of Reference
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
USAID	United States Agency for International Development
WB	World Bank

# Annex 5

## Terms of reference

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### 1. Introduction

The following are the terms of reference for a joint evaluation of country level exit processes in development co-operation. In each of the cases under review it seeks to understand how partner country development activities and partner country development more broadly have been affected by the withdrawal of donor support. The evaluation assesses results in relation to the timing and management of exits and looks at the conduct of exit processes in relation to established models for development co-operation partnership.

The evaluation is sponsored by four countries: Denmark (through the Ministry of Foreign Affairs), the Netherlands (through the Ministry of Foreign Affairs), Norway (through Norad), and Sweden (through Sida). Based on case studies, it looks at wholesale or partial exits by these countries from bilateral government-to-government development co-operation programmes with a number of countries in Africa and Asia - Botswana, Eritrea, India, Malawi, South Africa and another country still to be identified. While some of the exits to be reviewed have been completed, others are ongoing. The evaluation is undertaken for the purpose of mutual learning on an important but largely unexplored set of development issues.

The evaluation is conducted under the guidance of the evaluation departments of the four sponsoring agencies. Sida acts as lead agency in the management of the study.

### 2. Background

Exits from development co-operation, whether at country, sector, or project level, tend to be complicated and difficult for everyone involved.<sup>53</sup> A standard recipe for minimising exit problems is that the partners should formulate an explicit exit strategy as early as possible in the co-operation process, preferably

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<sup>53</sup> In the context of this evaluation the term exit refers to the partial or wholesale cessation of development assistance (funds, material goods, human resources, technical assistance, etc.) provided by an external donor to a country or programme or project within a country. One or both of the development co-operation partners may initiate an exit. Note that by this definition an exit is by no means the same as the ending of all relationships between the development partners. As in the case of South Africa's relationship with Sweden or Norway, the termination of traditional development assistance may go hand in hand with efforts to establish a new type of relationship based on more symmetrical forms of interchange.

at the initial stages of planning and design.<sup>54</sup> It is at this point that mutual expectations are established and the basis for a working relationship created. By clearly spelling out criteria and mechanisms for disengagement, and designing the co-operation with the ending clearly in view, partners can avoid difficulties later on, or so it is argued. Neglect of key questions about when and how the support should be phased out can lead to misunderstandings and is likely to impact adversely on development results.

While often sound in principle this approach to exit may not be easy to apply in practice. Development co-operation initiatives take place under constantly changing conditions and are rarely implemented exactly as intended. As a result the exit strategy formulated at the beginning may have to be revised. At country level the blueprint model may often seem altogether inappropriate. While time limits are sometimes fixed at entry point, they are often deliberately left undefined. In many cases blueprinting the co-operation process would be regarded as outright counterproductive, technically or politically.

In practice, the exit issue is usually managed through a mixture of contractual agreements and additional understandings negotiated on the way. At project and programme levels formal agreements rarely cover more than three to five years, which is often less than the expected life time of an intervention, and at country level there are usually also no binding provisions for a long-term engagement. From a formal point of view the exit option appears to be the default option. At the end of an agreement period the question before the partners is not so much whether they should disengage from the relationship as whether they should formally extend the relationship and enter into a new phase of co-operation.

This arrangement can be seen to contain within itself a strategy for exit whereby the partners agree to proceed in a step-by-step fashion, periodically giving themselves an opportunity to reassess their options. Such a strategy is particularly useful to the donor. While allowing the donor to withdraw from the relationship – or let it lapse – at fairly short notice, it makes the recipient's situation less predictable and more vulnerable than under a long-term agreement. There are barriers to donor exit other than those formalised in contracts, no doubt, but even so the relationship between donor and recipient is an unequal one requiring a great deal of circumspection and trust on both sides.

There are several types of reasons why a donor may exit from a partnership or intervention. At country level the following would seem to be the main ones<sup>55</sup>:

- Mission accomplished. The recipient country has developed to a point where it is no longer considered eligible for development assistance. It has 'graduated'. This does not necessarily mean that the projects or programmes supported by a particular donor have all achieved their goals. As the criteria for eligibility to development assistance are set with reference to country level indicators, projects and programme may still have some way to go

<sup>54</sup> Following Rogers and Macias, an exit strategy is an explicit plan comprising the following:

- specific criteria for graduation of the supported entity and the termination of support;
- specific and measurable benchmarks for assessing progress towards meeting those criteria;
- identification of actions to be taken to reach the benchmarks and a clear division of responsibilities with regard to those actions;
- a time frame for the intervention, with necessary provisions for flexibility, and
- established mechanisms for periodic assessment of progress towards the criteria for exit and for possible modification of the exit plan.

Rogers, Beatrice L., and Kathy E., Macias. 2004. Program Graduation and Exit Strategies: Title II Program Experiences and Related Research. Food and Nutrition Technical Assistance Project (FANTA). [www.fantaproject.org](http://www.fantaproject.org).

<sup>55</sup> For an in-depth review of donor motivations for exit see the preparatory study Review of Donor Principles and Practices for Exit by Claes Lindahl and Lars Ekengren. (<http://www.sida.se/exitevaluation>)

- Lack of progress: There is a perceived lack of progress toward final or intermediary objectives, or a failure to demonstrate results. The donor decides unilaterally or in consultation with the recipient that prospects for improvement are not good enough.
- Better use of funds: The donor decides that support to a particular country should be discontinued in favour of an alternative use of resources that promises to bring higher rates of return. The donor may or may not be dissatisfied with the country programme selected for exit, although the question of phasing out and exit is of course more likely to be raised with regard to a poorly performing country programme than one that performs better.
- Change of donor priorities or modes of operation: a country may become ineligible for support as the donor organisation revises its policies or changes its *modus operandi*. For example, the concentration of Dutch development assistance in recent years has resulted in numerous exits from countries as well as projects and programmes within countries.
- Breach of agreement: A donor may decide to exit as a result of its partner failing to honour contractual obligations or mutual commitments, as when a donor country withdraws from co-operation with a government that fails to respect human rights. In cases like this the exit is often not intended to be irrevocable, but is rather a temporary means of influencing partner country behaviour when dialogue does not seem to work.
- The recipient has asked the donor to exit wholly or in part. A prominent recent example is India's request to smaller donors that they direct their support to civil society organisations. There are also cases of governments breaking the relationship with donor countries that are felt to be interfering in domestic affairs.

Regardless of the reasons for exit, disengaging from a country level development co-operation partnership is rarely simple. Even in the case of graduation it can be difficult. For example, there is likely to be a question about the social capital and the local know-how that have been built up over years of co-operation and that may not be transferable to any other country. Should those assets be allowed to rust and disintegrate? Would it not be better to put them to further productive use? After all, in many cases graduation is not quite the same thing as the end of poverty. A country that has graduated may still benefit from support.

Other scenarios are more complex still. For instance, what are the practical implications of unsatisfactory performance? Should the donor withdraw or should he redouble his efforts? In some cases exiting would be the best option, in other cases staying on might be better. Similarly, a lack of respect for human rights on the part of the partner country government may not be a good reason for exit in each and every case. What if maintaining the relationship might better serve the purpose of development? And what about the citizens who would be deprived of support if the donor decided to leave?

The actual phasing out of the engagement is also a challenge, especially where many separate programmes and projects are affected. For each intervention the phasing out may involve the disengagement of staff, the closing down of physical structures, the sale or handing over of vehicles and other assets, the closing of accounts, auditing, transfer of records and so on. Normally there would be both winners and losers, some happy with the outcome, others not. Organisational skill, communicative competence, and goodwill are required on all sides. Ineptly managed the phasing out may undermine what has already been achieved, well managed it may ensure that those results endure.

Although exit is the closing event in any development co-operation process it is not much studied. Every development organisation and, no doubt, every country receiving development assistance has had its own internal debates on exits and exit policy. Yet the conclusions from those debates are rarely put on paper and properly analysed for a wider audience. Development agencies and other actors know relatively little about how exit issues are discussed and managed outside their own organisations. As a result they have few opportunities to learn from each other.

The present evaluation aims to provide a remedy to this unsatisfactory state of affairs. It is an opportunity for the sponsoring agencies and their developing country partners to share experiences and learn from each other. Hopefully it will also be found useful in the wider development co-operation community.

Further details on the background of the evaluation, including the preparatory Concept Note and the Review of Donor Principles and Practices for Exit, can be found in the documents posted at the evaluation web site: <http://www.sida.se/exitevaluation>

### 3. Purpose

As stated above, the purpose of this evaluation is to facilitate mutual learning on issues of exit from development co-operation partnerships at country level. Although primarily catering for the information needs of its four sponsors, it is also expected to be useful for the developing countries participating in the case studies.

The evaluation deals with two broad issues. One is the importance of the management of country level exit issues for *development effectiveness* and *sustainability*.<sup>56</sup> In each of the cases reviewed, it seeks to understand how the results of supported development activities – outputs, outcomes, and (as far as possible) impacts – have been affected by the exit. As the activities supported by any particular donor belong to a larger programme of the host country government, it also considers how the exit may influence partner country development more broadly.

The second main issue to be considered by the evaluation is about country level exit and the *management of development partnerships*. Here the main question is whether the exit practices recorded in the case studies are consistent with established principles of partnership and mutuality in development co-operation, and, if not, what the remedies might be.

As it is generally assumed that a well-functioning partnership with rights and obligations clearly defined on both sides is conducive to good development results, the two issues are clearly interconnected. However they are not identical. The issue of adherence to partnership agreements and values goes well beyond the development effectiveness issue. Similarly, the issue of the influence of exit practices on development results is in its own way broader than the partnership issue. In the one case we look at partnership as a principle to be honoured in its own right, in the other case we look at it as a means of making development co-operation more effective and more relevant to partner country needs.

### 4. Scope and limitations

The evaluation will be based on case studies of country level exits in countries

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<sup>56</sup> Exit management is an inclusive term that refers to all kinds of measures taken to ensure a successful ending of a development co-operation programme. Looking at the exit management process as it unfolds over the entire programme cycle we may distinguish between four principal phases: 1) preparations for exit at the design stage; 2) updating of exit plans during implementation; 3) decision on date and timing of the exit; and 4) the eventual phasing out of the support.

where all the four donors sponsoring the evaluation have had a substantial bilateral development co-operation programme and where one or several of them have exited from this programme, entirely or in part. To facilitate mutual learning, countries where only one or two of the four sponsoring countries have had such a programme have not been included in the study. Had the sponsoring countries been free to select cases solely on the basis of their own particular interests, all of them might well have preferred a slightly different country sample.

The case study sample is not based on any particular model, typology, or theory of exit. However, although it is not likely to be statistically or theoretically representative of a larger universe of exits, it comprises a wide variety of exit experiences and seems well suited for the assessments required by the evaluation. As described below, the sample includes 14 country program exits (complete or partial) and 6 contrasting ‘non-exits’ in five different countries. Note that the number of exits may increase with the possible addition of still another case study country later on in the evaluation process.

The sample units are exits from bilateral country-level development co-operation programmes. As a country level programme consists of support to a number of projects and programmes in different sectors, however, exits from such interventions are also covered by the study. Indeed assessing the impact of exit and exit management on the development results of projects and programmes is an important element of the evaluation.

The evaluation does not cover exits from multilateral programmes and partnerships with civil society organisations. Donors disengaging from a bilateral partnership may reallocate their support to NGOs or to programmes managed by international development banks or other multilateral institutions. Similarly, as in the case of India, a recipient partner country government may request donors to direct their support to NGOs or to channel it through multilateral programmes. Such moves can be important elements of exit strategies and should be examined as such. The evaluation should consider their consequences for the effectiveness of co-operation programmes. However, the evaluation is not concerned with exits from civil society partnerships or multilateral programmes per se.

The evaluation will assess the consequences of country level exit decisions for the results of interventions supported through development co-operation and partner country development more broadly. Recognising that an exit decision can be made for reasons that are extraneous to the development activities affected by the exit, however, it will not pass judgement on the exit decisions themselves. Thus, while the evaluation may well come to the conclusion that a particular exit had unfortunate consequences with regard to local development, it would not attempt to answer the larger question whether it was still justified, all things considered.

Note, finally, that the evaluation covers the period 1996-2006. If required in order to answer the evaluation questions, however, specific management issues might be traced further back in time.

## 5. Case study countries

It has been agreed that the evaluation should be based on case studies of a limited sample of country level exits. The choice of countries has been much discussed between the partners and representatives of some of the cases study countries have participated in the discussions. The evaluation is intended to cover six case study countries, one of which remains to be identified.<sup>57</sup> The following five countries have been selected for case study.

- *Botswana.* All the four donors phased out ODA in the late 1990s as a result of Botswana's graduation to the status of a Middle Income Country. In a couple of cases the exits occurred was after thirty years of bilateral assistance. Declining needs for development assistance was main reason for exit in all the four cases. At the present time ODA has been completely phased out by all the four donors, but local efforts to deal with the HIV/AIDS crisis are supported by Sweden and Norway.
- *Eritrea.* A country supported by all the four donors after its independence in 1991. Eritrea is today classified as a 'Fragile State' by the OECD/DAC and by the World Bank as a so-called Low Income Country under Stress (LICUS). The Netherlands and Norway are currently providing bilateral support to Eritrea, while Sweden and Denmark have phased out their assistance, in both the cases largely because of differences with the Eritrean government about issues of governance.
- *India.* The first country to receive bilateral development assistance by the four donors -for some of them development co-operation with India goes back to the 1950s. Due to India's rapid economic development and overall high capacity level, exit discussions have been going on among all the four donors since the late 1990s. In 1998 Denmark decided to phase out its bilateral development assistance over a 10-year period. In 2003, however, India decided on its own accord that it would not receive ODA support from 'smaller countries', a group including the four donors sponsoring this evaluation. The government-to-government ODA is currently being phased out by all the four. India is an important case of a developing country taking the lead in the phasing out of development co-operations partnerships.
- *Malawi.* A low-income country where the four donors have taken different approaches over the last decades. Thus, Denmark and the Netherlands have both exited from co-operation, the Netherlands in 1999, because of dissatisfaction with governance and the implementation of a wider concentration policy, and Denmark in 2002 for similar reasons. Norway regards Malawi as one of its seven major partner countries. With Norway as its representative, Sweden has recently entered bilateral co-operation with Malawi.
- *South Africa.* After the fall of the apartheid regime in 1994 South Africa has received government-to-government ODA from several countries. Classified as a Middle Income Country, it is considered by donors as a transitional country, and the ODA has explicitly been intended to facilitate the establishment of democracy. While both Sweden and Norway are in the process of replacing conventional ODA with new forms of co-operation with South Africa, Denmark and the Netherlands stick to the original modality.

<sup>57</sup> Note 2007-03-20: It has now been decided that there will be only five country case studies.

**Figure – Details of co-operation and exits from five case countries**

	<b>Country characteristics</b>	<b>Denmark</b>	<b>Netherlands</b>	<b>Norway</b>	<b>Sweden</b>
<b>Botswana</b>	Upper Middle Income Country	Co-operation began in 1970s. Exit in 1990s with scaling-down over a decade.	Exit in 1999 due to concentration policy	Co-operation began in 1972. Exit in early 2000s At the present time some HIV/AIDS support.	Co-operation began in 1966. Exit in 1998. Certain on-going programmes in HIV/AIDS.
<b>Eritrea</b>	Low Income Country	Co-operation began in 1993. Exit decision in 2002 due to concentration/poor governance: Phase out over 3 years until 2005	Co-operation began in 1993. On-going co-operation. One of the current 36 partner countries.	Co-operation began in 1992. On-going co-operation. One of Norway's 18 'other partner countries'.	Co-operation began in 1992–1993. Phase out since late 1990s. Minor projects still on-going
<b>India</b>	Low Income Country	Partner country since 1960s. Denmark decided to exit in 1998, while India triggered exit 2003. Denmark decided to start a 10-year phase out in 1998, while India triggered exit 2003. Co-operation phase-out completed in 2005.	Co-operation since 1962. Partner country also included in 2003. India triggered exit in 2003 Ongoing phase out	Partner country since 1950s. India triggered exit in 2003 – ongoing phase out	Partner country since 1950s. India triggered exit 2003 – ongoing phase out and transformation.
<b>Malawi</b>	Low Income Country	Co-operation since 1960. Assistance reduced in 1991. Partner country status from 1996 until exit in 2002 due to concentration policy and donor dissatisfaction about governance. Phase-out in 4 months.	Exit in 1999 due to concentration Some on-going assistance through partnership with DFID	One of 7 current main partner countries  No exit considered	A new major partner country through a delegated partnership' to Norway.  No exit considered
<b>South Africa</b>	Upper Middle Income Country, Transitional country since 1994 after the fall of the apartheid regime.	Major transitional programme country support since 1994. On-going co-operation.	One of 36 partner countries in 2003 Exit not yet considered	One of 18 'other partner countries'. Exit ongoing through phase out from transitional assistance	Major support since 1994. and before that , since the 1960's, support to ANC. Exit on-going with phasing over to new forms of co-operation

## 6. The assignment

The evaluation comprises the following main elements:

- An in-depth analysis of exit processes: how actors in the case study countries and their external development co-operation partners have dealt with exit issues; their policies, strategies, and decision-making processes with regard to exit and partnership; the application of these models in actual cases of planning for exit and management of exit processes; and contextual factors, such as stakeholder interests, that seem to influence exit decisions and behaviour. An assessment of the consistency of practice with policy would be included in this analysis.
- An assessment of the consequences of exits for development results: how the exit has influenced or is likely to influence the results of the affected activities – outputs, outcomes, impacts – as well as more indirect effects. Starting with the real or likely post-exit results of the activities previously supported by the donor or in the process of being phased out, the evaluation seeks to understand how the exit and the way in which it was managed has made a difference to those results.<sup>58</sup> Where relevant for a better understanding of the impact of the exit process the evaluation should trace the management of the exit issue further back in time. This is further explained below.
- A set of evidence-based *lessons* that would be useful for the sponsoring donors and other evaluation stakeholders in their efforts to enhance their ability to deal with exit issues. As stated above, one of the main objectives of the evaluation is to increase our understanding of the many ways in which exit planning and management can support or undermine the intended results of external development support. The lessons will also cover the partnership issue.
- A set of *recommendations* to the organisations sponsoring the evaluation regarding future work on exit policies, exit strategies and exit management practices.

1. Note that the first of the components above covers several layers of policy-making and guidelines. At the highest, most inclusive, level the evaluation should consider the established or emerging ‘best practices’ with regard to exit management in the development co-operation community at large, including the directives embedded in the Paris Declaration and MDG agenda. At the lowest level it should examine the views expressed in country strategies and other key country level documents of the donors sponsoring the evaluation. There is also a middle level consisting of more general policies on exit among these donors.<sup>59</sup> Questions of consistency and coherence between levels shall be addressed. To what extent are the general policies and principles of each one of the donors well in tune with established international agendas and practices? To what extent are donors’ country exit strategies consistent with their own general thinking and policies on exit and issues closely related to exit, such as partnership, participation, and accountability?

In each of the cases to be reviewed, the evaluation should describe the deliberations leading up to the exit decision. It should explain the motives for the exit and assess how and to what extent the partner country government and other stakeholders were able to participate in the decision-making or

<sup>58</sup> In some of the cases the exit was completed long ago, in other cases it is still ongoing.

<sup>59</sup> The pre-evaluation study by Ekengren and Lindahl mentioned in footnote 3 above contains a useful analysis of the donor views at this level.

make their interests heard. Recognizing the importance of predictability for all stakeholders in development co-operation, the evaluation should assess the extent to which provisions for exit had been made earlier in the co-operation process and, consequently, the extent to which stakeholders had been able to make preparations for the exit when it finally occurred.

Turning to the actual phasing out of the support, the evaluation should tell us both how the planning for that process was done and how established plans were implemented. Was there a clear and mutually accepted scheme for the phasing out and what did it contain? To what extent were partner country stakeholders able to voice their concerns and influence the design of the process?<sup>60</sup> To what extent were the different stakeholder groups satisfied with the outcomes of the process? It is important that the exit process is assessed from a variety of perspectives. What might appear as a successful ending from the point of view of one stakeholder group might look quite different in another perspective.

2. The criteria for assessing the quality of exits can be divided into two groups, one referring to process issues, the other to development results.

The process criteria are derived from the values underpinning the concept of development partnership and other widely accepted principles for the conduct of partners in development co-operation. The following are the criteria to be considered:

- *Legality and respect for contracts.* Was the exit made with due regard to prior contracts and other formal agreements between the partners?
- *Transparency and predictability.* Was the exit conducted in an open well organised manner so that affected actors had a chance to plan and adjust to new the contingencies, and were not taken by surprise. Consistency of policy and action would normally be an important prerequisite for donor predictability
- *Dialogue and mutuality.* Was the exit decision preceded by open discussion between the partners and were the lines of communication kept open during the subsequent phasing out? In case of disagreement and dispute, were opportunities for dialogue exhausted before one of the parties unilaterally decided to withdraw?
- *Due concern for prior investments.* Exits should be planned and conducted in such a way that waste and loss of invested capital is minimized. Donors should consider benefits and costs to partners and beneficiaries as well as benefits and costs to themselves.
- *Due concern for partners' needs for adjustment to post-exit conditions.* Donors should assist partners in making the transition to the post-exit situation. This may affect the timing of the exit decision as well as the exit time-frame. Depending on the circumstances, it may also require technical and financial support of various kinds. Assisting partners in finding new sources of finance and support might be an appropriate action.

With regard to the influence of exits on results a preliminary task is to try and find out what has actually happened in terms of development outcomes and impacts following the exit. The following are the main fact-finding questions with regard to results:

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<sup>60</sup> According to the Review of Donor Principles and Practices for Exit by Ekengren and Lindahl stakeholders, not least staff of the donor agencies, have often played a major role in the interpretation of exit policies and decisions, sometimes to the extent that management decisions have been diluted, delayed and counter-acted.

- *Sustainability of continuous activities.* What has happened to organisations that lost donor support as a result of the exit? To what extent have such organisations been able to maintain the production of services and other benefits for target groups in the post-exit situation? How did they compensate for the loss of donor support? These questions are obviously not applicable where the activities supported by the exiting donor were completed before or at the same time as the exit.
- *Effects on project activities still in progress.* Here the question is whether projects and time-bound programme activities still in progress at the time of the exit have been brought to a successful conclusion despite the exit, or whether they have been scaled down or prematurely aborted. As in the previous case this is a question that does not apply to activities completed along with the exit.
- *Indirect effects on partner country governance and development management.* While some of the effects of a country level exit are visible in the performance of interventions that previously enjoyed the support of the exiting donor, there may also be effects that are more indirect and remote. The occurrence of such effects should be considered case by case. The general assumption is that the withdrawal of resources will affect budget allocations which in turn may have a more or less significant impact on governance, institutional quality, service delivery, etc.
- *Development impact where the exit is an expression of concern over partner country governance or policy.* Exactly what appears to have been the development effects of a donor country exiting fully or in part from a bilateral government-to-government relationship, perhaps redirecting its support to civil society? Have donor expectations regarding the policy impact of exit proved to be correct?
- *Impact on long-term bilateral exchange.* A donor country may wish to build a new kind of relationship with the recipient country built on commerce, cultural exchange, etc. at the same time as traditional development co-operation is brought to an end. The success or likely success of such efforts should be carefully assessed by the evaluation.

In the fact-finding phase the first thing to be considered is simply whether the disengagement of the donor has prevented the activities covered by the development co-operation programme from running their full course or whether they were in fact completed as originally planned and agreed. In the latter case, the exit would obviously have made no difference to the outcome, except by ruling out the possibility of renewed co-operation. In the former case, however, the exit could well have had an important influence on the results. What the evaluation shall seek to assess is how the recorded results – outputs, outcomes, impacts - are likely to differ from the results that would or might have occurred had the support from the donor not been phased out before the project or programme was completed.

It should obviously not be assumed that every time outcomes are unsatisfactory this is because of the phasing out of donor support or the way that the phasing out was managed. In many cases the main explanation for disappointing results may well lie further back in time. As noted in the Concept Note preceding these terms of reference, if mistakes regarding sustainability and exit are made in the planning of a development co-operation process there may not be much that can be done to correct them later on, except to close down operations and accept the losses.<sup>61</sup> Elements of path dependency are

<sup>61</sup> Exit Strategies – A Concept Note for a Joint Evaluation. Sida. Department for Evaluation and Internal Audit. 2005-04-22. [www.sida.se/exitevaluation](http://www.sida.se/exitevaluation)

only to be expected. This should be carefully considered when assessing the development effects of the disengagement.

However, establishing how an exit process has impacted on development results is not yet assessing the quality of that process. A quality assessment must also address the evaluative question whether the identified results should be considered satisfactory in view of available alternative ways of managing the exit process.

The final clause in the sentence above is important. If we cannot think of an alternative exit approach that would have produced better results than those actually recorded we must conclude that the exit was well done, at least in so far as the development results are concerned. If the results would have been better with a different approach, including a different timing, by contrast, we ought to conclude that the exit was not entirely successful.

3. The criteria above are intended to encompass the donor-specific criteria formulated in policy documents and guidelines issued by the four countries sponsoring the evaluation. In the case of the Netherlands the following have been the main exit instructions:

- Exits should be orderly.
- Exits should fulfil legal commitments.
- Wherever possible the Netherlands should assist its partners in finding substitute support from their local government or other donors.
- Exits should not lead to ‘destruction of capital’.
- Exits should be carried out within a period of 2–3 years.

Regarded as criteria for evaluation these guidelines are for the most part contained within the list in above. The last one – that exits should be carried out over a period of 2-3 years – is the exception. As it has been adopted as an explicit instruction for Dutch exits in recent years, the evaluation can obviously not ignore it. However, it should not be regarded as an assessment criterion for all the country exits figuring in the study.

None of the remaining donor countries sponsoring the evaluation has formulated a similar set of uniform exit instructions. Exit criteria are often defined ad hoc in relation to the exigencies of a particular situation. Thus, in the context of a series of country exits triggered by a reduction of its aid budget in 2002, Denmark made it a primary exit criterion that on-going contracts should be honoured. In phasing out support to India and Bhutan, however, Denmark also put considerable emphasis on partnership principles and the sustainability of supported organisations and programmes. Sweden in its on-going exit from development co-operation with South Africa intends to replace traditional development assistance with new forms of co-operation and exchange ‘based on mutual interest and joint financing.’

The pre-evaluation Review of Donor Principles and Practices by Eken-gren and Lindahl referred to above contains further information on exit guidelines among the four donors behind the evaluation.

## **7. Methodology**

The task of designing an appropriate methodology for the evaluation rests with the consultants. However, the methodology proposed by the consultants must be presented to the evaluation steering group for approval before it is adopted. A preliminary methodology proposal should be included in the tender documents, and a more considered proposal should be presented in the inception report to be delivered to the evaluation steering group two months after the contract for the study has been signed. This procedure will enable the

consultants to take a closer look at opportunities and constraints before deciding how they think that the evaluation research process can and should be designed.

The following few points provide further guidance:

- The four donors sponsoring the evaluation have no methodological preferences other than that the chosen approach should be the best possible one under the circumstances. It would be helpful if the consultants were to explain why the approach favoured by them would produce better answers to the evaluation questions than alternative approaches.
- As in every evaluation, the selected approach will be a compromise between the consultants' desire to produce as solid a study as possible and the constraints of limited resources. To make it possible for the evaluation steering group to assess the proposed methodology the consultants should explain why they believe that the recommended approach represents an optimal use of the resources set aside for the evaluation.
- As noted above, the evaluation should be responsive to the interests and experiences of all the major stakeholder groups involved in the exits under review. The consultants should explain how this requirement would be satisfied by their favoured approach and how a multiplicity of perspectives would be reflected in the evaluation reports. The consultants should also explain how they propose to deal with problems of counterfactual analysis.
- As the evaluation covers a large number of separate exit processes, options for sampling must be considered. While each case of country level disengagement must be covered by the evaluation, a selective approach is required at the level of the projects and programmes included in country level programmes. Consultants are invited to make suggestions for possible selection models in the tender documents. A more elaborate proposal will be included in the inception report.
- The issue of comparability between cases must be addressed. Will it be possible to streamline the evaluation process in such a way that standardised indicators can be applied in data collection across and analysis the board? What would the indicators look like? A discussion about indicators should be included in the tender documents.
- It is one of the advantages of joint evaluations that they allow for comparisons, benchmarking and mutual learning between organisations. In the present evaluation different ways of managing exit processes will be compared. In some of the case study countries it will also be possible to make comparisons between the results of exiting and the results of not exiting. Designing a methodology for this evaluation, the consultant should not ignore this possibility. Given the purpose of the evaluation, what might be the pros and cons of contrasting exits to non-exits?
- To facilitate mutual understanding the evaluation should adhere to the conceptual conventions laid down in the OECD/DAC Evaluation Glossary as far as possible.<sup>62</sup> Readers of the evaluation reports should be explicitly warned of any departure from these conventions.

Tender documents will be assessed against these points.

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<sup>62</sup> [www.oecd.org](http://www.oecd.org)

## 8. Organisation

The evaluation will abide by the quality standards for evaluation currently tested by the OECD/DAC Network for Development Co-operation Evaluation, and it will be organised in such a way that the integrity of the evaluation process and the independence of the evaluators are secured.<sup>63</sup> The following is a brief description of roles and responsibilities.

*Steering group.* The evaluation will be governed by a steering group composed of representatives of the evaluation departments of the four donor organisations sponsoring the evaluation. The steering group will oversee the evaluation process, and do the following:

- Confirm the terms of reference for the evaluation
- Establish a committee for the evaluation of tenders and confirm a model for the evaluation tender proposed by the committee.
- Confirm the selection of an evaluation team by the tender evaluation committee
- Comment on successive draft reports in relation to the terms of reference for the evaluation and ensure that the reports meet the quality standards set for the evaluation.
- Advise their own agencies and staff on the evaluation as well as help coordinate agency contributions.
- Assist the evaluation manager and the evaluation team leader in organising visits of evaluation team members to donor headquarters.
- Assist the evaluation manager in ensuring that local offices and embassies are adequately informed about the evaluation and requested to assist it as required.
- In collaboration with the evaluation manager organise presentations of the evaluation results, and assist with necessary follow-up of the evaluation.

*Evaluation manager.* As the evaluation lead agency, Sida shall appoint an evaluation manager to take care of the day-to-day management of the evaluation on behalf of the steering group. The evaluation manager will be responsible for maintaining a continuous dialogue with the evaluation team leader on matters pertaining to the interpretation of the terms of reference and the conduct of the study. The evaluation manager will assist the evaluation team as requested by the team leader and facilitate communication between the evaluation team and evaluation stakeholders. Aided by the steering group the evaluation manager will support the evaluation team in its preparations for field visits.

*Reference groups.* For each of the case study countries there will be a reference group including partner country representatives as well as members of the donor organisations covered by the study. Acting as advisors, the members of these groups will assist the steering group in ensuring that the country studies are implemented in accordance with the terms of reference and that relevant stakeholder groups are properly consulted.

*Evaluation team.* The responsibility for conducting the evaluation research and produce an evaluation report that satisfies these terms of reference will rest with a team of externally recruited evaluators. The views and opinions expressed in the evaluation report will be those of the evaluators. They need not

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<sup>63</sup> [www.oecd.org](http://www.oecd.org)

coincide with the views of the donor organisations sponsoring the evaluation or other affected persons or organisations.

The following are the main tasks of the evaluation team:

- Carry out the evaluation as per the terms of reference. A work plan should be specified and explained in the tender documents.
- Accept full responsibility for the findings, conclusions and recommendations of the evaluation.
- Report to the steering group as agreed, keep the evaluation manager continuously informed of the progress of the evaluation, co-ordinate the timing of field visits and other key events with the evaluation manager, and seek advice from the evaluation manager when required.
- Provide feedback to local stakeholders at the end of field visits.
- Ensure that stakeholders who have contributed substantially to the evaluation get an opportunity to check the report for accuracy before it is finalised.
- Participate in the dissemination of evaluation results as agreed with the evaluation manager and the steering group.

## 9. Work plan

It is envisaged that the evaluation will have the following elements and produce the following reports and dissemination activities:

1. Preparation of an inception report. The inception report should include:
  - A preliminary desk review of the policy context of the case study country exits to be covered by the evaluation as per section 5 above.
  - A further detailed methodological proposal along with an assessment of the technical evaluability of the principal evaluation issues. This proposal will have to be accepted by the steering group before it is adopted.
  - A work-plan for the fieldwork of the evaluation, likewise to be agreed with the steering group.
2. The inception report should be submitted to the steering group (through the evaluation manager) within two months after the award of the evaluation contract. The steering group will require two weeks to consider the report. After that they will meet with the evaluation team leader and other representatives of the team to discuss it.
3. Brief visits to donor headquarters would probably be required for the preparation of the inception report. The evaluators might need to get a deeper understanding of general head quarter thinking on exit issues, and they might also have to collect information on the country exits selected for case study. During the inception period the sponsoring donors will assist the evaluators in identifying the projects and programmes phased out or about to be phased out as a result of each one of the case study exits.
4. Field visits to case study countries. Follow-up of the status of projects and programmes in ended country programmes, or programmes in the process of losing support. Further analysis of exit strategies and thinking at embassy level and relevant government entity. Assessment of effects and impact of the exit based on the methodology suggested. Site visits. Interviews with representatives of a wide variety of stakeholder groups. This is the main part of the evaluation, and with several country teams working in parallel it is expected to require at least two months. As underlined above, however, the responsibility for designing this phase of the work rests with the evaluation team.

5. Country workshops for each of the case study countries in conclusion of fieldwork. The purpose of the workshops is to discuss findings and tentative conclusions with relevant partner country representatives and donor field representatives. In each country, the workshop would be hosted by one of the donor embassies.
6. Drafting of country reports. These reports should be submitted to the steering group, the country study reference groups, and other relevant stakeholders for checking their accuracy. As suggested above (section 7) in some of the countries the exit strategies of some of the donors might usefully be contrasted with the non-exit strategies of the remaining ones. As noted, however, the pros and cons of this approach need be further discussed before it is adopted.
7. Drafting of a synthesis report based on a full comparative analysis of the reviewed cases. The synthesis report shall contain lessons learned and recommendations.
8. Workshop at the headquarters of one of the evaluation sponsors for review and discussion of the draft synthesis report.
9. Finalisation of the full set of reports – synthesis report and country studies – and acceptance of the now completed evaluation by the steering group. Discussion between the steering group and the evaluation team about further dissemination activities.
10. Throughout of the evaluation, updating the web page for the exit evaluation ([www.sida.se/exitevaluation](http://www.sida.se/exitevaluation)) and invitations of comments to the various draft reports through the web. It is envisaged that all persons consulted shall have access to the web-site. Sida is responsible for keeping web site updated.

## **10. Composition and qualifications of the evaluation team**

The evaluation team should include both international and local consultants. The evaluation should rely on local evaluation capacity whenever feasible, and it should be adequately balanced in terms of gender.

The following are requirements regarding the team leader:

- Extensive experience of managing development co-operation evaluations.
- Advanced knowledge of the substantive issues covered by the evaluation.
- Familiarity with development issues in South Asia and Sub-Saharan Africa
- Advanced skills in writing and communication

The following is required by the team as whole:

- All the members of the team should have previous experience from evaluations of development assistance, as well as a good general understanding of evaluation.
- All the members of the team should be familiar with broader issues of development policies, strategies and aid management.
- One or more of the team members should have a good understanding of the mechanisms of policy making and strategy formulation among the four donor agencies represented in the evaluation.
- One or more of the team members should have expert knowledge of aid modalities, including technical assistance.

- One or more of the team members should have expert knowledge in the areas of public sector management and public sector capacity development.
- The team should be able to address issues related to the cross-cutting issues of gender equity, human rights, democratisation, environment, and HIV/AIDS.
- The team should have an advanced understanding of development issues at national and local levels in the countries involved in case studies.
- All team members must be fluent speakers and writers of English.
- As the evaluation must consult documents written in Swedish, Danish, Norwegian and Dutch, the team must include persons familiar with these languages.<sup>64</sup>

Proposals will be assessed against these requirements.

## 11. Inputs

While the evaluators will have significant latitude in the design and organisation of their work, it is estimated that the evaluation in its totality will require in the order of 70 person weeks. As already noted, the evaluation will necessitate fairly extensive fieldwork in the case study countries. The need for stakeholder workshops, seminars, feedback meetings, etc. should be considered when planning and budgeting for fieldwork. However, possible dissemination activities after the completion of the study will be covered by a separate budget.

The evaluation will also require consultations and reviews of documents at the four donors' headquarters, i.e. in Copenhagen, the Haag, Oslo and Stockholm. It is suggested here that the proposal should be based on one or, perhaps, two such visits per donor country, the first in connection with the writing of the inception study, the second after the field visits for the purpose of checking the accuracy of findings and seeking answers to follow-up questions.

The overall budget for the evaluation shall not exceed EUR 400,000, including reimbursables. Note that this amount is intended to cover six country studies, five in the countries mentioned above, and one in a country still to be identified. The cost of the latter study has been provisionally estimated as the average of the costs of the others.

## 12. Time table

It is anticipated that the evaluation would be put out for Tenders in October 2006 and that the Evaluation Consultant Team to undertake the evaluation will be selected in December 2006 or early January 2008.

It is expected that the evaluation process from the inception will be completed within ten months period to a draft report. After a process of dissemination of the results through workshops, comments by donors and other parties, etc. it is expected that the final full report be ready by the end of March 2008.

<sup>64</sup> It should be recognised that a person fully fluent in any one of the three Nordic languages would be able to read documents in the other Nordic languages as well.

The tentative time schedule of the evaluation is as follows<sup>65</sup>:

- Closure of contract: March 2007, week 9–10.
- March 2007, week 10. Notification of partner country officials and sponsoring agencies' embassies and other staff.
- Collection of data and documentation: starting following contract closure.
- April 2007. Interviews at donor head quarters. Dates to be provided by consultants as soon as possible.
- May 21, 2007. Presentation of Inception Report at meeting of the Evaluation Steering Group in Copenhagen. The report submitted by the consultant no less than seven working days in advance of the meeting.
- July – September 2007: field visits. Dates for fieldwork and dates for concluding fieldwork workshops to be provided with as little delay as possible.
- October 19, 2007. Delivery of draft country case study reports.
- November 5, 2007. Steering Committee and team leaders meet to discuss the case study reports.
- October-December, 2007. Drafting of synthesis report.
- December 10, 2007. Informal briefing on emerging conclusions with Steering Group in Copenhagen.
- January 20, 2008. Delivery of First Draft Synthesis Report.
- February 5, 2008. Steering Committee meets with team leaders to assess the contents and quality of the First Draft Synthesis Report.
- February 22, 2008. Joint workshop in Stockholm with key stakeholders from the four sponsoring agencies.
- March 10, 2008. Delivery of Second Draft Synthesis Report with final draft country case study reports attached.
- End of March, 2008. Delivery of Final Synthesis Report with final country case study reports attached, all edited for publishing.

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<sup>65</sup> This time table is a revised version of the original. It was inserted in this document 2007-03-20-



# Managing Aid Exit and Transformation

Botswana Country Case Study





# Joint Evaluations

**1996:1    The international response to conflict and genocide: lessons from the Rwanda experience: Synthesis Report**

John Eriksson, Howard Adelman, John Borton, Krishna Kumar, Hanne Christensen, Astri Suhrke, David Tardif-Douglin, Stein Villumstad, Lennart Wohlgemuth

Steering Committee of the Joint Evaluation of Emergency Assistance to Rwanda, 1996.

**1997:1    Searching for Impact and Methods: NGO Evaluation Synthesis Study.**

Stein-Erik Kruse, Timo Kyllönen, Satu Ojanperä, Roger C. Riddell, Jean-Louis Vielajus

Min of Foreign Affairs Finland, OECD-DAC, Sida, 1997.

**1997:2    Measuring and Managing Results: Lessons for Development Cooperation: Performance Management**

Derek Poate

UNDP/OESP Sida, 1997.

**2003:1    Local Solutions to Global Challenges: Towards Effective Partnership in Basic Education. Final Report. Joint Evaluation of External Support to Basic Education in Developing Countries.**

Ted Freeman, Sheila Dohoo Faure

Netherlands Ministry of Foreign Affairs, CIDA, DFID, Department for Foreign Affairs Ireland, EU, BMZ, JICA, Ministry of Basic Education and Literacy Burkina Faso, Danida, Norad, Sida, UNESCO, UNICEF, World Bank. 2003.

**2003:2    Toward Country-led Development : a Multi-Partner Evaluation of the Comprehensive Development Framework : Synthesis report**

Carol Lancaster, Alison Scott, Laura Kullenberg, Paul Collier, Charles Soludo, Mirafe Marcos, John Eriksson, Alison Scott, Ibrahim Elbadawi, John Randa,

World Bank, OED, CIDA, Danida, Norad, ODI, JICA, Sida, 2003.

- 2005:1 Support to Internally Displaced Persons: Learning from Evaluation. Synthesis Report of a Joint Evaluation Programme.**  
John Borton, Margie Buchanan Smith, Ralf Otto  
Sida, 2005.
- 2005:2 Support to Internally Displaced Persons: Learning from Evaluation. Synthesis Report of a Joint Evaluation Programme: Summary Version**  
John Borton, Margie Buchanan Smith, Ralf Otto  
Sida, 2005.
- 2005:3 Humanitarian and Reconstruction Assistance to Afghanistan 2001- 2005: From Denmark, Ireland, the Netherlands, Sweden and the United Kingdom; A Joint Evaluation. Main report**  
Danida, Sida, Chr. Michelsen Institute, Copenhagen, DFID, Development Cooperation Ireland, BMZ, 2005.
- 2005:4 Humanitarian and Reconstruction Assistance to Afghanistan 2001–2005: From Denmark, Ireland, the Netherlands, Sweden and the United Kingdom; A Joint Evaluation. Summary**  
Danida, Sida, Chr. Michelsen Institute, Copenhagen, DFID, Development Cooperation Ireland, BMZ, 2005.
- 2005:5 An Independent External Evaluation of the International Fund or Agricultural Development**  
Derek Poate, team leader, Charles Parker, Margaret Slettevold ...  
IFAD, Sida, CIDA, 2005.
- 2006:1 Joint Evaluation of the International response to the Indian Ocean tsunami: Synthesis Report**  
John Telford, John Cosgrave, contribution Rachel Houghton  
Tsunami Evaluation Coalition (TEC) Action aid, AusAID, BMZ CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:2    Impact of the tsunami response on local and national capacities**

Elisabeth Scheper, Arjuna Parakrama, Smruti Patel, contribution Tony Vaux

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:3    Coordination of International Humanitarian Assistance in Tsunami-affected countries**

Jon Bennett, William Bertrand, Clare Harkin, Stanley Samarasinghe, Hemantha Wickramatillake

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:4    Funding the Tsunami Response: A synthesis of findings**

Michael Flint, Hugh Goyder

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:5    Links between relief, rehabilitation and development in the Tsunami response: A synthesis of initial findings**

Ian Christoplos

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:6 The role of needs assessment in the Tsunami response – Executive summary**

Claude de Ville de Goyet, Lezlie C Morinière

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZm CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:7 Evaluation of Coordination and Complementarity of European Assistance to Local Development: with Reference to the 3C Principles of the Maastricht Treaty**

Robert N. LeBlanc and Paul Beaulieu

Sida, Ministry for Foreign Affairs, Austria, Ministry for Foreign Affairs, Department for International Development Cooperation. Belgium, Min. des Affaires étrangères/Direction General de la Cooperation International, France, Department of Foreign Affairs Development Co-operation Division, Ireland and Ministry of Foreign Affairs/Directorate-General for International Cooperation, the Netherlands, 2006.

**2007:1 Evaluation of General Budget Support – Note on Approach and Methods. Joint Evaluation of General Budget Support 1994–2004**

AFD, DFID, MOFA, NZAID, USAID, AusAID, BMZ, JBIC, NORAD, Danida, SECO, CIDA, JICA, Min of Foreign Affairs Spain, Portuguese Development Cooperation, Sida, 2007.

**2007:2 Evaluating Co-ordination, Complementarity and Coherence in EU development policy: a synthesis**

Evaluation Services of the European Union, Sida, Ministry for Foreign Affairs, Austria,

Ministry for Foreign Affairs, Department for International Development Cooperation. Belgium, Min. des Affaires étrangères/Direction General de la Cooperation International, France, Department of Foreign Affairs Development Co-operation Division, Ireland and Ministry of Foreign Affairs/Directorate-General for International Cooperation, Netherlands, 2007.

**2007:3 Evaluating Democracy Support: Methods and Experiences.**

Sida, Department for Evaluation and Internal Audit and International Institute for Democracy and Electoral Assistance (IDEA), 2007.

**2007:4 Peer Review Evaluation Function at the World Food**

Programme (WFP). Peer Panel Members: Jock Baker, Stefan Dahlgren, Susanne Frueh, Ted Kliet, Zenda Ofir. Advisors to the Panel: Ian Christoplos, Peta Sandison Sida, BMZ, UNEG, WFP, 2007.

**2008:1 Managing Aid Exit and Transformation: Lessons from Botswana, Eritrea, India, Malawi and South Africa: Synthesis Report**

Anneke Slob, Alf Morten Jerve

Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

**2008:1:1 Managing Aid Exit and Transformation: Summary of a Joint Donor Evaluation**

Jesper Heldgaar

Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

**2008:1:2 Managing Aid Exit and Transformation: India Country Case Study**

Albert de Groot, CK Ramachandran, Anneke Slob, Anja Willemsen, Alf Morten Jerve

Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

**2008:1:3 Managing Aid Exit and Transformation: South Africa Country Case Study**

Elling N Tjønneland, Pundy Pillay, Anneke Slob, Anje Willemsen, Alf Morten Jerve

Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

**2008:1:4 Managing Aid Exit and Transformation: Eritrea Country Case Study**

Teferi Michael, Rudy Ooijen, Anneke Slob, Alf Morten Jerve

Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

**2008:1:5 Managing Aid Exit and Transformation:  
Malawi Country Case Study**

Esther van der Meer, Arne Tostensen, Anneke Slob, Alf Morten Jerve

Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

**2008:1:6 Managing Aid Exit and Transformation:  
Botswana Country Case Study**

Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

Charity Kerapeletswe, Jan Isaksen, Anneke Slob, Alf Morten Jerve

**2008:2 Evaluation of the Implementation of the Paris  
Declaration: Phase One Synthesis Report**

Bernard Wood, Dorte Kabell, Nansozi Muwanda, Francisco Sagasti

International Reference Group comprising members of the DAC Network on Development Evaluation, 2008.

**2008:3 Joint Evaluation of Citizen's Voice and  
Accountability: Synthesis Report**

Alina Rocha Menocal, Bhavna Sharma

Commissioned by Directorate-General for Development Cooperation (Belgium) – DGCD, Danish International Development Assistance – Danida, Federal Ministry for Economic Cooperation and Development (Germany) – BMZ, Norwegian Agency for Development Cooperation – Norad, Swedish International Development Cooperation Agency – Sida, Swiss Agency for Development and Cooperation – SDC, Department for International Development – DFID, 2008.

**2009:1 Anti-Corruption Approaches: A Literature  
Review**

Arne Disch, Endre Vigeland, Geir Sundet

Commissioned by Asian Development Bank - ADB, Danish International Development Assistance – Danida, Department for International Development - DFID, Norwegian Agency for Development Cooperation – Norad, Swedish Agency for Development Evaluation- SADEV, Swedish International Development Cooperation Agency – Sida, 2009.

**2009:2 Public Financial Management Reform Literature Review**

Carole Pretorius, Nico Pretorius  
(Evaluation Report EV698)

Commissioned by Department for International Development – DFID, Dutch Ministry of Foreign Affairs, Swedish International Development Cooperation Agency – Sida, Canadian International Development Agency – CIDA, African Development Bank – AfDB, 2009.

**2009:3 A ripple in development? Long term perspectives on the response to the Indian Ocean Tsunami: A joint follow-up evaluation of the links between relief, rehabilitation and development (LRRD)**

Emery Brusset (team leader), Mihir Bhatt, Karen Bjornestad, John Cosgrave, Anne Davies, Adrian Ferf, Yashwant Deshmukh, Joohi Haleem, Silvia Hidalgo, Yulia Immajati, Ramani Jayasundere, Annina Mattsson, Naushan Muhaimin, Adam Pain, Riccardo Polastro, Treena Wu.

Commissioned by LRRD2 Joint Steering Committee, Sida, Norad, Danida, the Netherlands Ministry for Foreign Affairs, CIDA, BAPPENAS, Indonesia; BRR, Indonesia;

Ministry for Plan Implementation, Sri Lanka, Ministry for National Building, Sri Lanka; ISDR, Bangkok; IFRC, Bangkok; CARE International; OCHA; UNICEF, 2009.

**2009:3:1 A ripple in development? Document review: Annotated bibliography prepared for the joint follow-up evaluation of the links between relief, rehabilitation and development (LRRD) in responses to the Indian Ocean tsunami**

John Cosgrave, with the assistance of: Emery Brusset, Mihir Bhatt, Yashwant Deshmukh, Lucia Fernandez, Yulia Immajati, Ramani Jayasundere, Annina Mattsson, Naushan Muhaimin, Riccardo Polastro

Commissioned by LRRD2 Joint Steering Committee, Sida; Norad; Danida; the Netherlands Ministry for Foreign Affairs; CIDA; BAPPENAS, Indonesia; BRR, Indonesia; Ministry for Plan Implementation, Sri Lanka; Ministry for National Building, Sri Lanka; ISDR, Bangkok; IFRC, Bangkok; CARE International; OCHA; UNICEF, 2009.

**2009:3:2 A ripple in development? Long term perspectives on the response to the Indian Ocean Tsunami: A joint follow-up evaluation of the links between relief, rehabilitation and development (LRRD) – Summary Report**

Emery Brusset (team leader), Mihir Bhatt, Karen Bjornestad, John Cosgrave, Anne Davies, Adrian Ferf, Yashwant Deshmukh, Joochi Haleem, Silvia Hidalgo, Yulia Immajati, Ramani Jayasundere, Annina Mattsson, Naushan Muhaimin, Adam Pain, Riccardo Polastro, Treena Wu.

Commissioned by LRRD2 Joint Steering Committee, Sida; Norad; Danida; the Netherlands Ministry for Foreign Affairs; CIDA; BAPPENAS, Indonesia; BRR, Indonesia; Ministry for Plan Implementation, Sri Lanka; Ministry for National Building, Sri Lanka; ISDR, Bangkok; IFRC, Bangkok; CARE International; OCHA; UNICEF, 2009.

**2010:1 Evaluation of the Joint Assistance Strategy for Zambia (JASZ) 2007–2010.**

Anne Thomson, Dennis Chiwele, Oliver Saasa, Sam Gibson

Commissioned by Ministry of Foreign Affairs of Denmark – Danida, Swedish International Development Cooperation Agency – Sida, Irish Aid, 2010.

**2011:1 Supporting Child Rights – Synthesis of Lessons Learned in Four Countries: Final Report**

Arne Tostesen, Hugo Stokke, Sven Trygged, Kate Halvorsen

Commissioned by Swedish International Development Agency – Sida and Norwegian Agency for Development Cooperation – Norad, 2011.



## Managing Aid Exit and Transformation Botswana Country Case Study

Initiated by Sida in cooperation with evaluation departments in Denmark, the Netherlands, and Norway, this is an evaluation of the management of donor aid exits and transformation. The Synthesis report is based on country studies of exits and transformation processes in Botswana, Eritrea, India, Malawi and South Africa. One overall conclusion stands out: systematic exit planning with a focus on the sustainability of development outcomes is the exception rather than the rule. The evaluation ends with a set of recommendations for the formulation of shared international guidelines for aid exits and transformations.

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