

Support to domestic accountability in developing countries

Taking stock of the approaches
and experiences of German
development cooperation

Synthesis Report

November 2011

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German development cooperation

Synthesis Report

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Preface

This document was prepared on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) in the context of a study that was to take stock of German support to strengthening domestic accountability.

This stock taking exercise mapped and analysed how different actors of German development cooperation, i.e. BMZ, the German Embassies, the bilateral development organisations, German NGOs and the German political foundations support domestic accountability systems in six partner countries: Bangladesh, Mali, Malawi, Mozambique, Peru and Tanzania.

The research for the six country case studies was conducted mainly between June and December 2010. The detailed findings of the stock taking exercise carried out in these countries are presented in six country case studies that are quoted in the literature list.¹

At time of interviewing and writing, GTZ, InWEnt and DED, had not yet been merged into GIZ. Furthermore, the mapping exercise was to look at complementarities and synergies between the approaches of these different organisations. This synthesis report thus still refers to them as separate entities and uses the old acronyms.

The authors would like to express their gratitude to Ms. Birgit Pickel, Senior Development Councillor at the Ministry for the continuous advice and support provided during the course of the study. We would also like to thank the members of the reference group of the study and all those who facilitated contacts and interviews in-country. We are particularly grateful to the country desk officers at BMZ, the Heads of Cooperation in the German Embassies and our key contacts in the German Political Foundations for their help. We would furthermore like to express our gratitude to the participants and all those who generously gave information, their time and insights during interviews and e-mail exchanges.

Both the inception report for the assignment and the key findings of the stock taking exercise have been presented to and discussed with a group of representatives of BMZ and the different German development organisations. We would like to thank the participants of these events for their ideas and feedback, which have enriched the methodology of the stock taking exercise and this synthesis report.

Last but not least, we would like to thank the authors of the case studies Stéphanie Colin, Susan Hunt and Barbara Greenberg for their help with the proof-reading, editing and the lay-out of this document.

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Disclaimer

The views expressed herein are those of the authors and should not be attributed to BMZ or any other party.

¹ Fanetti and Loquai (2011); Hackenberg (2011); Koch (2011); Klavert (2011); Loquai and Klavert (2011) and Loquai (2011).

Acronyms

AAA	Accra Agenda for Action
ADB	Asian Development Bank
BGR	Bundesanstalt für Geowissenschaften und Rohstoff
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung
BTI	Bertelsmann-Stiftung Transformation Index
CCM	Chama cha Mapinduzi (Tanzanian political party)
CIDA	Canadian International Development Agency
CIM	Centrum für Internationale Migration und Entwicklung
CPI	Corruption Perception Index
CSO	Civil Society Organisation
DA	Domestic Accountability
DAC	Development Assistance Committee
DED	Deutsche Entwicklungsdienst
DfID	Department for International Development
DIE	Deutsches Institut für Entwicklungspolitik
DVV	DVV International (NGO)
DW	Deutsche Welle
EC	European Commission
ECDPM	European Centre for Development Policy Management
EED	Evangelischer Entwicklungsdienst
EDDs	European Development Days
EITI	Extractive Industry Transparency Initiative
EMB	Head of Cooperation, German Embassy
EU	European Union
FES	Friedrich-Ebert-Stiftung
FH	Freedom House
FNS	Friedrich-Naumann-Stiftung für die Freiheit
FRELIMO	Frente de Libertação de Moçambique (Mozambican political party)
GBS	General Budget Support
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GNI	Gross National Income
GOVNET	OECD/ DAC Network on Governance
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HBS	Heinrich-Böll-Stiftung
HDI	Human Development Index
HQ	Headquarters
HSS	Hans-Seidel-Stiftung
InWEnt	Internationale Weiterbildung und Entwicklungs GmbH
KAS	Konrad-Adenauer-Stiftung
KfW	Kreditanstalt für Wiederaufbau
LDC	Least Developed Country
LG	Local Government
MDGs	Millennium Development Goals
MEF	Ministry of Economy and Finance

MoU	Memorandum of Understanding
NAO	National Audit Office
NGO	Non-Governmental Organization
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
PBA	Programme-Based Approach
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PGF	Programmierorientierte Gemeinschaftsfinanzierung (Programme-oriented joint financing)
PRSP	Poverty Reduction Strategy Paper
RLS	Rosa-Luxemburg-Stiftung
SADC	Southern African Development Community
SADCOPAC	Southern Africa Development Community Organization of Public Accounts Committees
SAI	Supreme Audit Institution
SBS	Sector Budget Support
SDC	Swiss Development Co-operation
SIDA	Swedish International Development Corporation Agency
SNV	Netherlands Development Organization
SWAp	Sector-Wide Approach
TI	Transparency International
ToR	Terms of Reference
UNDESA	United Nations Department for Economic and Social Affairs
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
VENRO	Verband Entwicklungspolitik deutscher Nichtregierungsorganisationen
WHH	Deutsche Welthungerhilfe

Executive summary

“Domestic accountability” has become a new buzz phrase in the international debate on development. How domestic accountability emerges and whether the increased use of programme-based approaches in development cooperation is conducive to strengthening domestic accountability in developing countries are questions that have been much debated in the run up to preparations for the Fourth High Level Forum on Aid Effectiveness.

This synthesis report aims to contribute to this debate. It summarises the findings of a stock taking exercise on German support to strengthening domestic accountability in six developing countries. The study explored how different actors in German development cooperation aim to strengthen domestic accountability systems in partner countries: the study also analysed how different instruments and aid modalities were combined to reach this objective and how various actors of German development organisations aimed to contribute to the donor community’s wider efforts to strengthen domestic accountability in these countries. The study looked at the approaches of both bilateral aid organisations and German non-government organisations, including the German political foundations.

Case studies, involving a literature review and around 100 interviews and consultations, were prepared for six partner countries: Bangladesh, Mali, Malawi, Mozambique, Peru and Tanzania. Of these six countries, all but Bangladesh, were recipients of budget support at the time the study began. In Bangladesh, German development cooperation was contributing to a basket fund for a sector-wide approach in the field of health and parallel financing in the governance sector. Research focused on mapping important approaches and lines of intervention and not on evaluating their effectiveness or results. Literature research and interviews for the case studies were conducted mainly in the second half of 2010.

Building on the research findings of GOVNET, the study started from the assumption that domestic accountability usually emerges through the interaction of a variety of state and non-state actors who draw on specific principles, incentives and agreements incorporated in legal frameworks and administrative procedures or traditions (Hudson and GOVNET Secretariat 2009, pp. 20-21). Accordingly, the study attempted to analyse how the different actors and instruments were used to promote the emergence of domestic accountability systems around important policy processes and issues in partner countries, rather than supporting individual drivers of accountability.

The main findings of the stock taking exercise can be summarised as follows:

Context, aid environment and accountability in the six case study countries

All of the countries included in the sample are (formal) democracies. Hence systems of checks and balances and political liberties that lay the basis for horizontal accountability (such as freedom of the press, speech and assembly) in principle are guaranteed in the constitution or other legal frameworks.

However, at the time of writing, the following factors limited the workings of checks and balances in all the countries reviewed and the governments’ answerability in practice:

- a dominant executive and an insufficient separation of powers;
- severe capacity constraints on potentially important drivers of accountability (e.g. Parliament, supreme audit institutions, civil society, ombudsmen and case handling institutions);

- weak interaction between key accountability institutions such as Parliament, SAIs, the media and civil society;
- high levels of corruption (particularly in Mali, Mozambique and Bangladesh);
- the strong influence of informal aspects of governance (e. g. accountability and decision-making lines that are based on kinship, ethnic, religious lines or client-patron relations rather than formal decision-making and administrative procedures). This often means that existing procedures, legal frameworks and institutions are not applied or activated in line with their mandate.

With regard to this last point, it is however, important to note, that informal aspects of governance can also reinforce accountability mechanisms of the modern state, e.g. when traditional institutions engage with and support democratic decision-making processes.

At the same time, there have also been noteworthy positive developments, such as:

- the emergence of networks of non-governmental associations and strategic alliances between citizens, civil society and the media that have assumed watchdog functions in scrutinizing government policy and monitoring budget processes, public expenditures and corruption;
- efforts to strengthen domestic accountability systems around budget processes (parliamentary budget and public account committees, supreme audit institutions, systems of internal financial control) at national and local levels;
- initiatives to make the provision of public services more equitable and accountable, e.g. by introducing public service charters;
- the emergence of ombuds-institutions as drivers of accountability;
- the positive influence of regional organisations, international professional associations and international compacts, such as the EITI, and international networks and watchdog organisations on the emergence of domestic accountability in these countries.

The role and impact of assistance from so-called emerging donors, in particular the P.R. of China, was a concern in some of the countries, in particular if these emerging donors were critical of policy dialogue on accountability issues.

Key lines of intervention of German support to domestic accountability

The evidence from the stock taking exercise shows that domestic accountability systems have been a concern of German development cooperation in all six countries under review.

In each of these countries, several instruments of German cooperation were used to strengthen domestic accountability, often in complementary ways. In particular bilateral cooperation and the political foundations were engaged in strengthening accountability institutions and/or their interaction around key policy processes at the national level. German NGOs appeared to be less involved in strengthening the watchdog functions of CSOs in partner countries than were NGOs from donor countries, which provided a substantial share of their assistance in the form of budget support.

On the whole German support to domestic accountability is often not labelled as such. The priority which German bilateral cooperation gives to domestic accountability in practice is not yet reflected in strategy

papers and many programme documents. In fact, none of the country strategy papers spelled out a vision on how German development cooperation aims to promote domestic accountability.

Particularly prominent lines of bilateral assistance to domestic accountability revolve around integrating PRSP processes with the budget, financial management reforms and decentralisation processes. There are also some components of programmes in the specific sectors, such as health, education and agriculture, that aim to strengthen citizens' and CSOs' engagement in strategic policy processes and accountability mechanisms.

Although assistance to election processes has been excluded from the scope of this study, it should be noted that bilateral technical cooperation and the political foundations do provide support for strengthening the transparency of election processes, e. g. for strengthening the capacity of election commissions, the capacity of the media to report objectively and for enabling politically marginalised groups to actively participate as voters and candidates.

Support to domestic accountability in the context of budget support and programme-based approaches

A comparison of the findings of the case studies illustrate that in the four countries of the sample, where Germany provides *general* budget support, the objective of strengthening domestic accountability systems has received receives more attention and priority in aid management and policy dialogue than in the two other partner countries analysed. Policy dialogue was considered to be a more important instrument for strengthening domestic accountability in the countries receiving general budget support than in the two countries where only sector budget support or other programme-based approaches were applied.

Moreover, in those countries where general *or* sector budget support was provided, donor representatives appeared to be more interested in exchanging experiences and strategic reflections on this subject.

There was a strong consensus amongst German interlocutors, that decisions to grant general and sector budget support had resulted in a range of new opportunities for German development cooperation to promote domestic accountability at different levels. Many interlocutors felt that this new aid modality had a catalytic effect: through high level policy dialogue it allowed some issues that blocked the emergence of accountability to be addressed in a more effective way with senior policy makers and other donors. Moreover, participation in related dialogue frameworks provided opportunities to draw attention to good practice or institutional innovations generated at the project level and ensure their replication.

Complementarities and synergies between different actors and instruments of German support

Synergies between the efforts of different German cooperation agencies to strengthen domestic accountability systems were perceived to be particularly strong around decentralisation and public financial management reform processes. Around other policy processes German assistance to domestic accountability institutions was less systematic and more fragmented.

Collaboration between bilateral aid agencies and the political foundations was limited and rather selective. The reasons quoted for this were administrative barriers and an agreement on task division. Based on the findings of the case studies, it can be argued that this agreement does not really provide sufficient incentives for strategic alliances and synergies between the efforts of the different German organisations.

The role of German support in wider efforts to strengthen domestic accountability

Interviews with representatives of other donor agencies and partners confirmed that German development cooperation is considered to contribute substantially to promoting accountability in the context of policy dialogue around the budget and budget support processes and in the focal sectors of German development cooperation, notably decentralisation.

The decision of the German government to start making use of this instrument was highly welcomed by other donors in the countries under review. The sound knowledge of German bilateral cooperation agencies in the field of public financial management, decentralisation, poverty monitoring, capacity development of local government and decentralisation, and willingness to share information with other donors, were seen to enrich policy dialogue and fortify the harmonisation of approaches to strengthening domestic accountability.

Obstacles to increasing the harmonisation of donor approaches, mentioned in the different case studies:

- Different approaches to strengthening domestic accountability, in particular with regard to the role of technical assistance and the willingness to invest in local capacity builders;
- Different assessments of fiduciary risks and administrative barriers at donor headquarters that limited possibilities for engaging in delegated cooperation;
- Lack of awareness of the specific expertise of the different German political foundations, particularly if they did not have an office in the country;
- A lack of efforts by donors to engage in a structured exchange of experiences with specific tools and approaches that aimed to strengthen domestic accountability.

Moreover, many interlocutors mentioned that their assistance could benefit from a better understanding of how informal aspects of governance and traditional accountability relations impacted on (support to) domestic accountability systems.

Recommendations

The decision by the German government to provide part of its aid in the form of sector or general budget support was generally perceived to be beneficial in terms of increasing the opportunities for promoting domestic accountability. It therefore appears to be important to continue to make use of the new opportunities afforded by these aid modalities.

A number of interlocutors expressed the view that the coherence of German efforts to promote domestic accountability could benefit from strategic and operational guidance. Such guidance seems necessary to ensure a common understanding of the concept and a more strategic approach. This could not only ensure that aid managers systematically explore possible lines of intervention, but also contribute to making existing expertise more visible and thus available for harmonised approaches.

More specifically, policy makers should consider the following avenues for action:

- *Promote an exchange between practitioners* (embassies, PGF-managers and some focal sector coordinators) on how to make best use of policy dialogue for promoting the emergence of domestic accountability in different country contexts. Such an exchange could take place in an electronic discussion group.

- *Invest in an operational guideline that provides some definitions and guidance on how to strengthen domestic accountability in a truly systemic way, combining different instruments and modalities of aid.* Such a guideline should also provide examples of possibilities for harnessing the available expertise of political foundations, NGOs and media organizations, such as “Deutsche Welle”, in-country.
- *Foster in-country reflection processes that can help to define a joint vision and explore the scope for complementary and joint action by various actors and instruments of German development cooperation.* These efforts could initially focus on countries receiving general budget support, because the findings from the case studies suggest, that in these countries attention to domestic accountability systems appears to be quite high. However, such efforts should not exclude other countries, where there is a demand for such strategic reflection processes from German actors in development or their partners.
- *Consider investing in joint political economy analysis with other donors who have a strong interest in strengthening domestic accountability systems.* This could help to develop a common understanding and assessment of the influence of informal aspects of governance on aid in general and support to domestic accountability in particular. It could also help to assess the relationships between “traditional” and “modern” accountability institutions and give donors more hints on potential effects of assistance strategies that largely focus on formal institutions (e.g. in the field of public financial management).
- *Provide strategic guidance on how to support the local media as driver of domestic accountability, building on experiences of bilateral assistance, the Political Foundations, Deutsche Welle and other (non-governmental) actors that have an expertise in this field.* It could be particularly worthwhile to explore how to work with local media in order to strengthen the demand side of accountability around budget and public management reform processes, as present approaches to assistance are strongly focused on the supply-side.
- *Build on the dynamics triggered by the joint budget support evaluations, the in-country consultations of the GOVNET Work-stream on “Aid and domestic accountability and aid” and this internal stock taking exercise to stimulate or maintain discussion with interested donors on strengthening synergies and complementarities, including German non- governmental organisations, the Political Foundations and representatives of Deutsche Welle (Academy), who showed great interest in the debate during the consultations for this stock taking exercise.*

The German political foundations have considerable experience in working with potential drivers of accountability, some of which are outside the realm of bilateral cooperation. Their implication and contribution in strategic reflections at the country level is thus highly desirable. With a view toward rendering German assistance to domestic accountability more systemic, the scope for strategic alliances and a pragmatic approach to coordination and task division between the foundations and bilateral cooperation should be explored.

Introduction

Domestic accountability has become a “hot topic” in development research and practice. This is evident from the growing body of literature that deals with the concept of domestic accountability or the accountability functions of different state and non-state actors in developing countries (Wang and Rakner 2005, Morazán and Koch 2010, Eberlei 2007, Bossuyt et al. 2009).

The topic has also moved up on the agendas of OECD donors and multilateral organizations. Following the Paris Declaration and the commitments made in the Accra Agenda for Action (AAA), donors and development organizations have increasingly invested in studies and strategic reflection processes that aim to explore how their development cooperation can strengthen domestic accountability systems in developing countries (Bosworth 2005, Eberlei 2007, Bossuyt et al. 2009, Hudson and GOVNET Secretariat 2009, European Parliament 2010, Hudson and Vanheukelom 2010).

This is also the case with German development cooperation. In March 2009, BMZ issued a plan of operation for the implementation of the principles of the Paris Declaration and the AAA. The aim of this plan is to ensure that the strategies and practices of German development cooperation duly reflect important principles set out in these declarations. This plan highlights the German commitment to strengthening domestic accountability in partner countries. It envisages capacity development support to strengthen the supervisory and control functions of parliaments and supreme audit institutions in partner countries receiving budget support from Germany. The document also announces more extensive capacity development support for CSOs with a view to enabling them to participate in political dialogue processes, scrutinize the use of public funds and increase the transparency of budget processes (BMZ 2009c, p. 7).

In October 2009, the German Ministry for Economic Cooperation and Development (BMZ) published a position paper that outlines how German bilateral cooperation aims to contribute to promoting resilient states. This document also describes how German development cooperation aims to strengthen domestic accountability in partner countries and provides pointers on how to act in relation to relevant principles of the Paris Declaration and Accra Agenda for Action (BMZ 2009b, p. 27).

The German bilateral aid organisations, KfW and GTZ, and number of German non-governmental organizations and research institutes, including the NGO platform VENRO, the think tank Südwind Institut, Deutsche Welthungerhilfe, the German Development Institute, Brot für die Welt and Oxfam Germany have recently prepared contributions to the German and international debate.² These include proposals on how to ensure that development assistance more effectively reinforces domestic accountability in developing countries in the context of the recent shift to new aid modalities, such as budget support and other programme-based approaches.

This synthesis report is another contribution to the debate. It is the result of a stock taking exercise that was commissioned by BMZ together with representatives of German bilateral aid agencies as part of its efforts to follow up on Germany's commitment to implement the principles of the Paris Declaration and the Accra Agenda for Action.

The purpose of this stock taking exercise was to assess how different German development organizations and German development cooperation as a whole intends to strengthen domestic accountability systems in partner countries. Particular attention was to be devoted to how development organizations promote the

² See, for instance: Schmidt 2009, Krause 2009, Fritz and Lang 2007, GTZ and Zimmermann 2006, GIZ 2011, Knoke and Morazán 2002, VENRO 2003, Alliance2015 2008, Südwind Institut 2011.

involvement of accountability institutions, such as parliaments, supreme audit institutions, civil society organizations and the media in their policy processes. In this context, the particular focus was to be on the matter of whether new aid modalities, such as budget support and other programme-based approaches, provided new opportunities for strengthening domestic accountability systems or more attention for this issue. For the purposes of this exercise, six German development cooperation partner countries were looked at: Bangladesh, Malawi, Mali, Mozambique, Peru and Tanzania. The study was carried out in the second half of 2010.

This report summarizes and discusses the key findings of the stock taking exercise and is structured as follows:

Chapter 1 briefly places the study in the context of the German and international debate on domestic accountability, aid effectiveness and budget support. The chapter explains why donors have shown an increasing interest in questions surrounding domestic accountability and aid in the context of the debate on new aid modalities, such as budget support and other programme-based approaches. Reference is made to some recent initiatives from within the donor community, intended to provide strategic reflection on support to domestic accountability.

Chapter 2 comments on the objectives, scope and limitations of the stock taking exercise.

Chapter 3 presents the key elements of the analytical framework and the methodology used, as described in the inception document for the stock taking exercise. The chapter explains how domestic accountability was defined and conceptualized for the purpose of the study, and the questions which guided the stock taking exercise. The chapter also refers to key steps in the stock taking exercise and outlines the research instruments.

Chapter 4 provides some background information on the political context and aid environment in the six countries studied. Furthermore, it summarises key characteristics of the “state of art” of domestic accountability in these countries as described in literature and interviews, pointing to similarities and differences.

Chapter 5 discusses, describes and compares the different lines of intervention of German support for strengthening domestic accountability systems. It focuses on key policy processes in the countries and in the focal sectors of German bilateral cooperation. The last sections comment on complementarities and synergies between different actors of German development cooperation and their role in wider efforts to strengthen domestic accountability in partner countries.

Chapter 6 draws some preliminary conclusions and makes recommendations for how the strategic focus, coherence and complementarity of the different lines of German support to domestic accountability could be enhanced. It also puts forward some ideas on how, in wider efforts, German development organizations can strengthen their contribution towards promoting domestic accountability systems.

1. The debate on domestic accountability, aid and budget support

Domestic accountability is not a new concept in the debate on development. It has, however, received increasing attention in the context of discussions on good governance, aid effectiveness and the opportunities and risks of programme-based approaches.

In particular, the fact that donors have provided an increasing share of aid in the form of budget support has triggered a controversial debate on how aid impacts on domestic accountability. Whilst it has been argued that budget support and other programme-based approaches create new opportunities for strengthening domestic accountability systems by placing heavy emphasis on transparent budget processes, public finance management reform and accounting for results (Hudson and GOVNET Secretariat 2009, p. 9), there are also certain risks.

Pointing to empirical evidence, critics posit that the strong focus on policy dialogue with government and the use of country-systems can reinforce government control over development policies and funding at the expense of civil society actors. They also point to the risk that in countries with weak administrative capacities, the strict requirements for financial reporting and performance reviews, progress reviews of budget support result in governments focusing on accountability to donors rather than accountability to citizens, civil society and Parliament (Hudson and Vanheukelom 2010, p. 3; Leiderer 2010, p. 2). Moreover, it has been argued that if countries receive large amounts of their budget resources with few conditionalities from donors, they will have little incentive to develop other revenue sources. Hence, the risk, that recipients of budget support will become more dependent on aid and less accountable to their citizens (Alvarez 2010, p. 3). These points have been discussed not only in the academic and donor community, but have also been researched by civil society organizations in some of the countries reviewed in the context of the stock taking exercise, e. g. in Mali and Mozambique.³

The discussions at the Third High-Level Forum on Aid Effectiveness took account of these concerns. The Accra Agenda for Action (AAA) made it clear that “achieving development results – and openly accounting for them – must be at the heart” of development efforts and cooperation (Third High Level Forum 2008, p. 1). While the AAA reiterates commitments to the increased use of programme-based approaches and country’s administrative systems, it also commits signatories to support the capacity development efforts of actors beyond central governments, such as parliaments, local governments, CSOs, research institutes, the media and the private sector – to take an active role in dialogue on development policy (Third High Level Forum on Aid Effectiveness 2008, p. 2)

Since then, the topic has received increasing attention in the policy making of many bilateral donors and international institutions. This trend is also reflected in recent initiatives and debates within the OECD/ DAC and the EU.

In 2009, the OECD/DAC Network on Governance (GOVNET) has created a new ‘Work-stream on Aid and Domestic accountability’. This initiative is based on the realization that “to make aid work for domestic accountability in developing countries, donors need to ensure that their activities are based on a sound understanding of how domestic accountability works in developing countries and what impact different types of donor engagement can have on both the scope and capacity of domestic accountability” (OECD/DAC Network on Governance 2010b, p. 5). The work-stream explores how donors can best

³ See, for instance, Methven 2008, Forum de la Société Civile Malienne 2010, FONGEM 2007, FECONG 2008).

provide support to domestic accountability in developing countries and ensure that development assistance is provided in ways that bolster rather than undermine these systems. It also intends to provide guidance to donors on how to maximize the positive impact of their aid on domestic accountability in partner countries with a view to enhancing the effectiveness of aid and its impact on poverty reduction (OECD/DAC Network on Governance 2010a, p. 6).

For this purpose, the work-stream is presently conducting consultations and research, including a series of country case studies, on the role of aid in strengthening domestic accountability. These case studies devote particular attention to donor support to domestic accountability surrounding a number of policy processes and issues, such as budget processes, taxation, anti-corruption, electoral processes and health-service delivery, as well as the cross-cutting issues of human rights and gender equality. The countries selected are Uganda, Mozambique, Peru and Mali (OECD/ DAC Network on Governance 2010b, p. 2).

The methodology of the work-stream gives an important place to engaging developing country governments and representatives from accountability institutions in the management and steering of the process and multi-stakeholder dialogue in the selected countries. It is also envisaged that the main findings of the work-stream will be fed into the preparatory processes for the Fourth High Level Forum on Aid Effectiveness in October 2011 in Busan. At the time of writing, the work-stream was in the process of drawing up guidelines from the conclusions of the study and preparing a contribution for Busan.

In the EU, issues of domestic accountability have gained importance in debate and policy formulation on budget support and aid effectiveness. Domestic accountability, for example, emerged as an important topic during the Belgian Presidency of the Council of the European Union in the second half of 2010. This was also reflected in debates at the European Development Days and the discussions on the future of the European Commissions' "Green paper on the future of the European budget support in third countries" in December 2010 (European Commission 2010, Vanheukelom et al. 2011).

German development cooperation has contributed to these debates. In fact, together with Belgium, Britain, Denmark, France and Sweden, Germany is among those EU member states whose government and development organizations have more actively sought to support the strengthening of domestic accountability in partner countries and promote discussion of challenges and experiences (Hudson and Vanheukelom 2010, p. 4).

2. Objectives, scope and limitation of the stock taking exercise

The objective of the assignment was to take stock of how different actors in German development cooperation intend to promote domestic accountability in the countries under review, rather than to assess the effectiveness or impact of this support.

The stock taking exercise was conducted for six partner countries: four African countries, Malawi, Mali, Mozambique and Tanzania, as well as Peru and Bangladesh. The selection of countries made by BMZ and the reference group of the study⁴ reflected the desire to include countries covering a range of experiences and contexts. Of these six countries all but Bangladesh were recipients of budget support at the time the

⁴ This reference group was composed of representatives of BMZ and the German bilateral aid implementation agencies.

study began. In Bangladesh, German development cooperation in Bangladesh was contributing to a basket fund for a sector wide approach in the field of health and parallel financing in the governance sector (see also the overview in table 4). In some of these countries, German bilateral cooperation also supported programme-based approaches through in the form of pooling of technical assistance (e.g. in Mali in the field of decentralisation and in Malawi in the case of assistance to poverty monitoring).

Box 1: Donors' commitment to increasingly contribute to programme-based approaches

In the Paris Declaration, donors committed to providing two-thirds of aid as programme-based approaches (PBA) by 2010.

A PBA implies that different donors and aid agencies integrate their external assistance in a programme defined and owned by the partner country. More specifically, according to the OECD definition, a programme-based approach is assistance that shares the following five features:

- leadership by the host country or organisation;
- a single comprehensive programme and budget framework;
- a formalised process for donor co-ordination and harmonisation of donor procedures for reporting,
- budgeting, financial management and procurement; and
- efforts to increase the use of local systems for programme design and implementation, financial management, monitoring and evaluation.

Examples of assistance that qualifies as PBA are sector budget support, basket funding and contributions to pools of technical assistance. In addition, technical and financial assistance projects can also be components of a PBA, if they are integrated in an overarching programme that is owned by the partner country and if these projects are coordinated with contributions of other donors.

Source: BMZ 2009b, p. 26; BMZ 2008, Annex 1.

In each of these countries, the support of the following actors in German development cooperation were considered:

- German Embassy,
- German bilateral development agencies,
- German political foundations,
- German non-governmental organizations.

At the time that the research was conducted, GTZ, InWEnt and DED, had not yet been merged into GIZ. Accordingly, they have been treated as separate organizations.

As BMZ considers the media to be an important driver of domestic accountability, the German international broadcaster "Deutsche Welle", which provides training, capacity building and institutional support to the media in developing countries, was also included in the sample.

In line with the methodology outlined in the inception document, the studies concentrated on important lines of intervention by German development cooperation and did not aim to address a complete inventory of relevant approaches and activities.

It is important to highlight these limitations in the scope and ambition of the stock taking exercise, as they have a bearing on the kind of conclusions that can be drawn and the recommendations made on the basis of the findings.

3. Analytical framework and methodology

The country case studies followed a common research methodology that had been developed in consultation with BMZ and representatives of different German development organizations.

This methodology acknowledges that domestic accountability is a complex and somewhat elusive concept that is defined in different ways in the literature (Stapenhurst and O'Brien s. a., Bossuyt et al. 2009, Bovens et al. 2006).

3.1. The concept of domestic accountability

For the purposes of our analysis, a two-dimensional concept of domestic accountability that distinguishes between horizontal and vertical accountability was found to be most appropriate, as it is relatively simple to understand and has been used in a number of other studies that deal with domestic accountability and aid (Hudson and GOVNET Secretariat 2009, Morazán and Koch 2010).

It distinguishes between the following two dimensions or areas of accountability:

- **Horizontal or intra-state accountability**, which refers to the inner system of checks and balances between state institutions and the capacities of these institutions to assume supervisory, control or audit functions that render the actions of the state more accountable and transparent.
- **Vertical accountability**, which refers to the answerability of the state to its citizens, as well as the mechanisms available to citizens and non-state actors to hold state institutions accountable.

This concept implicitly rests on three principles: transparency, answerability and enforcement.

Transparency implies that those citizens or institutions that have a mandate to oversee or control the government and its agencies have access to information about the commitments that the state has entered into and the extent to which these commitments have been honoured (OECD/ DAC Network on Governance 2010a, p. 8). Answerability is the obligation of the government, its agencies and public officials to provide information about their decisions and actions and to justify them to the public and institutions tasked with providing supervision. Enforcement refers to the willingness and power of citizens or the institutions that are responsible for accountability to sanction the offending party or remedy the contravening behaviour (Stapenhurst and O'Brien s.a., p. 1).

Some authors, in particular those dealing with public accountability in developing countries, also point to “political participation” as an important prerequisite for domestic accountability (Eberlei 2007, Blagescu et al. 2005, BMZ 2009a, BMZ 2009b, Malena et al. 2004). They argue that accountability requires that citizens can engage politically and claim information from the government and other public authorities, which, in turn, is only possible if they have the right to participate in political life and the capacity to make use of this right.

For the purpose of this study, participation is defined as a process through which stakeholders shape development initiatives and public policy or influence elections⁵. BMZ’s concept paper on participation distinguishes between the following forms of participation: information sharing, consultation, collaboration, joint decision-making, empowerment and control by stakeholders (BMZ 1999, p. 7). As Eberlei underlines, meaningful and sustainable participation by citizens rests on respect for a number of fundamental rights,

⁵ This definition builds on a definition by Brinkerhoff and Goldsmith (2001).

such as freedom of speech, freedom of the press, right of assembly, and right of association, which ideally should be codified in an enforceable legal framework (Eberlei 2007, pp. 3-4).

Referring to vertical accountability, some authors distinguish further between the “demand-” and “supply-side” of accountability (e.g. Bossuyt et al. 2009, p. 2). These two analytical categories highlight that the emergence of vertical accountability is a two-way process, which requires not only that a government be answerable to its citizens, but also that citizens and CSOs demand information, scrutinize the policies and actions of public authorities, make use of their rights of democratic control and ask for contravening behaviour to be sanctioned.

3.2. Domestic accountability systems and their drivers

In line with the recent research findings of GOVNET’s Work-stream on Aid and Domestic Accountability, the analytical framework for this study departs from the assumption that domestic accountability usually emerges through the interaction of a variety of state and non-state actors who draw on specific principles, incentives and agreements incorporated in legal frameworks and administrative procedures or traditions (Hudson and GOVNET Secretariat 2009, p. 21).

Accordingly, the case studies analysed show not only how different actors of German development cooperation aim to support individual drivers of domestic accountability, such as Parliament, supreme audit institutions (SAIs), non-state actors or media, but also how they help to develop political involvement and build institutional mechanisms that allow these actors to engage in political debate and take part in domestic accountability systems. Hence, the cases also look at support for the establishment of appropriate legal frameworks, procedures and institutional mechanisms that underpin a system of checks and balances and facilitate cooperation and strategic alliances between different drivers of accountability.

Apart from the government and other public agencies of the executive branch who are expected to “deliver” accountability, the following institutions are usually considered to play a role as drivers of accountability in democratic political systems: Parliament, the judiciary, a supreme audit institution, civil society organizations, political parties, ombudsmen, the media, as well as local government and its associations (in a decentralized political system).

Politics in all countries is a mixture of formal processes and institutions and informal social relations (Hudson and Vanheukelom 2010, p. 5). These informal relations also transcend domestic accountability systems. “Many developing countries have hybrid political orders that are characterised by the co-existence of socio-political organisations and mechanisms that are both rooted in indigenous societal structures and in introduced state and societal structures” (Clements 2008, p. 13). In these political systems diverse and competing claims to authority and power interact and overlap, e.g. those based on constitutional or administrative law and others based on customs, traditions or the charisma of leaders. This means that in many developing countries that are formally democracies, mechanisms of democratic control exist alongside political mechanisms and power relations that are based on kinship, ethnic loyalties, patron-client relationships or religious beliefs (Hudson and GOVNET Secretariat 2009, p. 21).

Thus, politics may be shaped more by informal relationships than those codified in legal frameworks and administrative procedures. The stock taking exercise thus also analysed to what extent German development cooperation takes these informal relationships into account in the analysis of country contexts and approaches to strengthening domestic accountability systems. Given that in many developing countries, traditional authorities are important both socially and politically, the study also looked at their role

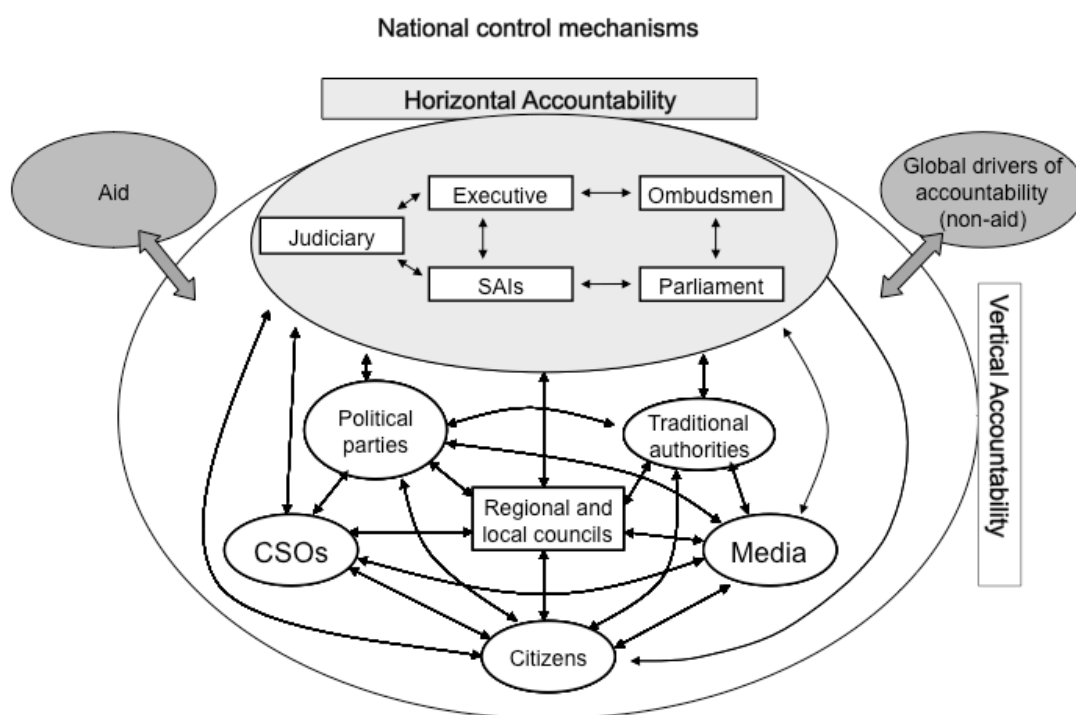
as potential drivers of domestic accountability and, more generally, at the influence of informal aspects of governance on the emergence of domestic accountability and related external assistance.

Recent research stipulates that domestic accountability is mainly shaped by domestic actors and politics (Hudson and GOVNET Secretariat 2009, p. 1). However, external actors, such as donors or other global actors, such as international regional organizations, international watchdog or advocacy groups, multinationals or international agreements can impact (positively or negatively) on domestic accountability (Hudson and GOVNET Secretariat 2009, p. 21). Consequently, the specific role of these external influences was also considered in the analysis.

As highlighted by Hudson two main aspects of influence can be identified. First, there is assistance that is provided with the specific purpose of building the capacity of key accountability institutions or strengthening domestic accountability systems. Second, all the other development assistance can also shape the scope for domestic accountability in a positive or negative way (Hudson and GOVNET Secretariat 2009, pp. 10-13). The stock taking exercise focused on the first kind of assistance but also looked at the question of the extent to which the use of programme based approaches, in particular budget support, has influenced the priority given to strengthening domestic accountability systems in partner countries.

Drawing on other schemes and a discussion with representatives of BMZ and different German development organizations, an attempt was made to visualize the concept of domestic accountability. The result is presented in figure 1. The figure shows potential drivers of vertical and horizontal accountability. It also attempts to illustrate that domestic accountability systems emerge through the interaction of a host of state and non-state actors. For the purposes of simplicity, we did not attempt to further specify the nature of these interactions (e.g. supervision, control, voting, lobbying, etc.). This figure was used as a visual element to stimulate the discussion with interlocutors in the countries under review on the nature and specific details of domestic accountability systems and the current lines of support.

Figure 1: Domestic accountability and its drivers



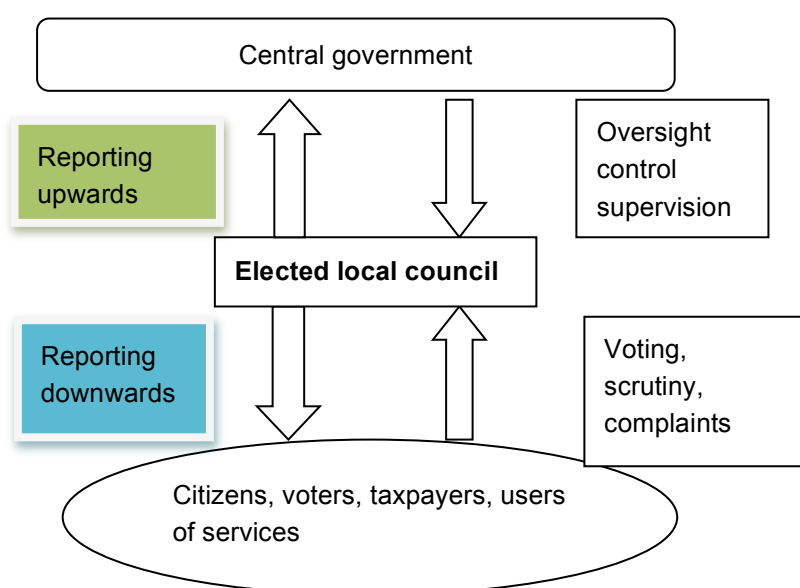
Source: Loquai et al. 2010, p. 18.

Figure 1 refers only to drivers of accountability at the national level. It thus neglects actors and systems of domestic accountability at the decentralised level. When analysing the even more complex lines of accountability in decentralised systems, some authors also refer to “upward” and “downward” accountability of local governments. By using these terms they highlight the important role elected local government plays as an intermediary between the central government and citizens:

As a separate tier of government these institutions are on the one hand **downwardly accountable to citizens**, i.e. they provide information and answer citizens’ queries on the use of local taxes and national grants, on the implementation of local development plans or national policies at the local level. Insofar as it concerns the answerability of a state institution to citizens, the downward accountability of local governments forms part of vertical accountability.

At the same time, as part of the state, local government also has to account for its action **upward to national authorities** that exercise powers of oversight and control over local government. For instance, local government may have to report on fiscal matters, or the implementation of national laws and standards of service delivery at their level, and their accounts may be controlled by national audit institutions. As it concerns checks and balances between different tiers of the state, upward accountability forms part of horizontal accountability. Figure 2 attempts to visualise the concept of upward and downward accountability.

Figure 2: Lines of upward and downward accountability in decentralised systems



Source: own drawing

More detailed information on the assumptions and analytical approach that guided the research for this case study can be found in the inception document for the stock taking exercise (Loquai, C. et al. 2010, p. 26-29).

3.3. Research questions

The research was guided by a detailed set of research questions, which revolved around the following clusters of questions:

- What is the political context and aid environment in the country? What role do budget support and other programme-based approaches play?
- What are the key features of domestic accountability in the country? Who are potential drivers of domestic accountability and what role do they play? What factors work against accountability and what role do informal aspects of governance play in this regard?
- To what extent has the objective of promoting or strengthening domestic accountability systems been integrated into the strategy and programme documents of German development cooperation? And are informal aspects of governance duly analysed and considered?
- How do actors of German development cooperation i.e. the German Embassies, bilateral agencies, German NGOs and the German political foundations aim to support domestic accountability in the country? What strategies and approaches do they follow, what instruments do they use?
- How complementary are the approaches and instruments of different actors in German development cooperation and how could they be combined to achieve greater synergies?
- How do other donors/development agencies intend to promote domestic accountability? How do their approaches differ from those of German development agencies and how do they perceive the contribution made by German development cooperation to strengthening domestic accountability? How can complementarities and synergies with German actors and their partners be enhanced with a view to greater harmonization and aid effectiveness?
- Which obstacles and challenges have been actors of German development cooperation (and the wider donor community) encountered in their efforts to strengthen domestic accountability systems and what lessons have been learned?

A complete list of the research questions can be found in the inception document for the stock taking exercise (Loquai, C. et al. 2010).

3.3.1. Taking policy processes and issues as an entry point for mapping support to domestic accountability

Different entry points can be taken for an analysis of German support to domestic accountability. It could, for instance, map assistance provided to different drivers of domestic accountability, differentiate between support to horizontal and vertical accountability or analyse how assistance aims to strengthen accountability in relation to particular policy processes.⁶

The methodology of this last approach was adopted with a selected number of policy processes taken as the entry point for mapping support. More specifically, the study focused on mapping German support around policy processes and issues that were considered particularly important for the emergence of

⁶ A policy process can be understood as a cycle of decision-making and implementation consisting of the steps of policy formulation, implementation, monitoring (and evaluation). Although budget processes are often an integral part of other policy processes (e.g. sector policies), it is proposed to consider them separately, in order to be able to focus on the accountability systems around the mobilization and management of state revenues.

accountability in the country or of particular interest for German development co-operation in relation to its sector focus.

In line with the terms of reference for the study and based on the results of the interviews, each of the country cases began by mapping German support to domestic accountability around the following processes:

- national poverty reduction strategies and other overarching development policy frameworks,
- important policy processes in focal sectors of German aid,
- budget processes in the broadest sense.

With a view to the resources available for the study, the analysis concentrated on one or two sectors per country. Table 4 gives an overview of the focal sectors of German bilateral cooperation in the countries under review.

The German NGOs, Political Foundations and 'Deutsche Welle' are not bound by BMZ's strategy papers and can therefore provide assistance for strengthening domestic accountability outside the focal sectors for bilateral aid, e. g. to debates on economic governance, human rights or security issues. Moreover, some of these organizations' support is intended for strengthening the capacities of specific drivers of domestic accountability with view to improving their functioning as part of a system of checks and balances or to create an enabling environment for domestic accountability in general (e.g. civic education, human rights campaigns, etc.).

3.3.2. Key components and steps of the analysis

Each country case study was based on the following steps:

- a review of the literature,
- a review of strategy and programme documents for German development cooperation,
- between 9 and 16 semi-structured interviews, mostly conducted by telephone,
- Incorporation of additional information and comments the authors received when the draft of the case study was circulated among key stakeholders in German development cooperation.

In addition to the above interviews a number of preparatory and complementary interviews were conducted with interlocutors in Europe to identify relevant documents and actors on the ground.

Table 1 gives an overview of the number of interviews conducted and the type of interlocutors consulted. Altogether 99 interviews were conducted for the stock taking exercise. The interviews were mainly held with representatives of different German development organizations, BMZ and the German embassies. With a view to exploring room for synergies and complementarity between the efforts of German development cooperation and other donors, the authors also aimed to interview representatives of three other donor agencies that were jointly selected with German interlocutors. However, in Peru and Bangladesh, these interviews did not fully materialize.⁷ The methodology also envisaged conducting interviews with representatives of partner organizations. Attempts to conduct telephone interviews with partners proved difficult in some countries, due to the political sensitivity of the topic of the study or the lack of response of these partners. To compensate for this limited inclusion of a partner perspective and obtain the views of representatives of civil society and the media, some of the case studies (Malawi and Mali)

⁷ The proposed interlocutors were either not interested or available.

include reviews of articles in local newspapers that dealt with issues of domestic accountability and the views of non-state actors.

Table 1 – Overview of actors interviewed/consulted

Organisation	HQ	Bangladesh	Malawi	Mali	Mozambique	Peru	Tanzania	TOTAL
Bilateral German cooperation	BMZ 9 DED 1 InWEnt 1	BMZ 1 GTZ 3 KfW 2	BMZ 2 GTZ 3 KfW 2 DED 1	BMZ 3 GTZ 2 KfW 1 InWEnt 1	BMZ 1 GTZ 3 KfW 1	BMZ 1 GTZ 2 KfW 1 DED 1	BMZ 1 GTZ 3 KfW 1	47
German political Foundations	FES 1 RLS 1 KAS 1 HBS 1 HSS 1	RLS 1	0	FES 1*	KAS 1 FES 1*	0	KAS 1 FES 1 FNS 1	12
German NGOs	Welthung erhilfe 1 VENRO 1 Südwind 1	0	Oxfam 1	DVV 1	0	0	0	5
Other German organisation	Deutsche Welle 1	0	0	0	0	0	0	1
Partner organisations representatives	-	0	1	Non-G. 1	Non-G. 4	GOV. 4	Non-G. 2	12
Other donors and organisations	OECD/ DAC 2 EC 1 NL 1	WB 1 ADB 2	IRE 1 UK 1 NOR 1 Coord 1**	EC 2 NL 1 CA 1	EC 1 NL 1 SDC 1 UNICEF 1	0	FIN 1 SWE 1 SNV 1	22
TOTAL	24	10	14	14	15	9	13	99

* Consultations by e-mail.

** Joint Coordinator of budget support (i.e. a Malawian national jointly recruited by the group of donors providing general budget support).

In line with the general methodology, and with a view to identifying interesting experiences and lessons learned, the case studies looked at two practical cases⁸ in more detail, i.e. activities or lines of intervention that were considered particularly illustrative of the way in which German development cooperation aims to strengthen domestic accountability systems. Most of these cases were chosen in consultation with interlocutors in these countries.

3.3.3. Taking account of other on going research and consultation processes

At the time that the interviews were conducted for our research, GOVNET had started preparing some case studies (Peru and Mozambique). Thus, research on the GOVNET Peru and Mozambique case studies was carried out at around the same time as the BMZ stock taking exercise. The field-work of the

⁸ The case study on Peru was an exception in this regard as it focused on only one case.

GOVNET's Mali study was carried out in December 2010. A draft report was available in February 2011, but was not to be quoted at the time we finished writing our case study.

GOVNET's cases have a broader focus and draw on much more extensive research, including in-country consultations and interviews with a large number of donors and institutions of the host countries. According to GOVNET, they will all involve the following steps: (1) a review of existing material on the political system, and formal and informal aspects of the governance landscape; (2) a multi-stakeholder consultation designed to promote learning about the key challenges, opportunities and entry-points for improving domestic accountability; (3) a detailed mapping of donor support to domestic accountability; and (4) an assessment of the impact of aid on the scope for domestic accountability (OECD/DAC Network on Governance 2010, p. 6-10).

It would thus have been worthwhile to exchange interim results and experiences in the process. For this purpose, a first contact with the GOVNET was established in July 2010 with a view to ensuring exchange of information and sharing of findings. An interview with the coordinator of the DAC work-stream was conducted in October 2010. Moreover, draft versions of the various BMZ case studies were provided to the coordinator of GOVNET's work-stream as soon as they were available so that information on German approaches could be fed into their work. However, integration of the results of the GOVNET studies with the BMZ case studies for Peru and Mozambique proved to be difficult as the GOVNET studies were only available after the research (Macuane and Maduela 2010, Ciudadanos al Día 2010). Writing and last round of consultation for the draft BMZ studies had been completed.

For the stock taking exercise in Mali, some preliminary findings from the "Joint Evaluation of Budget Support" could be considered.⁹ The findings of this exercise, which explores how budget support impacts on domestic accountability, will be available shortly and considered in the final version of this report. The results of another highly relevant study, the "National evaluation of the implementation of the Paris Declaration (Phase 2)", were made available in February 2010 (MEF 2011).

4. Political context, aid environment and domestic accountability in the six countries under review

The stock taking exercise was conducted in six partner countries: four African countries (Malawi, Mali, Mozambique and Tanzania), Peru and Bangladesh. The selection, which was made by BMZ, reflected the desire to include countries covering a range of experiences and contexts.

The following sections provide some information on the political context, aid environment and drivers of domestic accountability in these countries. They focus on some key characteristics of the political landscape and aid environment. The section on domestic accountability systems and drivers outlines some broad tendencies. More detailed information can be found in the case studies.

⁹ The draft report on the documentary review from August 2010 was available at an early stage (see ECO Consult et al. 2010). More information was provided by interviews with European Commission officials. However, the findings of the first draft report could not be included, as the report had not yet been approved for public use.

4.1. Political context and governance

Table 2 summarises some information on the political system and governance in the countries reviewed. It shows that all six countries are democracies by constitution, with a political system that in some cases is parliamentary, and in other cases presidential. In general, human rights, political rights and civil liberties are guaranteed under the constitutions of these countries. However, in reality these principles are respected to varying degrees. In the African countries, in particular, large sections of the population are insufficiently aware of their civil rights, encounter difficulties in exercising them due to a number of factors, such as illiteracy, cultural barriers, poverty, the sparse presence of state institutions in rural areas or informal aspects of governance (see below).

Mali and Peru obtained the best ratings for political freedom. They were classified as “free” according to the Index of Freedom in the World in 2010. The four other countries were assessed as “partly free”. Tanzania and Mozambique scored particularly low in the area of political rights, mainly due to the long-time predominance of one party in the political system of both countries (FRELIMO in Mozambique, CCM in Tanzania) that has acquired significant control over state institutions in recent decades. As a consequence, opposition parties, even if legally recognized by the constitutions adopted in both countries in the early 1990s, are not really empowered in such a way that they can exercise influence in national politics.

In addition, the electoral process in both countries has suffered from irregularities that have largely benefited the ruling party. However, in the most recent national elections both countries have shown different tendencies. In Mozambique, the 2009 presidential and parliamentary elections were heavily criticized for the widespread rejection of party lists and “numerous irregularities” in the compilation of the results (Freedomhouse.org, 2010). In Tanzania’s the results of the national elections in 2010, pointed to a potential loss of power that can be regarded as a major success on the part of the opposition parties (Koch, 2011, p. 5).

Table 2: Political system and governance

	Bangladesh	Malawi	Mali	Mozambique	Peru	Tanzania
Political system	Representative parliamentary democracy since independence (British system)	Multi-party democracy with a presidential system	Presidential republic based on the Constitution adopted in January 1992	Multi-party democracy with a presidential system	Presidential democracy with traditionally a strong executive	Multi-party parliamentary democracy
Freedom in the World (FH 2010)¹	Political Rights Score: 3 Civil Liberties Score: 4 (Partly Free)	Political Rights Score: 3 Civil Liberties Score: 4 (Partly Free)	Political Rights Score: 2 Civil Liberties Score: 3 (Free)	Political Rights Score: 4 Civil Liberties Score: 3 (Partly Free)	Political Rights Score: 2 Civil Liberties Score: 3 (Free)	Political Rights Score: 4 Civil Liberties Score: 3 (Partly Free)
Freedom of the Press (FH 2010)¹⁰	56/100 (Partly free)	56 (Partly free)	25 (Free)	42 (Partly free)	44 (Partly free)	50 (Partly free)
Political participation (BTI 2010)¹¹	6.8/10	6.8	8.5	7.0	7.8	6.3
Voice and accountability (2009)¹²	-0.37 (rank 35)	-0.22 (rank 42)	0.152 (rank 54)	-0.07 (rank 47)	0.044 (rank 50)	-0.14 (rank 43)
Corruption Perceptions Index (2010)¹³	2.4 (rank 134)	3.4 (rank 85)	2.7 (rank 116)	2.7 (rank 116)	3.5 (rank 78)	2.7 (rank 116)
Decentralisation and tiers of local government (LG)⁷	Three tiers of elected LGs, country remains highly centralised	One tier of LGs, elected councils dissolved since 2005	Three tiers of elected LGs, limited devolution	Two tiers of elected LGs in urban areas, one tier in rural areas	Two tiers of elected LGs that struggle with low skills and underfunding	Two tiers of elected LGs, strong hierarchical relationships

Sources: Freedom House 'Freedom in the World 2010 – Country reports',

www.freedomhouse.org/template.cfm?page=351&ana_page=362&year=2010

Freedom House 'Map of Press Freedom 2010', <http://www.freedomhouse.org/template.cfm?page=251&year=2010>

Bertelsmann Stiftung 'Transformation Index 2010', [www.bertelsmann-stiftung-de/fileadmin/pdf/Anlagen_BTI_2010/BTI_2010_Rankingtafel_D_web.pdf](http://www.bertelsmann-stiftung.de/fileadmin/pdf/Anlagen_BTI_2010/BTI_2010_Rankingtafel_D_web.pdf)

World Bank 'Aggregate Governance Indicators 1996-2009', <http://info.worldbank.org/governance/wgi/index.asp>

Transparency International 'Corruption Perceptions Index 2010',

www.transparency.org/policy_research/surveys_indices/cpi/2010

¹⁰ Total score from 0 (best) to 100 (worst).

¹¹ Score from 1 (worst) to 10 (best). The Bertelsmann-Stiftung Transformation Index (BTI) assesses 127 developing and transformation Countries. BTI is composed of the Status of Democracy and Market Economy Index and the Management Index. Political Participation is one of the five criteria used to measure Democracy (or 'Political Transformation') in the Status Index.

¹² The value is an estimate ranging from about -2.5 to 2.5, with higher values corresponding to better governance outcomes. The rank in brackets refers to the list of countries where Norway occupies the best position (100) and North Korea the worst (0).

¹³ Score from 0 (worst) to 10 (best). Rank of 178 countries.

In Bangladesh and Malawi the principle of respect for civil liberties is under threat. In Bangladesh, religious minorities (Hindu, Buddhist, and Christian) face discrimination. In Malawi, violence against women and children remains a serious concern. In 2010, two gay people were sentenced to 14 years of forced labour and were released only due to international pressure (Freedomhouse.org, 2010). Moreover, the government has prepared a new media law that will allow them to close newspapers that are critical of the government. Local councils were dissolved in 2005 and since then the government has repeatedly cancelled and shifted the date for new elections. In 2010, Parliament approved a change in the constitution, which allows the President to fix the date for elections - or postpone them (Mweninguwe 2011, p. 219).

Mali stood out in several regards. It was the only country in which freedom of the press was a reality. The country has also had the highest scores for voice and accountability, according to the World Bank, and for political participation, according to the Bertelsmann Transformation Index. This is remarkable given that the country was the second poorest of the six in terms of human development. According to the UNDP Human Development Report 2010, the adult literacy rate in Mali is only 26%.

All six case study countries are multi-ethnic. In some of them, notably Mali, Tanzania and Peru, problems with the integration of ethnic minorities have impacted negatively on political stability. In these three countries, the threat of secession or claims for greater autonomy by ethnic minorities or indigenous peoples has a bearing on systems of domestic accountability. In Bangladesh, it is religious minorities that face societal discrimination and remain underrepresented in politics and state employment (Freedomhouse.org, 2010).

Greater proximity of policy making to citizens and improved downward accountability are important promises of decentralisation processes. As table 2 illustrates, all of the six countries studied have engaged in what were designed to be democratic decentralisation reforms and established local government with elected councils and powers of self-administration. In practice, however, the decentralisation processes in all of these countries remain incomplete or have stagnated. Bangladesh, a country with a four-tier local government system was described as "very centralised" in interviews (Klavert 2011, p. 1). In Mali, Mozambique and Tanzania, elected local government suffers from a lack of financial resources and capacity (Loquai 2011, p. 21; Fanetti and Loquai 2011, p. 11; Koch 2011, p. 15). In Malawi, elected councils were dissolved in 2005 and local government elections have been postponed several times since then. In Peru, political, administrative and fiscal decentralisation processes had already been introduced under the Toledo government (2001-2006), but despite numerous laws and decrees, progress has been slow and the main actors involved in the decentralisation process have been reported as weak (Hackenberg 2011, p. 5).

Corruption is perceived as a serious problem in all the countries reviewed. There are marked differences in the scale of the problem, however. Bangladesh, that according to Transparency International's Corruption Perceptions Index (CPI) scored worst of the six countries, was ranked 134th of 178 countries listed in CPI in 2010. Peru had the best ranking at position 78/178, followed by Malawi (85/178). In Mali, Mozambique and Tanzania (all of them ranked 116) corruption was described as pervasive in interviews. In all the countries the government was officially committed to pursuing anti-corruption strategies. Judging by information collected in the context of the case study, efforts to implement anti-corruption measures were most vigorous in Malawi, where they had strong backing from the President. However, there were also critical voices in this country to the fact that cases were often very lengthy and often politically instrumentalised (Loquai and Klavert 2011, p. 11).

4.2. Poverty

According to the UNDP Human Development Report 2010, the six countries have achieved different levels of human development. While Peru is ranked at position 63/169, Bangladesh and the African countries lag far behind, occupying positions ranging from 129 (Bangladesh) to 165 (Mozambique, almost at the bottom of the scale). This different result in the HDI is mainly due to a big national income disproportion, Peru being a middle-income country with an income per capita (US\$ 9,016) a few times more than that of Bangladesh and the four African countries in this study. In fact, these last five all still belong in the category of LDCs, and have an income per capita that ranges from US\$ 1,458 (Bangladesh) to US\$ 902 (Malawi).

The ability to read and write is often highlighted as an important prerequisite for political participation. With a literacy rate of 89.6%, the population of Peru certainly stands out positively from the other countries studied. The case of Mali, however, where according to UNDP only 26.2% of the adult population was able to read and write (in 2006), shows that illiteracy may not prevent political participation when other framework conditions allow for this.

Table 3: Comparative overview “Poverty and aid dependency”

	Bangladesh	Malawi	Mali	Mozambique	Peru	Tanzania
Population in mio 2010¹	164,425	15,692	13,323	23,406	29,496	45,040
Poverty						
HDI ranking 2010 (rank of 169 countries)²	129	153	160	165	63	148
GDP per capita (2008 PPP US\$)²	1,458	902	1,207	929	9,016	1,426
Adult literacy rate (% aged 15 and over)²	56.5 (2009)	74.5 (2009)	26.2 (2006, data from a national household survey)	46.2 (2009)	89.6 (2007, data from a national household survey)	73.2 (2009)
ODA and aid dependency						
Net ODA (US\$ mio, 2008)³	2,061	913	964	1,994	466	2,331
Net ODA received per capita (current US\$, 2008)³	12,9	61,5	75,9	89,1	16,1	54,9
Net ODA received (% GNI, 2008)³	2.4	22.7	11.0	21.6	0.4	11.3

Sources: UN DESA 'World Population Prospects: The 2008 Revision'. New York: Department for Economic and Social Affairs, UNDP 2010 'International Human Development Indicators', New York: UNDP, The World Bank Statistics, <http://data.worldbank.org>

4.3. Aid environment and dependency on ODA

Discrepancies in the level of development between the six countries are reflected in the volumes of foreign assistance that they benefit from. Malawi, Mozambique and Tanzania are highly dependent on ODA (with US\$ 61.5, 89.1 and 54.9 ODA received per capita respectively in 2008). In Bangladesh and Peru, ODA plays a much less prominent role (with 12.9 and 16.1 US\$ of ODA per capita, respectively).

There was also a difference with regard to the use of new aid modalities: In the four African countries included in this study, programme-based approaches (PBAs) are preferred to the project modality by both donors and recipient governments and have been increasingly used since the Paris Declaration initiated a process of aid harmonisation and encouraged the use of country systems. The country where PBAs are most preferred rather than a project approach is Tanzania where, in 2010, 66% of all ODA and nearly all financial assistance came in the form of PBAs (Koch 2011, p. 6), followed by Mozambique (where nearly 50% of ODA was channelled through national systems). In Malawi, aid received through PBAs was 44% of the total ODA received; in Mali it was 41% (both data refer to 2008). In the case of this last country, by 2010 this percentage should have risen to 66% in line with the commitments of the Paris Declaration, but this was not achieved.

Bangladesh has received budget support from a limited number of multilateral and bilateral donors, both in the form of general and sector budget support. General budget support was provided at specific points in time and not an on going process (Klavert 2011, p. 3). In Peru, PBAs are not important instruments of foreign assistance: in 2007 only 12% of aid to Peru was programme-based.

The following information on the use of budget support and other programme-based approaches is worthwhile to mention, as it has a bearing on how German cooperation supports domestic accountability in the countries:

- **Bangladesh** has received budget support from few multilateral and bilateral donors. The World Bank and the Asian Development Bank have provided general budget support through Transitional Support Credits and public expenditure support facilities at specific points in time. Japan and the UK have or are still providing sector budget support. For instance, between 2004 and 2009, the UK provided sector budget support to the roads and highways department but has since stopped (Klavert 2011, p. 3). There are two sector-wide approaches (SWAp) in Bangladesh: one in the health sector and one in the education sector. Germany supports the SWAp in the health sector. The Multi-Donor Trust Fund in support of the SWAp is managed by the World Bank and also co-financed by DFID, SIDA, CIDA, the Netherlands, EC and UNFPA. The ADB manages the Multi-Donor Trust Fund in support of the SWAp in the education sector, to which Germany does not contribute. The ADB also leads the Rural Infrastructure Improvement Programme (RIIP) and the Urban Governance Improvement Programme (UGIIP). Both of these programmes are supported by German bilateral cooperation (Klavert 2011, p. 3).
- The Government of **Malawi** is keen to increase the proportion of aid delivered in the form of budget support (Loquai and Klavert 2011, p. 4). In the 2008/2009 fiscal year, most support was still granted in the form of projects (56%). General budget support amounted to 21%. The rest (23%) was granted as pooled funding. Malawi has received general budget support from Germany since 2009. Other current PBAs are a Health SWAp, a pooled fund for combating HIV/AIDS and a PBA in support of the National Monitoring and Evaluation System. At the time the interviews were conducted, a number of other PBAs were planned, e.g. a common fund for the support of CSOs and media, a PBA to assist the National Audit Office and a multi-donor basket fund in support of

performance based grant system for local governments. However, the above-mentioned threats to civic liberties and the repeated cancellation of local elections has impacted on donors' willingness to provide budgetary support and initiate new programme-based approaches. In fact, both local elections and press freedom are mentioned in the performance assessment framework that has been agreed between the group of donors who follow a common approach to budget support. Moreover, the Malawian government did not prepare the Malawi Growth and Development Strategy 2, which was to form the basis for future general budget support (Mweninguwe 2011, p. 219). Germany and other donors therefore decided to (temporarily) halt their payments of general budget support.

- **Mali** received around €170 million in budget support in 2008, of which 54.1% was general budget support. The percentage of assistance granted in the form of budget support has sharply risen from 12% of total ODA commitments in 1999 to 24% in 2009 (MEF 2011, p. 13). In spite of this sharp rise in budget support, standard project/programme aid still remained the main aid modality used in Mali in 2008. Moreover, only 41% of ODA was channelled through national systems (MEF 2011, p. 9). In line with the Paris Declaration, donors had committed to raising this percentage to 66% (MEF 2011, p. 9). Apart from general budget support, that has been provided since 2009, Germany has been engaged in a number of programme based approaches, e.g. in the field decentralisation and irrigated agriculture. In both sectors KfW was contributing to a basket-fund and there were plans to move towards sector budget support in the coming years. With a very diverse and large scene of donors (around 40 bi- and multilateral donors in 2010), Mali is a country where harmonisation of aid is a "hot issue". Since the end of the 1990s, various efforts have been made to ensure a coordination, harmonisation and alignment of aid. Considerable progress has been made since a Joint Assistance Strategy has been formulated in 2008 and a Secretariat for Aid Harmonisation was established. However, judging by the findings of the recently released "National evaluation of the implementation of the Paris Declaration (Phase 2)", there is still substantial room for improving harmonisation (MEF 2011).
- Given its privileged status among donors ("donor darling"), **Mozambique** has also become a model and a testing ground for so-called "new aid modalities", such as general budget support (De Renzio and Hanlon 2007, p. 3). This was initially provided by a group of six donors, the G6, which by 2001 became G9, supplying harmonised budget support of US \$127 million to the central government budget. In 2007, the 19 donors working together as Programme Aid Partners (PAPs or G19) committed US \$435 million to GBS, representing 23% of the total external aid for 2008. This is an increase of 17.5% over the commitments for 2007, when 60% of external aid was still channelled through projects (Methven 2008, p. 10). The G19 pledged a total of US\$471.8 million in budget support for 2010. The group also pledged US \$332.7 million in aid earmarked for common funds in 2010, in particular for the fund which has benefited the education sector since 1998, as well as for health and other sector programmes, bringing the total commitment from US \$19 million to US \$ 804.5 million. The GoM is committed to implementing the Paris Agenda on Aid Effectiveness, and is favourable towards general budget support (GBS) and other programme-based approaches (PBAs). In March 2009 the GoM and all 19 budget support donors signed a new Memorandum of Understanding (MoU) for GBS, in support of the Mozambican strategy for national development and poverty reduction (PARPA II). The same year the country received assistance of \$485 million from the 19 development partners in the form of direct support to the country's budget. For the first time, two non-budget support donors, the United Nations and United States of America, became associated members to this Memorandum (Fanetti and Loquai, 2011, p. 14).

- In **Peru**, programme-based approaches are not used much in development cooperation. Available data, from 2007, shows that of a total of US \$ 407 million in aid inflows, only US \$ 34 million was granted through budget support and US \$ 15 million through other PBA schemes. In total, only 12% of aid to Peru in 2007 was programme-based. No general budget support has been granted to Peru so far. Most budget support has been provided through sector budget support programmes (Hackenberg 2011, p. 6).
- Like Mozambique and Mali, **Tanzania** has seen a massive increase in the overall scale of official development assistance (ODA) in recent years. Three aid modalities are used to provide ODA to Tanzania: general budget support (GBS), basket funding and project assistance. Tanzania has received GBS, in its present form as Poverty Reduction Budget Support, since 2001-02. Both the amount of GBS as well as the number of donors providing GBS has constantly risen ever since. In the 2009-2010 budget year 14 donors provided US \$ 750 million in GBS, corresponding to 36% of all ODA or 12% of the national budget (Koch 2011, p. 6). The largest GBS contributors are the World Bank and the UK (Koch 2011, p. 6). Germany granted €10 million in GBS in 2009-10, making it the second smallest donor. The latest information on the 2010-11 budget year, however, suggests that there has been a sharp reduction in GBS, which now stands at approximately US \$ 534 million. In addition, US \$ 395 million has been spent on programme-based approaches (PBAs). Thus, 66.1% of all ODA and nearly all financial assistance have come in the form of PBAs (BMZ 2010, p. 1, OECD 2008, p. 87). The JAST strategy (which stands for a 'joint donor effort to harmonise different bilateral strategies' in order to increase aid effectiveness and which is regarded as a role model for the Paris Declaration) was formulated to create a single strategic framework for all external assistance, thereby aligning it to national policy priorities. Germany contributes to the JAST.

In 2010, all countries except Bangladesh were recipients of German budget support in the form of sector and/or general budget support. The four African countries were all receiving general budget support at the time the stock taking exercise started. In Malawi, German budget support has since been reduced due to the fact that the government substantially restricted the freedom of the press and human rights for sexual minorities (Loquai and Klavert 2011, p. 12). In all these countries, Germany is a relatively small donor of general budget support. In Malawi, Mali and Tanzania GBS has only been provided since 2009, in Mozambique since 2004. All these countries benefit through some basket funds from Germany in various sectors (see table 4).

Germany has supported Peru in all three focal sectors (governance, water and rural development) with Sector Budget Support Programmes. However, it is the governance sector that has benefited from the largest amount of support: three sector budget support programmes were granted to Peru between 2005 and 2009 with a total monetary value of €45 million. In Bangladesh the conditions for German sector budget support have not been met. However, Germany is contributing to basket funding in support of a sector-wide approach in the field of health and to basket funding for two programme-based approaches in the field of urban and rural infrastructure development (Hackenberg 2011, p. 12).

4.4. Perceptions on domestic accountability systems and their drivers

4.4.1. Horizontal accountability

The constitutions of all countries object of this study guarantee the separation of powers and a relatively comprehensive system of checks and balances, including the existence of a number of institutions with the task to ensure an oversight role on the executive acts, in addition to the legislative and judiciary. These

institutions are the Supreme Audit Institution and, in some countries, the Ombudsman Office and other case handling institutions. However, in spite of the legal and institutional framework in place, which seems to be quite refined in the six countries, horizontal accountability is hampered by a strong concentration of power within the executive that in Malawi, Tanzania and Mozambique leaves little space for an open political debate (Fanetti and Loquai 2011, p. 8; Koch 2011, p. 7; Loquai and Klavert 2011, p. 5). In Mali, the executive was also described as dominant, but the system of checks and balances was more hampered by a culture of political consensus (and informal relations) than by party dominance or restrictions on an open political debate (Loquai 2011, p. 16).

The dominant position of the executive, in particular, prevents the national Parliament and the judiciary system to play their role of promoters of domestic accountability. In those countries with a presidential system (Malawi, Mali, Mozambique and Peru), and even in Tanzania that is a parliamentary democracy, the political system is dominated by the government and, in some cases, the figure of the President. In addition, corruption and informal aspects of governance were also mentioned as factors obstructing domestic accountability. In all the cases, the legislative is weak and often bypassed by the executive and the President on important policy issues.

In particular, in Malawi, Mozambique, and Tanzania, where politics has been for long time dominated by one party in power, Parliaments are still rather inactive and ineffective in their oversight function and the opposition parties represented in Parliament have their hands tied. In these countries, calls for more independence of Parliament from the executive, and the ruling party, come more often from MPs of the ruling party itself than from the weakened opposition parties (Fanetti and Loquai 2011, p. 34; Koch 2011, p. 7). In Mali, Parliament remains a very weak driver of domestic accountability due to a pronounced political consensus culture. As a consequence, CSOs tend to substitute for Parliament's relative absence from important national debates (Loquai 2011, p. 11). In Bangladesh, the interviewees considered the Parliament to be an institution that does not take its accountability role seriously and is more involved in inter-party quarrels (Klavert 2011, p. 5). In Peru, the Congress is considered largely unable to hold the executive branch accountable (Hackenberg 2011, p. 7).

Human resource constraints, lack of capacity and of political professionalism were also reported as main obstacles for the Parliament and the judiciary to play their role. In Malawi, Mali, Mozambique, and Tanzania the Public Account (or Budget) Committee of the Parliament has been reported to have played an increasingly active role in the last years, especially due to more support provided by foreign assistance. However, more support is needed to strengthen the capacity of MPs and empower the Parliamentary committees toward the executive.

The judiciary has been described as weak in all six countries, in particular due to a spread corruption (Bangladesh, Mozambique, Peru, and Tanzania). However, in Malawi, the judiciary has played an important role in the political system and has distinguished itself for relative competence and independent decision-making, fending off attempts by the government to weaken the opposition as a counter-veiling power (Loquai and Klavert 2011, p. 6). In Peru, the Constitutional Court and the Defensoría del Pueblo (Ombudsman Office) are two 'islands of excellence' within the judiciary system. The latter is considered to be neutral and trustworthy and plays a positive role in the fight against corruption. In Bangladesh, the Anti-Corruption Commission is seen as one of the more promising institutions and driver of domestic accountability in the country for having filed corruption cases during the on going and the previous government.

A certainly more positive sign comes from the Supreme Audit Institutions. In five of the six countries (all except Bangladesh) these institutions were seen to gain weight and effectiveness. In Mali, the tendency of institutional proliferation has somewhat hampered this positive development (there were two institutions tasked with supreme audit functions and their mandates overlapped). The National Audit Offices in Malawi and Tanzania, and the Tribunal Administrativo in Mozambique have significantly improved the quality and timeliness of the audit reports in the last years, and their staffs enjoy a good reputation among part of the population and the donor community. However, main constraints to their work are related to the human resources constraints and the lack of follow-up of the audit reports emitted (Fanetti and Loquai 2011, p. iv, Koch 2011, p. 8, Loquai and Klavert 2011, p. 5). In Peru, the Contraloría General de la República (CGR) also enjoys a good reputation due to its independence and neutrality; moreover, audited entities are legally obliged to follow the CGR's recommendations (Hackenberg 2011, p. 7).

In summary, in most countries, the institutions of horizontal accountability seen as more independent and active in their oversight role and considered as potential drivers of domestic accountability are the Supreme Audit Institutions, the Ombudsman Offices and the Anti-Corruption Commissions, rather than the Parliament and the judiciary, who are struggling to gain more weight and to fully assume their oversight and control functions.

4.4.2. Vertical accountability

In all countries studied, actors of vertical accountability have yet to become a counterweight to the dominant executive. In most cases, especially in the African countries, the State is not yet seen to be responsive to its citizens, the ruling party dominates political debates and leaders are rarely called to account. Main constraints to political participation of citizens are: inadequate mechanisms of participation between elections and widespread distrust of political institutions (Peru); historical legacy, as the electoral process is not considered by the population to be an important mechanism for holding those who govern to account (Mozambique, Tanzania); lack of awareness of political rights, particularly in rural areas (all countries) as well as loyalty to traditional authorities (Malawi) or poverty, that may induce citizens to sell their votes instead (Mali).

The key drivers for vertical accountability across countries seem to be civil society and the media, who play an important role as watchdogs of the executive's actions. The media, in particular, have enjoyed relative freedom in all countries at least over the last decade, even if freedom of expression is sometimes not adequately protected (Bangladesh, Malawi, Peru). The role of civil society, on the other hand, differs quite a lot from country to country: In Bangladesh, NGOs play an important role in society, are economically important and can mobilize the population. In Peru, also, civil society was reported to have a relatively high ability to organize itself, and the legal framework in the country is overall adequate to ensure an effective role of CSOs. However, there have been recent tendencies by the executive to increase restrictions and state control over CSOs (Hackenberg 2011, p. 8). Deeper differences are registered within the African countries: in Mozambique and Tanzania, CSOs' capacity is reported as relatively weak. In both countries, however, there are a few organisations effective in the area of domestic accountability and monitoring of the State budget, most of them based in the respective capital town, where civil society organisations are gathering strength and becoming increasingly vocal in their attempts to hold government to account. In Malawi and Mali, civil society seems to be more organized and engaged. In Mali a number of CSOs, such as trade unions, student associations, farmers' organisations and Muslim communities were reported to effectively scrutinize policy and provide feedback to policy makers. However, until recently, there were relatively few CSOs that fulfilled a watchdog role in a non-partisan way and these were largely concentrated at the national level (Loquai 2011, p. 15).

In general, CSO's and media's efforts have received support from the donor community, enabling these actors to increase their scrutiny of policy making and implementation, convene public debates and inform their constituencies and the public on key policy issues. On the other hand, there are also efforts by the government to co-opt civil society organisations and to silence critical voices from civil society and media, weakening nascent mechanisms of vertical accountability (e.g. in Malawi).

Regional and local governments, and their associations, play a weaker role in vertical accountability. In Bangladesh, local councillors and officials tend to account for their actions upwards, but not downwards to citizens. The local government structures are democratic, but in most cases decision-making and administration are not participatory (Klavert 2011, p. 6). In Peru, regional and local governments still struggle with structural deficits such as under-funding, low technical skills, lack of qualified staff, and widespread corruption (Hackenberg 2011, p. 5). In Malawi, local elections were repeatedly postponed, rendering political decentralisation ineffective (Loquai and Klavert 2011, p. 8). In Mozambique, accountability of local governments is endangered due to the one-party predominance also at the provincial and municipal levels. In Tanzania, a number of interviewees noted that regional and local councils tend to be actors of upward accountability, meaning that they are becoming increasingly accountable to government, while downward accountability to citizens is weak (Koch 2011, pp. 9-10). From interviews and recent opinion polls it can be deduced that local governments in Mali, in particular the municipalities which are geographically closest to citizens, play an increasing role as drivers of vertical accountability. Moreover, Malians have more trust in the capacity of local councillors to listen to their concerns than in MPs (Afrobarometer and Michigan University 2009, p. 26). However, in many municipalities, capacities are weak and instruments and procedures for accounting to citizens still need to be developed and institutionalised (Loquai 2011, p. 21).

Associations of local authorities are relatively new and weak in Bangladesh (Klavert 2011, p. 6). In Peru, the national local government association does not yet play a major role but could gain strength in the future (Hackenberg 2011, p. 9). In Malawi, this institution does neither have the legitimacy nor the resources to engage in policy dialogue processes at the national level, as elected local government has been dissolved (Loquai and Klavert 2011, p. 8). In Mozambique and Tanzania local government associations were not highlighted as potential drivers of domestic accountability in interviews (Fanetti and Loquai 2011, Koch 2011). The Association of Malian Municipalities has rather systematically participated in important policy processes. However, political tensions within the organisation have recently reduced its clout. It was nevertheless described as an institution that had the potential to become a more forceful driver of accountability (Loquai 2011, p. 16).

Political parties also do not appear to play a relevant role in the six countries within the system of vertical accountability. In Malawi, the opposition has enjoyed some more freedom in the past and has been able to organize some actions. However, according to interviewees, parties do not have programmes on which their performance can be judged, and they are largely centred on their leaders, who use them as an instrument to mobilize support before elections (Loquai and Klavert 2011, p. 6). The same was also reported in the case of Peru, where for lack of a clear programme, parties have failed to establish stable relationships with voters (Hackenberg 2011, p. 8). In Mozambique and Tanzania, the dominant party has not been accountable for being in power too long time, while the opposition parties are weak (Fanetti and Loquai 2011, p. 8; Koch 2011, p. 5). In Bangladesh, the two main parties have controlled Bangladeshi politics since independence and are obstructing rather than promoting domestic accountability (Klavert 2011, p. 1).

4.4.3. Role of informal aspects of governance and traditional authorities

Informal aspects of governance were considered to be very important by interviewees in Bangladesh, Malawi, Mali, Mozambique and Tanzania. In all these countries, they were considered as factors obstructing domestic accountability. In Bangladesh, these take the form of a clan-like organization of politics and society. In Malawi and Mali tribal or ethnic loyalties, family relations or patron-and-client systems influence the political system. Client-patronage systems, linked to the ruling party, were described as prominent in Mozambique and Tanzania.

In Malawi, traditional authorities could play an important role as drivers of accountability as they are non-partisan by mandate. These institutions have however increasingly been co-opted by the ruling party and were more seen as a limiting factor than as an agent of accountability by interlocutors. Their influence remains particularly strong in rural areas (Loquai and Klavert 2011a, p. 8). In Mozambique, the law recognizes traditional leaders to have a say in decision-making on certain issues. However, interviewees expressed strong doubts on the role of traditional leaders as potential drivers of accountability due to their historical lack of autonomy (Fanetti and Loquai 2011, p. 11). An interesting new informal accountability mechanism in this country is the “Presidência Aberta e Inclusiva” (the Open and Inclusive Presidency), an informal public forum that has been established by President Armado E. Guebuza that provides a space for citizens and representatives of local administrations to directly engage in a dialogue on decentralisation with the president (Leininger 2011). In Mali traditional and religious authorities are influential political players. They have recently mobilised to prevent the reform of the country’s family law, which had already been approved by Parliament. According to press reports, this initiative received a lot of popular support and has prevented that the government passed the new law. Although deplorable from a gender and human rights perspective, this example shows that traditional institutions play a role as an actor of domestic accountability who defends traditional values that appear to be shared by large sections of the population (Loquai 2011, p. 16). Traditional authorities have not been politically relevant in Tanzania and Peru (Koch 2011, p. 10). In this last country, only recently indigenous movements in the Amazon Basin have started to gain some influence, in particular through political mobilization against the exploitation of natural resources (Hackenberg 2011, p. 8).

4.4.4. External actors

Donors were considered to be the most important and influential external drivers of domestic accountability in all countries except Peru. Other important external actors that influenced domestic accountability were regional and international organisations (in particular professional associations and the African Union), and international compacts, such as the Extractive Industry Transparency Initiative (EITI). Mali, Mozambique, Tanzania and Peru are undergoing the process to become full members of the Extractive Industry Transparency Initiative. Malawi had signalled interest in becoming a candidate (Transparency International 2010).

In all six countries, the donor community has invested in programmes that intend to strengthen domestic accountability directly or indirectly, also with a view toward ensuring the effective use of their funds. As government institutions do not hold each other to account sufficiently at this stage, efforts to reinforce horizontal accountability would be much weaker without donors pushing for it. Donor support to civil society and the media has also been highlighted for its important role in strengthening actors of vertical accountability. However, in the four African countries, that are highly dependent on foreign aid, some concerns were raised about the strong role played by external actors, as they may focus attention on specific drivers of accountability or policy processes in line with their interests. It was also argued that the

government is often reported to be more accountable to the international donors than to internal institutions and actors (mutual accountability vs. domestic accountability).

China and other emerging donors such as the Arab countries that do not adhere to Paris Principles, were mentioned for obstructing rather than promoting domestic accountability in Malawi, Mali and Mozambique. This is due to the substantial amounts of aid injected in these countries without any attention paid to governance (see in particular, the Chinese policy of “non-intervention” in internal affairs).

The figures in annex B, attempt to visualise main drivers and challenges of domestic accountability in the six countries. They illustrate that there are considerable differences in the structure of the system of checks and balances as well as the weight and the role of potential drivers of accountability. This also applies for traditional authorities.

5. German support for strengthening domestic accountability

This chapter describes key lines of intervention of German support for domestic accountability in the six countries studied. It analyses how the different actors of German development cooperation aimed to contribute to strengthening accountability systems around policy processes and specific drivers of accountability.

The first section summarizes the findings of the analysis of country and sector strategy documents that guide and orient German bilateral assistance in-country. The second section then moves on to German support to domestic accountability around key processes, such as poverty reduction strategies, budget processes and public financial management reform. In the third section other lines of support, such as institutional assistance to specific drivers of accountability and other policy processes are discussed. Section 4 comments on the complementarity and synergy of different instruments and lines of support and how the shift to programme based approaches has affected assistance. In section 5 the assistance provided by German development organisations is placed within wider efforts by the donor community to strengthen domestic accountability in the countries under review. This section also identifies a number of factors that were seen to stand in the way of more harmonised and complementary efforts of the donor community to strengthening domestic accountability.

The presentation of findings in this chapter aims to highlight some general tendencies, but also differences in the approach that are linked to the political context and aid environment. On the latter, particular attention has been paid to potential differences in the approach of German development organizations in countries that receive general budget support.

In each section, examples from the different case studies are quoted to illustrate similarities and differences. Many of these examples refer to bilateral cooperation, because available information on the activities of bilateral agencies was more ample than for the German political foundations and NGOs. Nevertheless, the authors have tried to give a balanced account of how different instruments of German development cooperation are used and combined to stimulate the emergence of domestic accountability.

5.1. Domestic accountability as a theme in strategy and programme documents

An analysis of strategy and programme documents was the first step in mapping relevant lines of intervention. The purpose of this step was to assess to what extent concern for domestic accountability in partner countries was reflected in these documents. As sound analysis can lay the groundwork for effective assistance, we also screened analytical documents that serve as a basis for planning.

It should be noted, however, that the sets of documents available for the different countries differed, with those for Malawi and Mozambique being the most complete. Only some strategy documents were available on the work of the Political Foundations.

On the whole, concern for strengthening domestic accountability was integrated to varying degrees in strategy and programme documents.

Most analytical documents, in particular, socio-political analysis papers and governance assessments, contained ample information on the role of different actors of accountability, such as parliament, CSOs, the media, local government (and its associations) and the press. The role of the judiciary and SAIs was also covered. Ombudsman Institutions were often mentioned, in particular, where German development cooperation supported or had supported them, as in Peru and Malawi. Informal aspects and the role of traditional authorities were analysed to varying degrees, the socio-political analysis of Malawi and Mali can be considered particularly detailed in this respect.

Most country strategy papers referred to aspects of domestic accountability or even to the objective of strengthening specific mechanisms of accountability, but did not spell out a vision on how German development cooperation aims to strengthen domestic accountability (systems) or specific drivers of domestic accountability to reinforce such systems. The most systematic references to accountability were made in the country strategy papers for Tanzania and Malawi. In the case of Tanzania this was mainly due to the fact that the Joint Assistance Strategy, to which BMZ had subscribed, put a lot of emphasis on issues of accountability (Koch 2011, pp. 14-15).

Not surprisingly, the strategy papers for the sector decentralisation/governance made most reference to accountability institutions. Even if they did not necessarily explicitly mention the objective of strengthening domestic accountability, they all outlined lines of intervention that were clearly relevant to this objective. Most of them referred to “accountability” or “accountability mechanisms” and the objective of rendering budgeting and financial management processes at the local level more transparent and participatory. Programme documents and annual reports for this sector usually gave a good overview of how interventions were aimed at strengthening specific drivers of accountability and their interaction.

This was also the case for most of the available documents on general budget support. They all contained a fairly thorough analysis of domestic accountability institutions and their interaction around the budget process, the transparency of public procurement systems and key challenges in the field of public financial management reform in terms of accountability. Corruption and measures to prevent or combat it tended to get particular attention. The programming documents also provided some information on the PRSP process, including the involvement of non-state actors and parliaments (e.g. Mozambique).

The other sector strategy papers made only very indirect reference, if any, to the objective and relevant lines of intervention. One exception being the country strategy paper for the health sector in Malawi which explicitly refers to the objective of strengthening “accountability mechanisms”, but does not explain how this

objective is to be achieved. Programme documents and annual reports gave a much clearer picture of the relevant lines of intervention. The available planning documents for GTZ's projects and programmes in support of macro-economic reforms referred very systematically to budget transparency and financial accountability (e.g. Mozambique).

The available annual reports of the Foundations contained an analysis of framework conditions, a description of key objectives and lines of intervention and reports on activities and results. The reports of FES, which were available for some of the countries reviewed, did not mention accountability but showed that many of the activities of the Foundation were highly relevant to this study. The 2010 annual report of the Rosa Luxemburg Stiftung for West Africa was remarkable in the sense that it clearly described how the foundation aims to promote accountability systems and the engagement of CSOs in policy dialogue in the context of its activities giving specific attention to informal aspects of governance and the influence of external aid and non-aid factors that impact negatively on domestic accountability, even though the term itself was not used (Rosa Luxemburg Stiftung 2010).

According to some interlocutors, the lack of systematic reference to the accountability and control functions of public institutions and the objective of strengthening domestic accountability was due to the fact that country strategies are structured according to a rather concise and rigid format which does not provide any room for analysis or systematic reference to this issue. Others highlighted that it usually took some time until new topics that were addressed in position papers and policy guidelines were integrated in strategies. Most interviewees underlined that country strategy papers did not reflect the priority that was given to the subject in practice in development cooperation. Some interviewees also argued for more strategic and operational guidance.

Nevertheless, from recent minutes of bilateral negotiations, more recent analytical and strategy papers a shift in German development cooperation towards giving domestic accountability a more prominent place is clear (Fanetti and Loquai 2011, p. 18; Loquai 2011, pp. 32-33; and Loquai and Klavert 2011a, p. 11).

5.2. Support for domestic accountability systems around key policy processes and issues

Table 4 provides an overview of the focal sectors of German development cooperation in the different case study countries. The table shows that "decentralisation" in the broadest sense is a priority for German development cooperation in all these countries. Moreover, BMZ's concept paper on support to decentralisation emphasizes that German assistance to these reforms intends to institutionalise citizens' participation and increase the transparency and responsibility of the public authorities (BMZ 2002, p. 6). Consequently, all case studies looked at German support to domestic accountability in this focal sector.

The second sector to be looked at was selected on the basis of perceived relevance, i.e. the authors consulted BMZ's country desk officers and the head of cooperation in the Embassies about potentially relevant activities in the other two focal sectors and retained one of them. As table 4 shows, the stock taking exercise thus mainly focused on the following sectors: Decentralisation and governance, the social sectors (health and education) and agriculture and natural resource management.

5.2.1. Poverty reduction strategies and overarching development policies

In Tanzania, Malawi, Mali and Mozambique, second generation PRSPs or other frameworks for poverty reduction constitute an overarching framework for development policies. In Mali this is complemented by the Project for Economic and Social Development, a personal initiative by the Malian President that mainly

focuses on economic and social priorities. In all these countries the participation of civil society organisations, parliament and local government in the formulation of these strategy documents was considered to have improved, but was still limited by capacity constraints. Some of these documents contain particular references to the objective of strengthening domestic accountability (e.g. Tanzania, Malawi, Mali).

Table 4: Overview of Joint programme-oriented financing granted by Germany in the six countries in 2010¹⁴

COUNTRY	FOCAL SECTORS (in bold those selected for the purpose of this study)	Joint programme-oriented financing by Germany (PGF)	
		GBS	PGF in focal sectors (selected) and other areas
Bangladesh	1. Renewable Energy and Energy Efficiency 2. Health, Family planning, HIV/AIDS 3. Good Governance, Human Rights and municipal development	No	Health: basket funding to health SwAp (PBA 2) Governance: Parallel funding for a) Urban Governance and Infrastructure Improvement , b) Rural Infrastructure Improvement
Malawi	1. Primary education 2. Democratic Decentralisation 3. Health	Since 2009	Health: basket funding (P) Decentralisation: basket funding for local development fund (P) Public financial management: Basket funding for SAI (P)
Mali	1. Decentralisation and municipal development 2. Agriculture 3. Water	Since 2009	Decentralisation: Parallel funding for local government investment agency, SBS (P) Agriculture: a) Parallel funding for the Office du Niger and SBS (P), b) Parallel funding: Small Scale Irrigation Programme (P)
Mozambique	1. Basic and vocational education 2. Sustainable economic development 3. Decentralisation for rural development	Since 2004	Education: Basket-funding for Education Sector Support Fund. Decentralisation: MoU for National Programme for Decentralised Planning and Finance signed as non-common fund donor Public finance management: Basket funding for SAI and for Revenue Authority
Peru	1) Democracy, civil society and public administration (governance sector) 2) Water 3) Sustainable rural development, natural resource management and climate change	Not provided	Governance: sector budget support until 2009, new one upcoming Water: sector budget support ("Sector reform program municipal water management") Sustainable rural development: PGF on environmental governance, biodiversity conservation and protected area management (P).
Tanzania	1) Water 2) Health, including HIV/ AIDS prevention 3) Decentralisation and municipal self-administration	Since 2009	Decentralisation: basket-funding for Local Government Development Grant Health: basket funding Water: basket funding

GBS – General Budget Support, SBS – Sector Budget Support, P- Planned

Source : BMZ country and strategy papers, interviews

¹⁴ For a definition of Joint programme-oriented financing see BMZ 2008.

Bangladesh was implementing its second PRSP, which will run until July 2011. However, the PRSP approach does not have much political ownership and support, as it was introduced by the previous government and is regarded as having been imposed by the World Bank. Peru has never formulated a PRSP as such, but national policy is framed and directed by the *Acuerdo Nacional (AN)*. The AN was formulated with the participation of all relevant stakeholders (public sector, private sector, parties and CSOs), and defines key social and economic policy objectives. In April 2010, a draft for a new development strategy for Peru, the “Plan Bicentenario – Perú hacia el 2021”, was presented to Congress. Currently, this document is being discussed by all stakeholders and has the potential to become the new overarching development strategy for Peru (Hackenberg 2011, p. 10).

In the four African countries, general budget support (and all other bilateral aid) is explicitly provided with a view to enabling the government to implement poverty reduction policies. Consequently, the development councillors of the German Embassies and PGF managers have actively contributed to the reviews of budget support. During those reviews progress with the implementation and different aspects of domestic accountability are discussed on the basis of relevant principles that have been agreed in the MoUs or Performance Assessment Frameworks. Depending on the political situation in the partner country, issues addressed in policy dialogue ranged from the performance of specific accountability institutions and progress in the fight against corruption, to press freedom and the rights of sexual minorities. In Malawi, it was also reported that as part of the larger donor group, Germany successfully lobbied with the partner government to ensure that representatives of civil society, the media, parliament and local government could take part in and report to the public on the issues discussed during these reviews (Loquai and Klavert 2011a, p. 12).

In all of these four African countries German development organisations also provided support to the policy formulation, implementation and monitoring processes that aim to strengthen political engagement, transparency, as well as the supply and demand for accountability around national poverty reduction strategies. Important lines of intervention were:

- Information and training measures that aimed to sensitize representatives of CSOs, local government and members of parliament to the content of these strategies and their role in providing control, supervision or implementation of these strategies. For instance, in Mali, GTZ and DED included a session on PRSPs and MDGs in their training and capacity building programmes for newly-elected local councillors (Loquai 2011, p. 35).
- Capacity building support to strengthen the participation of NGOs and other civil society actors in the formulation, monitoring and evaluation of poverty reduction strategies in general and their implications in specific sectors. In Mali DVV international, an NGO that specialises in adult learning and non-formal education, assisted representatives of civil society, academia and the government in assessing the quality and realism of policy content on non-formal education in these documents and formulating recommendations (Loquai 2011, p. 36). In Mozambique, German NGOs, such as EED and the German Agro Action (Welthungerhilfe), ran programmes that explicitly helped to strengthen the participation of civil society and watchdog networks in policy formulation and monitoring of PARPA (Fanetti and Loquai 2011, p. 21).
- Support for government institutions to strengthen their capacity to programme public resources for poverty reduction in a way which is transparent (Mali, Malawi, Mozambique) and to generate, publish and distribute information on the impact of poverty reduction strategies (Malawi).
- In all countries except Tanzania, KfW and GTZ were engaged in or are planning to provide assistance to Ministries, Supreme Audit institutions and parliamentary committees with a view to strengthening the transparent allocation and use of public resources for poverty reduction objectives.

From the case studies it may be concluded that with the shift towards general budget support, strengthening the checks and balances for pro-poor budgeting had gained in importance.

In Peru and Bangladesh direct support to strengthening accountability systems around overarching development or poverty reduction processes was more limited at the time the stock taking exercise was conducted. From the available information it seems that efforts were mainly limited to fairly selective training and advisory activities. In Tanzania, a new PRSP was in the process of being formulated in 2010, but there was some dispute surrounding it (Koch 2011, p. 15).

5.2.2. Budget (support) and financial management reform processes

The interlocutors largely agreed that decisions to grant general budget support had increased the urgency of investing in domestic accountability systems around budget processes and reflecting on appropriate lines of intervention.

The new opportunities brought by the engagement in general budget support by the joint reviews and the bilateral aid negotiations to discuss issues of budget transparency and financial accountability were welcomed. The evidence from the case studies clearly shows that the joint reviews are systematically used to raise issues of financial relevance as well as other dimensions of accountability. The issues pertaining to financial accountability that were raised for example, concerned capacity constraints or lack of follow up on SAI reports, compliance with budget allocation and expenditure on poverty reduction priorities, progress in the implementation of anti-corruption strategies or the involvement of accountability institutions around the budget. The Embassies and PGF managers play a central role in this high-level policy dialogue. However they rely heavily on information and advice provided by bilateral programmes assisting fiscal decentralisation processes and providing macro-economic and public financial management advice. Many interlocutors emphasised that participation in general budget support and related dialogue fora had created new opportunities to draw attention to and pave the way for the replication of successful practices in participatory budgeting, financial accounting or resource mobilisation at local level, and to address concerns with senior policy makers about issues such as corruption or the performance of audit institutions.

In all the African countries under review except Tanzania German bilateral cooperation also provided assistance for strengthening the capacity of specific drivers of accountability and their involvement in the budget process at the national level. Moreover, in all of these countries budget processes at the local level received support.

Although the specific lines of intervention and the portfolio of German bilateral cooperation differed from one country to another, some similarities can be discerned:

In all these countries except Tanzania, **support to Supreme Audit Institutions** occupies an important place in the relevant aid portfolio. In Mozambique the *Tribunal Administrativo* received technical and financial assistance from Germany. A technical advisor recruited by GTZ advised the Tribunal on organisational reform and procedures to accelerate the review of public accounts, to help the institution provide better information to the public and train their staff, and to assist in the process of decentralisation of the Tribunal with the opening of new branch offices in the Provinces. GTZ also established trilateral cooperation between SAs of Germany, Mozambique and Brazil. In Malawi, KfW was in the process of developing a new programme-based approach (basket funding) for the National Audit Office. In Mali GTZ and KfW focused on training measures and capacity building support for the *Section des Comptes* of the Supreme Court that carries out part of the supreme audit function. Germany had urged for clarification of the task division and institutional status of the two

(partly competing) SAIs (Loquai 2011, p. 12). In Tanzania, Germany was not providing such assistance to the SAI at the time the case study was conducted because the institution had received substantial support from other donors. However, as the largest donor of the National Audit Office was withdrawing, future German engagement was being considered (Koch 2011, p. 19). In Peru, German technical assistance has supported the *Contraloría* and its decentralised offices (OCIs) with institutional capacity development and training measures (Hackenberg 2011, p. 14).

Another strong focus of German bilateral cooperation was **assistance to Ministries of Economics, Finance or Planning**. A central objective in this support was to strengthen domestic accountability by integrating the poverty reduction strategy and the budget. In Mali and Malawi a detailed analysis of this subject had been conducted by GTZ with a view to identifying key lines of intervention (Krause 2009, Fritz and Lang 2007). GTZ's and KfW's efforts at the time of the interview were mainly focused on advising on the reform of legal and institutional frameworks, reinforcing the ministries' contribution to internal and external auditing, strengthening reporting procedures, helping ministries to introduce electronic accountancy and information systems to strengthen statistical capacities and helping them to publish and present budget information in a more user-friendly format. Whilst many of the measures are rather technocratic, they were considered crucial to strengthening reporting and creating an information base for other drivers of accountability and policy dialogue. The interlocutors emphasised that these measures can contribute to laying the groundwork for the emergence of accountability systems around the budget process and its links to the MDGS process. This is illustrated by the practical case of GTZ's Advisory Services provided to the Ministry of Economics and Finance in Malawi (see box 2).

- The engagement in general budget support has focused more attention on the **role of parliaments in budget processes**. These key accountability institutions have traditionally been assisted by the German Political Foundations. In Mozambique, KfW had decided to harness this expertise in the context of a pilot project that aimed to strengthen the capacity of the National Assembly and civil society to read, understand and analyse the national budget (see box 4). In Malawi the President of the National Assembly had asked CIM to provide an expert to advise the Public Accounts Committee, and also help parliament in general to build up administrative as well as relational capacities with other accountability institutions. At the time of interviewing, German development cooperation was considering this request (Loquai and Klavert 2011b, p. 47).
- In all four countries, support for increasing the management capacities of authorities tasked with resource mobilisation, such as **tax authorities** and **local governments** was considered an important component in efforts to strengthen accountability and budget transparency.

In comparison to the above lines of intervention, efforts to strengthen the capacities of the CSOs to monitor or influence the formulation and implementation of national budgets has received less attention in German bilateral development cooperation. However, involving citizens and CSOs in budget processes and encouraging them to demand accountability on the use of public resources was an important component of GTZ's and DED's support in the area of decentralisation.

Box 2: Case of practise - Advisory Services to the Ministries of Economy and Finance in Malawi

In Malawi, GTZ provides a number of advisory services around the budget process. It provides macro-economic assistance to the Malawian Ministry of Economic Planning and Development and the Ministry of Finance in support of implementing their national development strategy. Two GTZ experts are based in the Ministry of Economic Planning and Development, and there is one in the Ministry of Finance.

Strengthening domestic accountability is a key component of this approach. The programme has existed in its current form since 2008. A number of German interviewees classified this project as one of the most important contributions to strengthening domestic accountability in Malawi.

According to GTZ's principal macro-economic advisor, the project addresses weaknesses of domestic accountability around the budget process and thus complements other German efforts to increase budget transparency and make budget support more effective.

The programme has various components. The following lines of intervention were considered to illustrate best how the project intends to contribute to strengthening domestic accountability around the budget and PRSP process and linkages between these two processes:

Strengthening monitoring and reporting on the MDGS

In the past, the programme assisted the Ministry of Planning in developing a Monitoring and Evaluation Master Plan for the MDGS. Today, the programme advises the Ministry of Finance and the Ministry of Planning on how to implement this plan, for instance, by assisting them with drafting their report on the implementation of the national development strategy. A concrete result of this assistance is the timely preparation of the annual report on the MDGS. Furthermore, implementation results clearly featured in the documents that Parliament received in preparation for its debates on the budget. Since September 2010, data relating to the implementation of the MDGS have been posted online by the National Statistics Office. This allows the interested public and drivers of accountability to compare government data with information from other sources and contributes to increasing the transparency of government action in the field of poverty reduction (interviews).

Building capacities of drivers of accountability and accountability systems around the budget process

The project supports the Ministry of Finance in all steps of the budget process except for external auditing. For instance, GTZ advises the Ministry of Finance on how to improve the quality and reliability of their internal audits, while KFW prepares a substantial support to the external audit institutions.

GTZ has also accompanied the introduction of an electronic national accounting system. Often, national accountants have not been able to deliver the documents needed by the Court of Auditors. This was and still is one of the main impediments to a smooth auditing process. According to GTZ's macro-economic advisor, use of the electronic system has increased by 50-70% in the past years and reporting has improved notably in terms of quality and timeliness (interview).

Furthermore, assistance has also been provided to help the Finance Ministry to develop a result-oriented presentation of the budget, which is more readable and easier to understand. As pointed out by the principle macro-economic adviser, this can facilitate a more informed and thorough discussion of the budget in Parliament and the media.

After the 2009 elections, the project organised training for the new members of the Public Accounts Committee. The training focused on explaining to participants how budgets are drafted and negotiated. This is one example of how GTZ attempts to strengthen relations between the Public Accounts Committee and the Ministry of Finance.

GTZ's principle macro-economic advisor highlighted the following lessons learned with regard to strengthening domestic accountability systems:

- The experiences of the project show that better and more transparent reporting on the implementation of the MDGS and the budget does not automatically lead to more lively discussion of these in Parliament or the media. Building a culture of accountability takes time and requires more comprehensive efforts (e.g. training for journalists on budget literacy and measures to sensitize parliamentarians on their role and responsibilities in the budget process).
- Mutual trust is key. GTZ has been able to introduce the above-mentioned technical innovations and to stimulate greater budget transparency because its advisors have the trust of the ministries and the CABS group. This view was confirmed in interviews with partners and other donors.
- There is a need for a PBA on macro-economic reform that aligns donor approaches with government policy. This requires an investment in coordinating donor's reform priorities.

Source : Loquai and Klavert 2011b, p. 31-32.

5.2.3. Policy processes in focal sectors of German development cooperation

a) Decentralisation and local governance

In all the six countries studies, assistance to processes of decentralisation and local governance was a focal area of German bilateral development cooperation. Presence of the different German bilateral aid agencies in this sector was generally high (see Annex 2). KfW, GTZ and DED generally intervened in a highly complementary way, with KfW providing basket funding for municipal infrastructure development funds or national grant systems for local government and GTZ and DED advising on capacity development. In Mali, Malawi and Tanzania, InWEnt assisted decentralisation at the national level in the context of regional programmes, focusing on training, peer-learning and facilitating exchange of experience between different stakeholders of decentralisation (Koch 2011, p.15). The activities of the German political foundations and NGOs, evolved generally rather independently of bilateral cooperation.

Strengthening domestic accountability around these reform processes was an important objective of German assistance in each of the countries. How this objective was pursued depended on contextual factors and the state of the reform processes in the country. For instance, in Malawi, a country where elected local councils had been dissolved in 2005, a more technical approach to strengthening domestic accountability was followed, than in Mali where the governments' commitment to democratic decentralisation has been relatively high since the country's transition to democracy in the beginning of the 1990s (Loquai 2011, p. 20).

In spite of these context related differences, some common patterns could be discerned. The following lines of intervention were prominent in several countries studied:

- **Assistance for participatory planning and multi-stakeholder dialogue processes at the local level.** Capacity building support to make planning processes at the local level more transparent and accountable was provided in all six countries. This assistance often addressed both the supply and demand sides of accountability. Capacity building on the supply side was, for instance, directed toward training and advising local administrators on guidelines and procedures for conducting participatory planning exercises, facilitating multi-stakeholder dialogue and communicating with citizens and local CSOs. In Mali, for instance, GTZ and DED had first provided support to municipal advisory centres that were tasked with local government capacity building. These centres organised

training courses for newly elected councillors and helped them to apply participatory municipal development planning processes and multi-stakeholder dialogue processes in practice. Today, German development cooperation is one of the main donors of the newly established *Centre de Formation des Collectivités Territoriales*, a permanent institution at the national level that trains local councillors and staff of local governments from all over the country. The training modules give high attention to participatory planning techniques and building capacities for multi-stakeholder dialogue with a view to anchoring a culture of accountability and institutionalised participation. Many of the training modules draw on approaches that have been tested in the context of the Programme in Support of Local Governments that is jointly implemented by GTZ, DED and KfW (Loquai 2011, p. 39).

Participatory processes of local governance also require capacities on the part of civil society and citizens to articulate their interests and engage in dialogue with their representatives at the local level. In the country studies, German development cooperation has assisted a host of measures for strengthening the demand for accountability. Such measures include, for instance, training courses and other capacity development support for the members of self-help groups, community organisations and citizens' platforms, so that they can organise, lobby and engage in political dialogue with local administrations and service providers.

In Malawi, DED has supported the National Initiative for Civic Education, an NGO, in training District Civic Education Officers to this end. In Bangladesh, GTZ has assisted the formation of local community groups that engage in planning and dialogue processes on local infrastructure development with local governments (Klavert 2011, p. 13). In Tanzania, DED has supported civil society organisations and their networks in their efforts to promote local democracy and political participation. Support focused on voter education, communicating information in the principles of good governance and methods of participation in local decision-making and development processes (Koch 2011, p. 17).

- ***Assistance for making budget and financial management processes at the local level more participatory and transparent.*** This line of intervention was a focus of German development cooperation in all six countries. On the supply side, assistance usually aimed to build capacity with local governments to consult different stakeholders in the process of drafting budgets and to disclose information on local budgets and expenditures. Moreover, support was also provided for improving local governments' capacities to mobilise and manage tax money and government subsidies more transparently. In some countries assistance also aimed to improve capacities for establishing and/or auditing local government accounts (e.g. Mali, Malawi, Mozambique, Peru).

In Malawi, for instance, GTZ and DED have provided capacity development support in the field of participatory budgeting and local investment planning. They have also assisted the National Local Government Finance Committee, an institution that oversees local government finances and a national grant transfer scheme, with testing and rolling out electronic accounting and monitoring systems at the district and municipal levels. In addition, GTZ has been supporting districts to build up departments of internal control and strengthen reporting to supervisory authorities on the use of public resources and grants. Peer-learning and stimulating exchange of experience on practice in the field of transparent financial management has been a central objective of InWEnt's programme in support of capacity building on good financial governance in Southern and Eastern Africa that was open to participants from Malawi (Loquai and Klavert 2011b, p. 32).

Other efforts aimed to strengthen citizens' demand for accountability on budget allocations and expenditures. The first case in box 3 illustrates how GTZ and DED have helped civil-society organisations to undertake Public Expenditure Tracking as a way of gathering information on how public funds were used. The second case from Mali in box 3 illustrates how German assistance aims to improve public service delivery through helping municipalities to develop more transparent and participatory systems of financial management.

- ***Support to fiscal decentralisation and the design of transparent local government grant systems.*** In most developing countries, local government are highly dependent on fiscal transfers from the central government. They often lack the sufficient information and capacities for mobilising revenues that have been assigned to them. Moreover, modalities for sharing of fiscal revenues between central and sub-national governments tend to be poorly defined. Helping to develop and improve legal and institutional frameworks for fiscal decentralisation is therefore given high priority in German bilateral assistance. As highlighted in interviews, assistance for the design of grant systems for local governments or for the negotiation of tax-sharing modalities between central and local governments are very relevant for increasing the transparency of the allocation and use of public funds and for securing the financial viability of local governments as drivers of accountability.

Thus, KfW and GTZ have been advised central governments on the design of performance-based grant systems and modalities for cross-subsidisation of local government (e.g. in Mali and Malawi). Assistance has also been provided for reforms that aim to enhance local governments' own revenues, clarify modalities for resource sharing, strengthening the oversight functions of tax authorities as well as enabling them to provide assistance to local governments in mobilising resources in a more transparent way.

- ***Strengthening accountability systems around decentralised service delivery.*** According to interviews, this line of intervention has gained prominence over the last years, e.g. in the context of partner governments' efforts to introduce right to information legislation and public service charters. For instance, in Malawi, GTZ and DED first collaborated with selected local governments in jointly testing different mechanisms that provide citizens with a chance to give feedback on municipal services and help local government officials and service providers to become more responsive to the needs and grievances of their constituencies. More recently, they started to support the National Public Service Charter Programme, an initiative of the Malawian Government that aims to improve access to and quality of public services (Loquai and Klavert 2011b, p. 38). A similar experience confined to the health sector was reported from Bangladesh (Klavert 2011, p. 10). In Peru, KfW has helped to establish spaces of interaction between local administrators and user groups around the management of local service delivery facilities (Hackenberg 2011, p. 15).

Box 3: Helping to improve the transparency and accountability of resource mobilisation and spending of public funds at the local level

Assisting public expenditure tracking at the village level in Moshi District, Tanzania.

Public Expenditure Tracking systems (PETs) have emerged as a popular tool for CSOs engaged in accountability issues to collect information on and to track the flow of resources from public administration to local service delivery. In 2007, DED and the Civic Education Teachers' Association (CETA) joined forces to conduct PETs in eleven villages of Moshi Rural District in Kilimanjaro Region. The objective of the project was to enhance transparency and accountability for good governance at village level. As the first step, ten CETA members were trained as PET facilitators. They then passed on their knowledge to PET committees. This process was supported by DED, who provided public notice-boards on which information could be posted for public display. Villagers also received training on civil rights and were encouraged to seek information on how to hold their leaders to account.

Helping to develop approaches for managing rural markets in Malian municipalities

In Mali, GTZ and DED have assisted local governments in rural areas to mobilise and account for revenues generated by local markets. This approach involves all relevant stakeholders, i.e. local councillors, responsible technical staff of the municipality, associations of vendors and representatives of the population who live close to the market. Based on a joint evaluation of the potential of revenues that could be generated around the market, representatives of the municipality, representatives of the municipality and vendors negotiate the level of taxes and fees. Market management committee, elected by the vendors then ensure the collection of fees. Part of the fees and taxes are then passed on to the municipality, who reinvests them in cleaning and maintaining the market infrastructure and improving the surroundings of the market (e.g. building public latrines, improving the drainage system or crating more parking spaces). GTZ and DED's assistance has helped both, the association of market vendors and the municipalities to manage revenues (taxes and fees) more transparently and in a cooperative way. Both account for the use of these financial resources. According to interviews, this approach has not only helped municipalities to generate new revenues, but also contributed to improvements in market hygiene and maintenance of infrastructural facilities. Market vendors and citizens have gained confidence in their elected representatives are now more willing to pay taxes and fees, as they have seen that resources are administered in a transparent way and spent on services that are of benefit to them.

Source: Koch 2011, p. 17 and p. 27; Loquai 2011, p. 40

- ***Providing support for designing and testing accountability mechanisms.*** On the whole, German cooperation in the field of decentralisation had a strong focus on helping stakeholders of decentralisation at the local level to jointly design, test and introduce new procedures and mechanisms that can strengthen local government's accountability to citizens. Interesting experiences were reported from Mali, where GTZ and DED had tested local government self-assessment tools and helped to develop a methodology for public restitutions of local government performance that has been widely replicated (Loquai 2011, p. 42).

Another important line of intervention that has not been thoroughly explored in the context of this stock taking exercise is assistance to local elections. As the examples quoted in the Malawi, Mali and Tanzania case studies show, assistance around local elections includes such diverse measures as: training journalists for reporting on elections ('Deutsche Welle' in Mali and Tanzania), training local party leaders (KAS in Mozambique and Malawi), activities aiming to mobilise female candidates for local councils (GTZ/DED in Mali and Malawi) to institutional support to election commissions (GTZ Malawi) or policy dialogue with central authorities on organisational aspects by German Embassies.

b) The social sectors: Health and education

Support for domestic accountability around policy processes in the health sector was analysed in three countries: Bangladesh, Malawi and Tanzania.

In Tanzania, Germany did not provide any assistance for programme-based approaches in the health sector and strengthening domestic accountability was not a major focus for German bilateral cooperation. This was also reflected in the strategy paper, which made no reference to strengthening drivers or mechanisms of accountability. However, the Health Financing and Social (Health) Insurance Component that is co-financed by KfW, actively supports the Public Financial Management capacities of the Ministry of Health and Social Welfare, as well as the Prime Minister's Office for Regional Administration and Local Government. In this way, KfW aims to support the appropriate use of basket funds and the improvement of internal and external controls and audits at the Ministry of Health and Social Welfare. German technical cooperation agencies were also supporting the improved allocation of funds at national and regional levels, and increased transparency and accountability in public health financial management at the regional and district levels. All these efforts focused on the supply side of accountability, i.e. public authorities. Interlocutors therefore argued that - with a view to a more balanced approach to strengthening domestic accountability systems in the health sector - Germany should place greater emphasis on strengthening the demand side of accountability, e. g. through activities that would sensitise health system users regarding their rights and responsibilities, the cost of health services and quality standards or by encouraging the press to scrutinize national health policies or the decentralised delivery of services (Koch 2011, p. 17).

In Bangladesh, Germany assisted a sector-wide approach that helped the government to implement its health strategy. German support was targeted at the Health Nutrition Population Sector Programme (HNPS 2005-2010). Both KfW and GTZ contributed to this programme-based approach: KfW provided a total of €46.6 million in financial cooperation to the entire programme, i.e. €35.3 million in the form of basket funding and €10 million in the form of parallel funding. KfW contributed €1.3 million in technical assistance for "accompanying measures". GTZ offered technical cooperation worth €5 million for capacity development within the Ministry of Health and Family Welfare (Klavert 2011, p. 10).

According to interlocutors, accountability was addressed in policy dialogue during the annual reviews. A number of fora and mechanisms were created at national and regional levels to involve parliamentarians, civil society representatives, representatives of user groups, service providers and local government representatives in policy dialogue and monitoring of health services at national and local levels. However, according to the interviewees these fora were not functioning well. Basket funding of the HNPS also aimed to strengthen procurement procedures. A Citizen's Health Charter (CCH) was revised under the HNPS programme in 2007 and is displayed in health facilities nationwide. It informs citizens of their rights. On the whole, measures to engage citizens and non-state actors in policy dialogue or monitoring the implementation of policy had apparently yielded only moderate success because of limited ownership by the national authorities and lack of availability and commitment by other potential drivers of accountability, such as parliamentarians (Klavert 2011, p. 11).

In Malawi, German development cooperation contributed to a sector-wide approach. KfW gave funding for a sector basket fund that was co-financed by seven other donors and also ran some accompanying measures that indirectly aimed to enhance domestic accountability by increasing the transparency of costing and management of financial resources (e.g. by supporting external audits at the regional level). GTZ along with CIM, DED and InWEnt implemented a programme in support of "sustainable structures for the health sector". All of these components of support were integrated in the joint programme of work for the German bilateral implementation agencies. Remarkably, BMZ's sector strategy paper for Malawi (from

2007!), was the only one that explicitly referred to the objective of strengthening accountability mechanisms. The activities of this programme considered relevant for domestic accountability aimed to ensure a stronger involvement of non-state actors in service delivery, better planning, monitoring and evaluation of health services at the district level, feedback loops between national and local level health structures or strengthening the supervisory functions of town councils and district assemblies (Loquai and Klavert 2011a, p. 16). As in Bangladesh, bilateral cooperation (GTZ and DED) also provided support for a public service charter that was to strengthen the supply and demand side of domestic accountability in the health sector. In the same vein, GTZ and DED also experimented with citizens' score cards to provide users with a chance to assess the performance of service providers. Remarkably, activities for strengthening the domestic accountability of service delivery were implemented together with a German programme in the field of decentralisation (Loquai and Klavert 2011a, p. 16).

The only country where we looked at support in the education sector was Mozambique. Efforts towards aid harmonisation in this sector were considered more advanced than in any other countries (interviews). Donor contribution to the education sector in 2010 was 90% aligned with national strategy (Fanetti and Loquai 2011, p. 22). Germany has supported the sector-wide programme-based approach in education on a regular basis since 2006 and given some financial support before that. Together with ten other donors, KfW was contributing to the Education Sector Support Fund which has been described as a very powerful instrument: in 2008, 2009 and 2010, between US \$100 and \$140 million have been spent each year, which constitutes a large amount of money for a country like Mozambique. German contribution amounted to 76,7 million € for the period 2006-2010 (including a small contribution given in 2004) (Fanetti and Loquai 2011, p. 22). GTZ and InWEnt provided technical assistance to the sector at provincial and national levels within the framework of a programme that aimed to improve basic and vocational education. GTZ also played the role of focal sector coordinator for education and therefore took part in the sector policy dialogue on basic and vocational education. However, in interviews accountability was not mentioned as an issue of particular importance in this dialogue.

Citizens' demand for accountability was described as very strong in the education sector in Mozambique. As citizens were concerned about the education of their children, they were keen to monitor the quality of services provided. The most relevant line of intervention of bilateral German development for this study referred to structuring the demand for accountability (strengthening parents' associations capacities). It was also mentioned that InWEnt supported planning, budgeting, monitoring and evaluation in education with training measures and short-term expert missions (Fanetti and Loquai 2011, p. 22). However, from the available information it was not clear if there was a link to strengthening domestic accountability. The German organization that most visibly aimed to strengthen domestic accountability systems was the NGO DVV International. Its FELITAMO project, initiated in 2010, specifically aims to strengthen the capacity of national NGOs in monitoring the quality of the (adult) education system and enhancing domestic accountability in the sector, including its capacity to engage with other stakeholders for this purpose (Fanetti and Loquai 2011, p. 23).

c) Agriculture and natural resource management

In **Peru** and **Mali**, German bilateral development cooperation provided support for programme-based approaches in the agricultural and environmental sector¹⁵. In both countries, domestic accountability systems were not the focus of German bilateral cooperation within this sector, but some relevant lines of interventions were identified.

In **Peru**, support to rural development indirectly involves the strengthening of domestic accountability through helping community-based and producer groups to organise. Moreover, reports of Deutsche Welle mentioned training activities for journalists that aimed to strengthen reporting on environmental issues. However, based on the information available, it is difficult to discern to what extent activities mentioned in documents or interviews were relevant to this study because they had not been explicitly designed with a view to promoting accountability (Hackenberg 2011, p. 13; 15).

In **Mali**, the focus of German bilateral cooperation lies on irrigated agriculture. There are a number of bilateral programmes with components or specific lines of intervention that address issues that are relevant for strengthening domestic accountability. GTZ and KfW, for instance, jointly implement the “Programme Mali Nord”, which helps to develop irrigated agriculture along the Niger in the northern regions of the country that have been affected by the “Tuareg conflict”. This programme has been involved in facilitating dialogue between the different stakeholders of the conflict(s) in this region. After the end of the 1990 Tuareg uprising, the programme played an important role in bringing the different parties of the conflict together to jointly reflect on new structures of local governance in the northern region of the country. The programme has also helped to communicate information on peace settlements in recent years with a view to helping create transparency on issues related to the conflict. Other activities that were considered relevant to this study were the efforts of the GTZ technical advisor in the Ministry of Environment, for example, in helping the government to build citizens’ awareness of environmental issues, policy dialogue on respecting environmental standards or assistance for multi-stakeholder discussions in the context of the formulation of new programme-based approaches on small irrigation schemes (Loquai 2011, pp. 42-43).

However, judging by the available information, the Rosa Luxemburg Stiftung appeared to be the German development organization that was most explicitly aiming to strengthen domestic accountability around policy processes in the agricultural sector in Mali. Their cooperation with farmer organisations in Mali specifically aims to strengthen these organisations with a view to increasing their influence in the formulation of agricultural policies. To this end, they support training and organisational development activities that intend to strengthen the awareness of members of farmers’ organisations concerning policy debates on agricultural and environmental issues, and their capacity to engage in dialogue with the government and the private sector. The Foundation also supports analytical work that helps its target groups to identify avenues for influencing policy debates and understand the implications of public policies on their livelihoods. All these activities were conducted with a local partner, the NRO *Institut de la Recherche et de Promotion des Alternatives en Développement* (Rosa Luxemburg Stiftung 2010, p. 20).

In interviews with the German Embassies and in preparatory consultations with VENRO, it was emphasized that a number of German NGOs may be supporting relevant activities regarding the domestic accountability in sectors of agriculture and natural resource management in the countries reviewed. Enquiries at the headquarters of German NGOs and web searches, however, did not yield any relevant information.

¹⁵ In Mozambique assistance to the rural sector had a strong focus on decentralisation and relevant lines have been discussed under this heading.

5.2.4. Institutional support for specific drivers of domestic accountability and for other policy processes

German support to domestic accountability has not been limited to assistance in connection with the above-mentioned policy processes. In particular, the political foundations also carried out a number of activities that aimed to strengthen horizontal and vertical accountability to institutions other than central and local government. This is reflected in table 5, which gives a rough overview of the political foundations' relevant work that was highlighted in interviews or programme documents. The bilateral development organisations and some German NGOs also promoted domestic accountability lines of intervention that concerned governance issues outside the above-mentioned policy processes.

In terms of support to specific drivers of accountability other than institutions of the executive branch, the following lines of assistance are worth mentioning:

- **Assistance for strengthening the oversight and control functions of parliaments.** Some of the support provided for this purpose has been mentioned in previous sections. In addition, a number of other activities have been noted, e. g. in Malawi, where the President of the Parliament had asked for a CIM expert who could help to build the capacities of the parliamentary administration, including relations with other drivers of accountability. In Mozambique, FES, together with UNDP and the SADC Parliamentary Forum, were providing support to a parliamentary benchmarking process which aimed, amongst other goals, to establish standards for the accountability functions of parliaments. Moreover, in the same country, KAS was supporting the Youth Parliament of Mozambique, an association which provided young people with the chance to learn about the accountability functions of the National Assembly and to scrutinize government policy in areas of particular interest to young people, notably education and housing (Fanetti and Loquai 2011, p. 24).
- **Capacity building and other support for ombuds-institutions.** In Peru, GTZ has supported the Office of the Ombudsman in fighting corruption and in monitoring social conflicts. According to interviews, in particular, assistance for the installation of an anti-corruption unit within the Ombudsman Office had achieved a positive, albeit indirect impact on accountability (Hackenberg 2011, p. 15). In Mali, FES has regularly provided support to the *“espace d’interpellation démocratique”*, i.e. a forum which allows citizens to file and follow up complaints on public authorities (Loquai 2011, p. 44).
- **Support for strengthening the role of the judiciary.** There were few examples of support to institutions of the judiciary. On the whole the judiciary appeared to be a sector that did not receive much attention from German (and many other donors') efforts to strengthen domestic accountability systems. In Mali, the Friedrich Ebert Stiftung had supported the publication of a study on governance in the justice system and had facilitated a series of discussions on the findings, with a view toward contributing to re-launching debate on the reform of the highly corrupt and deficient justice sector of the country (Loquai 2011, p. 44). Another relevant example referred to assistance in training paralegals in the context of GTZ's programme for the reform of prisons in Bangladesh (Klavert 2011, p. 15).
- **Support for CSO networks that fulfilled watchdog functions or were active in the field of civic education.** Such assistance was sometimes granted as part of German efforts to promote decentralisation, e.g. in Malawi, where DED provided capacity development support to the National Initiative for Civic Education, a former EU programme that had been converted into an NGO. In Bangladesh, RLS has supported the CSO “Research Initiatives Bangladesh” in educating discriminated communities about their rights under the newly adopted Right to Information Act.

Assistance follows a participatory action research approach, which aims to enable target groups to identify impediments to their development, and, with support from the CSO trainers, develop strategies for participation and access to public goods. Moreover, the supported communities are linked through information centres to carry out joint advocacy work at the regional and national levels (Klavert 2011, p. 14). In **Peru**, two initiatives of German NGOs were mentioned: EED's support of the "Grupo Propuesta Ciudadana", a broad alliance of Peruvian NGOs which works on issues of financial control, among other topics; and the "Observatorio de la Vigilancia Social", an organization that works toward strengthening civil society's control of state action and which received support from several faith-based German organisations (Hackenberg 2011, p. 15). In Mali, where the NGO networks were organising in sector and thematic groups to be better able to contribute to policy dialogue on poverty reduction and scrutinize the government's policy, DED provided assistance for a website that could serve to inform and mobilise expertise from member organisations for these groups (Loquai 2011, p. 35). In Tanzania, KAS worked with a number of CSOs, such as the Civic Education Teachers' Association, in efforts aimed at empowering the population at the grassroots level to actively engage in political discussions and elections (Koch 2011, p. 20).

- ***Strengthening political/opposition parties in their function as drivers of accountability*** was the preserve of the political foundations. For instance, in Tanzania FNS encourages the young people's and women's wings of the opposition party Civic United Front to question the government and prepares them for leadership roles. In the same country, in the context of its support for democratisation, the FES' Young Leaders Training Programme seeks to promote political debate and foster the development of a critical political attitude among young people. A former participant of this programme is now a leading member of an opposition party (Koch 2011, pp. 19-20).
- ***Support to the media*** was regarded as a highly relevant line of intervention. Although media actors were not a specific focus of German development cooperation, a number of activities by different development organisations and Deutsche Welle were quoted that were clearly relevant for strengthening media as drivers of domestic accountability. Some of these examples are described in box 3. Many interlocutors expressed the feeling that more attention should be given to assisting independent media as drivers of domestic accountability. Efforts to support freedom of the press or foster media access to information by addressing the issues in policy dialogue, e.g. during joint reviews of budget support, were seen as laudable but insufficient. Interlocutors emphasised that journalists often lacked the professional skills or technology to thoroughly investigate, report objectively or to convene political debates. In this context, a number of interlocutors argued that the BMZ may need to take a stronger position with regard to supporting the media. Whilst recent strategy papers have mentioned the media as an important actor, a coherent strategy or position paper was missing in the view of the interlocutors. Consequently, they argued, German development cooperation intervened in a very fragmented way and there were no systematic efforts to make use of existing expertise in this field (interviews).

Box 3: Supporting the media as drivers of accountability

Media can play an important role in raising citizens' awareness on policy debates, as convenors of public debate and in analyzing and investigating public action. In many developing countries, media, in particular radio stations, are also agents of civic education. As recent events in the Arab world show, media can be a catalyst of political mobilization and concerted demands for accountability.

The case studies showed that various actors of German development cooperation work with local media in ways that can strengthen domestic accountability systems. The following examples illustrate how this is done.

Training radio journalists for reporting on and "monitoring" election processes. The political foundations and GTZ regularly provide capacity building assistance to journalists and media actors before national and local election processes. For instance, before the 2007 national elections in Mali, the Friedrich Ebert Stiftung, together with Deutsche Welle Academy, organized a training course for radio journalists to enable them to produce high quality reports and features. In the same country, the joint GTZ/DED/KfW Programme in Support of Local Governments has cooperated with municipal radio stations in efforts to encourage female candidates to run for local elections.

Strengthening the role of local radio in civic education and building political awareness. For a number of years, the Rosa Luxemburg Foundation has provided support to the publicly funded local radio station, Association Radio Kayira, in Mali. The assistance is intended to help this network association develop high quality and up-to-date radio programmes providing information on political developments and debates (reports, commentaries, news). A particular focus lies on news features that can politically sensitize people in rural areas regarding their civic rights and raise their interest in topics such as human rights, civil liberties, corruption, good governance and gender, and enhance listeners' understanding of political issues. The programmes also explain how citizens can engage politically and organize to influence policy making or defend human rights and their own interests.

Introducing new radio formats to stimulate political debate. Together with the private radio station Radio Kledu, the Friedrich Ebert Stiftung has established a well-known radio programme that brings together journalists and political decision makers to discuss topical issues in Mali. The programme is broadcast live. Particular attention is given to involving journalists working in different regions of the country and to actively involving female journalists.

Supporting and monitoring freedom of the press. In Malawi, where journalists and media that were critical of the government were harassed, discriminated against and starved of public funding through a ban on civic advertising, German bilateral development cooperation and other donors addressed this issue in policy dialogue and supported with independent newspapers and radio stations, e.g. by placing ads.

Source: Loquai and Klavert 2011b, p. 7, 49, Loquai and Klavert 2011a, pp. 7-8,; Loquai 2011, p. 45.

Apart from these lines of support for specific drivers of accountability, there was also support for domestic accountability around other policy processes and issues. The following three issues are worthwhile mentioning, because they were supported in several case study countries:

- ***Support for the implementation of national anti-corruption strategies.*** Assistance was often granted in the context of assistance for public management reform, but also as part of efforts to strengthen domestic accountability in the context of decentralisation. An example of the latter is GTZ's and DED's support for the Business Action Against Corruption (BAAC). The BAAC is a network that coordinates the contributions of private and state enterprises in the fight against corruption in Malawi. The main objective of this network is to build alliances between enterprises, civil society, the Anti-Corruption Bureau¹⁶ and government ministries that can help to prevent and eliminate corruption. For instance, the BAAC has developed a Business Code of Conduct for Combating Corruption and so far 50 Malawian businesses have signed up to implement this code. Joint activities mentioned include training of ethics officers for member companies of the BAAC, assistance in documenting and communicating good practice and sponsoring learning events for members of the BAAC (Loquai and Klavert 2011b p. 39). In all those countries that received budget support from Germany, indicators for measuring progress with the implementation of anti-corruption measures had been integrated in the performance assessment frameworks for this aid modality. Consequently, anti-corruption was a regular subject of policy dialogue. In Peru the above-mentioned support to the Office of the Ombudsman was identified as an important line of intervention.
- ***Assistance for a more transparent use of natural resources.*** Examples quoted in this context were InWEnt's regional training courses on the EITI that aim to provide a platform for EITI stakeholders from the government, the private sector and from the civil society of candidate countries to share experience and best practice and to learn from peers and experts. In Peru, the World Bank and BMZ have provided an expert to advise the Ministry of Energy (Hackenberg 2011, p. 15). Activities of the Institute for Geosciences and Natural Resources in Dhaka were also considered relevant: Drawing on experience gained in Dhaka, the Institute is planning to implement a programme that will help the government to design an information system on land use. According to interlocutors, this programme contributes to strengthening accountability because it gives the government the means to make illegal land users vacate land. Land grabbing by companies and criminal gangs is a serious problem in Bangladesh (Klavert 2011, p. 14). Another line of intervention that was mentioned in several countries is **assistance to the reform of tax systems and the collection of taxes** at the national and local level (Mozambique, Mali, Tanzania).

¹⁶ The Anti Corruption Bureau is a public authority that has a mandate for preventing and investigating corruption as well as for implementing the national anti-corruption strategy of the Government.

Table 5: Comparative overview “Activities of Political Foundations”

Policy process	Bangladesh	Malawi	Mali	Mozambique	Peru	Tanzania
1. Overarching development and poverty reduction Strategies	--	--	FES (work with trade-unions)	KAS (PARPA)	<i>n.a.</i>	--
2. Budget and budget support process	--	--	FES (planned)	KAS, FES	<i>n.a.</i>	FNS
3. Decentralisation and local governance	--	--	RLS, KAS	KAS	<i>n.a.</i>	KAS
4. Sector policies	--	<i>n.a.</i>	FES (justice) RLS (agricultu-re)	--	<i>n.a.</i>	RLS (trade, agricultu-re) KAS (educat-ion)
5. Other policy issues	<i>n.a.</i>	--	KAS (democra-tic control of armed forces, civic education)	FES (anti-corruption)	<i>n.a.</i>	FES (political participa-tion) RLS (transpa-rency, participa-tion)
6. Institutional support and facilitation of debates on the role of specific drivers of accountability	RLS (CSOs)	KAS (political parties, Parliam-ent)	FES (political parties, media) RLS (CSOs, media) KAS (political parties and CSOs)	KAS and FES (political parties, Parliament) FES (media)	<i>n.a.</i>	FES (political parties, trade unions) RLS, KAS (CSOs) FNS (political parties, Parliament)

n.a. – no information available available

Source: Information from interviews and documents provided by the German Political Foundations.

5.2.5. Complementarities and synergies between German actors

Analysis of the approaches of other donors and of perceptions expressed in the interviews shows that, on the whole, there are strong efforts to ensure the complementarity and synergy of the different actors and instruments of German bilateral cooperation. These efforts are not necessarily directed toward strengthening domestic accountability *per se*, but joint programming and the increased search for complementarity and synergy in the context of programme-based approaches also contribute to more coherent and systemic action in support of domestic accountability systems in partner countries.

For instance, in the sample four of the African countries which received general budget support, there was close collaboration between the German embassies, the PGF-managers and GTZ programmes in support of macro-economic reform on accountability issues related to budget (support) processes and public financial management reform. In all these countries, the embassies and KfW jointly prepared for debates on issues of domestic accountability in the context of policy dialogue with partners, e.g. the annual reviews of budget support and/or dialogue in donor coordination groups. The specific issues discussed and raised with the partners depended on the country context and the indicators of the performance assessment frameworks that had been defined for joint assessment of budget support. Frequent issues mentioned were the capacities, performance and follow-up of the recommendations of supreme audit institutions, anti-corruption measures, progress in increasing the transparency of national budget processes and the reform of public procurement, improvement of legal frameworks and procedures for the engagement of CSOs and other potential drivers of domestic accountability and the interaction between different accountability institutions (e.g. SAIs, public accounts or budget committees of parliaments, ministries and the press). Policy dialogue also covered the respect for civil liberties that formed the basis for political engagement and scrutiny of government policy by CSOs and citizens. Malawi was a case in point (Loquai and Klavert 2011a, pp. 8, 20).

Moreover, general budget support opened new opportunities of high-level policy dialogue with senior policy makers of partner countries. Interlocutors emphasized that budget support thus created new chances to raise awareness on factors that blocked reform processes at the local level or on innovations and good practice that had been developed at the project level and was worthwhile to replicate. Budget support and programme based approaches in general also appeared to have strengthened exchange and cooperation between the embassies, PGF managers and the focal sector coordinators for the sector of decentralisation/governance (e.g. in Mali and Malawi on issues of fiscal decentralisation and devolution of competencies to local government).

In all the countries except for Peru, coordination and complementarity between different bilateral organisations working in the focal sector of decentralisation were strongly developed and interviewees quoted many examples of how synergies were created on issues related to domestic accountability. These include, for instance: the joint assistance of DED and GTZ for strengthening the supply and demand for accountability at the level of local governments in Mali; the collaboration between GTZ and KfW in the context of urban and rural infrastructure and decentralisation programmes in Bangladesh; the complementary efforts of KfW, GTZ and DED to strengthen financial accountability and systems of external and internal control of local governments in Malawi; or GTZ's and DED's efforts to help local governments to improve their capacity for financial management and to boost a transparent mobilisation of local revenues in Tanzania; and efforts to help improve the internal and external financial control systems local government in Mozambique, including joint efforts in support of local election processes.

There were also complementary and synergetic efforts of bilateral cooperation agencies to strengthen domestic accountability by providing strong support to the decentralised provision of services. In countries

such as Malawi and Mali, GTZ and DED combined forces across programmes in the field of decentralisation and in support of the social sectors to introduce or strengthen accountability mechanisms at the local level (Loquai and Klavert 2011b, p. 39 - 40; Loquai 2011, p. 40).

Whilst joint programming and the increasing engagement in programme-based approaches has certainly enhanced the search for complementarity and synergies between actors and instruments of bilateral cooperation, the activities of the political foundations, German NGOs and other actors such as Deutsche Welle, evolved independently of bilateral development cooperation.

When asked for complementarities and synergies in regard to the work of the political foundations, most representatives of bilateral cooperation answered that they were aware of the fact that the political foundations had specific expertise in working with potential drivers of accountability, such as parliaments, political parties, the media and CSOs.

In some countries, such as Malawi, representatives of bilateral aid deplored that the foundations had reduced their activities (Loquai and Klavert 2011b, p. 40). There was a feeling that with the shift towards programme-based approaches and in the present political context, the objective of strengthening domestic accountability systems had gained in priority and that there was a corresponding demand for the specific expertise that the political foundations could offer (e.g. strengthening the oversight and control functions of parliaments, capacity building for journalists, media organisations, CSOs and the judiciary).

On the whole, we found few examples for cooperation or synergies between German bilateral cooperation and political foundations or NGOs. The pilot programme of KfW, FES and KAS that is described in box 4, is one of them. Other examples quoted were GTZ's plans to work with Transparency International in their efforts to assist the implementation of the Right to Information Act in Bangladesh and the decision of KAS and DED to increase synergies and share experiences on their work with the Civic Education Teachers' Association (CETA) in Tanzania. This organization mobilizes teachers to encourage people to participate in democratic processes, e.g. for public expenditure tracking exercises (Koch 2011, p. 17).

The reasons for the relatively limited cooperation between the German bilateral cooperation agencies and the German Political Foundations were mainly seen to be the independence of the latter, different approaches and levels of intervention and a lack of visibility of the foundations' relevant work, when they were not present in the country (interviews).

As highlighted in discussions at headquarters, GTZ and the political foundations have reached an agreement in 2004, that aims to strengthen cooperation, coordination and - to a certain extent - also task division between GTZ and the foundations. (GTZ 2004). From the findings of the case studies, it seems that this agreement and other consultation mechanisms, such as the meetings convened by the Embassies, may not provide sufficient incentives for strengthening the complementarity and synergies between the efforts of the bilateral aid agencies and the foundations. Moreover, as pointed out in discussions, there are some legal barriers to replicating strategic alliances between KfW and the foundations like the one that has been experimented with in Mozambique (see Box 4). This is deplorable, because interviewees, including non-German interlocutors, described this cooperation as a case of good practice, as it allowed German development cooperation to follow a more systemic approach to strengthening domestic accountability, i.e. involving and building linkages between a variety of potential drivers of accountability, such as the *Tribunal Administrativo*, Parliament, political parties and CSOs.

The case studies quote very few examples of joint efforts between bilateral aid and German NGOs that aim to strengthen domestic accountability. The cooperation between GTZ and DVV International in the field of less was known on the potentially relevant activities of German NGOs.

It is also remarkable that there was hardly any interaction between German development organisations and Deutsche Welle. In fact, only one example of cooperation between FES and Deutsche Welle in Mali, which seemed to be relevant to this study was cited (Loquai 2011, p. 45). Judging by information available from interviews one can come to the conclusion that the potential to harness Deutsche Welle's expertise for more systemic approaches to promoting domestic accountability that give due attention to the role of the press may be under-utilized. The reasons for this may lie in the independence of Deutsche Welle and the fact that there is presently no specific strategy for German development cooperation that deals with assistance to the press.

In this context it should be noted that Deutsche Welle expressed great interest in development work and argued that they supported many activities that aimed to strengthen journalists and media organisations as drivers of accountability in developing countries (interview).

From the case studies it seems that there is still a good deal of scope for increasing complementarity and synergies between the efforts of the different German organisations. The interviews highlighted that such efforts could be spurred by providing actors in country with more strategic and operational guidance on the concept of domestic accountability, on relevant lines of intervention, and examples of good practice as well as incentives and support for joint reflection processes and strategy formulation. In the four African countries in particular, the stock taking exercise was seen as a useful initiative that could stimulate further reflection on how to support domestic accountability.

From the proposals made in interviews, it can also be concluded that a truly systemic approach to domestic accountability systems around policy processes would also require reflection on how the different instruments of cooperation can be combined to better support potential drivers of accountability. In Malawi, Mozambique and Mali, but also in the other countries, assistance to media organisations seems to be a case in point (e.g. training for investigative journalism, strengthening thematic expertise, capacity building support for media organisations). Of course, such considerations should always take potential assistance from other donors into account, and the risk of distorting the supply of information for policy debates that are of particular interest to donors.

Box 4: Combining different instruments for strengthening the participation of Parliament and CSOs in the budget process in Mozambique

The German Government has been providing general budget support to Mozambique since 2004. In this context, efforts to strengthen domestic accountability systems around the budget and public financial management reform processes have been stepped up. In the beginning, these measures mainly focused on strengthening the role of different state institutions, in particular those of the Ministry of Finance and the Supreme Audit Institution, the *Tribunal Administrativo*. In the last years, these capacity building efforts have been extended to other drivers of accountability, such as Parliament and civil society organisations.

To this end, KfW has joined forces with two political foundations with a view to draw on their expertise in working with parties and parliamentarians. More specifically, a pilot project has been launched that aims to strengthen the capacities of civil society and Parliament to read, understand and analyse the national budget. This project is quite recent, and follows KfW's previous commitment to facilitate the dialogue between the GoM and donors to budget support in the context of the donor 'Budget Analysis Group' (BAG). This was done by a national expert from MB Consulting who has provided information on the different documents prepared by the GoM (Budget Execution Reports, National State Accounts, etc.) to donors. At the same time, the new donor agencies' employees in the country have been trained, in order for them to quickly come up to speed once they join the different Working Groups. Since 2010, KfW has asked MB Consulting to provide training to civil society (in synergy with UNICEF) and to the members of the national and provincial parliaments. Support to the National Assembly and the provincial parliaments has been delegated to the two **political foundations**, due to their previous experience with support to political parties and special links to those represented in Parliament (Friedrich-Ebert-Stiftung with the party in power, FRELIMO, and the Konrad-Adenauer Stiftung with the opposition parties).

In 2010 the **Konrad-Adenauer-Stiftung** organised seminars for the **parliamentarians** of both the National Assembly and the provincial parliaments created in the same year. The content of these seminars focuses on the role of parliamentarians and on the budgetary cycle. These seminars are addressed to the parliamentarians from the opposition parties in the National Assembly (MDM, which has eight seats, and RENAMO, the historical opposition), and to members from both FRELIMO and RENAMO in the provincial assemblies. KAS is responsible for the general part of the training: local experts give training on the general role of members of the parliament (legal and political aspects), while the specific part on budgetary cycle is presented by MB Consulting's expert. In particular, an activity carried out in the context of this project was the impartial information prepared to help the RENAMO members of the National Assembly to draw up their motivation to approve or reject the government's yearly General State Accounting report.

The **Friedrich-Ebert-Stiftung** has provided support only to the members of FRELIMO in the **national Parliament**. This is accomplished through three main actions. 1) Due to their well-established contact with this political party, the FES facilitated the meeting between KfW and the parliamentarians of the 'Committee on Budget and Planning' which resulted in the training provided by MB Consulting's expert. 2) They have supported the institutional development of the Committee. As Mozambique does not have a 'Public Accounting Committee', the 'Committee on Budget and Planning' is linked to SADCOPAC, the regional association of 'Public Accounting Committees', and is obligated to participate in SADCOPAC meetings and workshops. The FES has supported this participation, as SADCOPAC is one of their partner organizations. 3) The FES organised a visit to Germany earlier this year for the newly elected head of the committee, Dr. Eneas Comiche, from the ruling party, and for other members of Parliament to meet members of the German Parliament involved in the corresponding committees (the Budget Committee, the Committee for Economic Cooperation, etc.) to discuss the role of such committees in general, and specifically the process of approving funds for development cooperation in Germany, as well as controlling the same funds in Mozambique.

Source: Fanetti and Loquai 2011, p. 25

5.2.6. The role of German support in wider efforts to strengthen domestic accountability systems in partner countries

Interviews with representatives of other donor agencies and partners confirmed that German development cooperation is considered to contribute substantially to promoting accountability in the context of policy dialogue around budgets and budget support processes, and in the focal sectors of German development cooperation.

The sound knowledge of German bilateral cooperation agencies in the field of public financial management, decentralisation and capacity building for local government, together with the multi-level approach to cooperation, were seen as assets. Many examples were given to illustrate how this expertise and the specific experience of German development cooperation in these fields had contributed positively to policy dialogue with partner governments or the design of programme-based approaches.

The case studies show that the situation with regard to efforts to coordinate and harmonise assistance between donors was quite diverse. Efforts to act in a complementary way and create synergies in approaches in support of domestic accountability were stronger in countries where Germany was part of the donor group providing general budget support (Malawi, Mali, Mozambique, Tanzania). In these countries actors of German bilateral cooperation were strongly involved in coordinating their efforts to strengthen domestic accountability with other GBS donors.

In Mali, where Germany was leading the joint donor group on budget support, representatives of other donor agencies expressed much appreciation for German expertise in the field of public finance and for the thorough way policy dialogue and review processes were prepared. Moreover, even those donors who were critical of the German approach to technical cooperation acknowledged that the multi-level approach and the close cooperation between the different actors of German bilateral cooperation in the focal sector of decentralisation had substantially contributed to promoting institutional innovations and change that were very relevant for strengthening domestic accountability in Mali. Clearly, the outreach of many of these innovations was the result of close collaboration or strategic alliances with other donors. Moreover, the Malian government, with the help of important donors to the Malian decentralisation process, had developed a vision for harmonizing assistance in a national programme in support of local governments relatively early, and later on developed a strategic framework to which many donors had aligned their assistance (Loquai 2011, p. 24).

In these countries, other donor agencies expressed much appreciation for German expertise in the field of public finance and for the thorough way policy dialogue and review processes were prepared. Moreover, even those donors who were somewhat critical of the German approach to technical cooperation acknowledged that the multi-level approach and the close cooperation between the different actors of German bilateral cooperation in the focal sector of decentralisation had substantially contributed to promoting institutional innovations and change that were very relevant for strengthening domestic accountability (Loquai 2011, pp. 57-58). Clearly, the outreach of many of these innovations was the result of close collaboration or strategic alliances with other donors.

With regard to Mozambique, it is particularly interesting to note that, unlike in the other countries under review, representatives of other donor agencies and partner organisations were well aware of the work and relevant expertise of two German political foundations, KAS and FES. The added value and the complementary nature of their expertise were broadly acknowledged. Other donors particularly noted the foundations' support to political parties and their work on public finance management and budgetary issues (i.e. the cooperation with KfW described in box 4). Interlocutors emphasized that many bilateral donors

could not engage directly with political parties and recognized that their 'room for manoeuvring' was limited due to the dominant role of FRELIMO. However, they felt that support to domestic accountability systems could be extended to these potential drivers of accountability, e.g. by focusing on more technocratic issues, such as promoting dialogue and collaboration between parliamentarians, the Tribunal Administrativo and CSOs around budget processes or sector strategy debates (Fanetti and Loquai 2011, p. 34). Moreover, exchange between the German political foundations and other organisations that targeted parliaments or political parties was described as good and as facilitating joint and complementary action.

In Tanzania, German assistance has been strongly aligned to national policy priorities through participation in a Joint Assistance Strategy. However, even though German assistance in the field of decentralisation and public finance management clearly aimed at strengthening domestic accountability systems, Germany was not part of the development partners' group on domestic accountability. The findings of the case study indicate that, due to this choice and the fact that, unlike other donors, Germany had not formulated a strategic vision on support to domestic accountability, the contribution of German development cooperation was perceived to be more limited in Tanzania than in the other three African countries (although this was probably not the case!). Consequently, cooperation and the quest for synergies with other donors took place mainly on an informal level (Koch 2011, p. 23).

In Malawi, German bilateral cooperation was seen as playing a very active role in stimulating the emergence of domestic accountability at the national and local level. Coordination and complementarity with other donors, in particular with Ireland, Norway and the UK, was strong. Examples for synergies were the cooperation between GTZ/DED and Irish Aid to strengthen the financial accountability of local government, coordinated efforts with Norway to open policy dialogue on budget support to civil society, cooperation with the Danish Institute of Human Rights on public service charters and plans to pool assistance for the National Audit Office with Norway and other interested donors (Loquai and Klavert 2011b, p. 41- 48). Moreover, the German Embassy has been closely coordinating with other members of the Common Approach to Budget Support Group in policy dialogue with the Malawian Government on sensitive issues such as minority rights, freedom of the press, local elections and other issues that are of crucial importance for the emergence of domestic accountability in Malawi (Loquai and Klavert 2011b, p. 49).

On the whole, interviews with other donors who were considered particularly active in supporting domestic accountability in these four countries showed that German development cooperation was considered to be like-minded in the sense that it was committed to the same objective. However, unlike donors such as Sweden, Norway, Ireland, the Netherlands or the UK, Germany had not integrated the many relevant lines of intervention that were pursued in-country into a strategic vision for support to domestic accountability.

In the two other countries, where German development cooperation did not provide general budget support, efforts to exchange and reflect with other donors on the topic of domestic accountability were much less pronounced.

In Bangladesh, German development cooperation did not provide support to such drivers of accountability as Parliament, the SAI, civil society networks or the media. Other donors' awareness of German development cooperation's lines of intervention in support of domestic accountability was very low (Klavert 2011, p. 16).

In Peru, formal coordination mechanisms between donors were described as rather weak. Domestic accountability had not been a topic on which donors had exchanged much information or cooperated, nor

did the subject get explicit attention in the overarching development strategy of the government of Peru (Hackenberg 2011, p. 10; 16). However, domestic accountability is indirectly addressed within different sector working groups, especially the working group on (fiscal) decentralization and state modernization, which is coordinated by Germany. The only formalised donor approaches toward cooperating on the subject that could be identified during the stock taking exercise and in which Germany participated were the joint policy matrices for the budget support programme provided in the field of decentralisation and governance. These policy matrices referred specifically to relevant issues, such as external and internal control or corruption. Another relevant approach was the joint support of the European Commission, Germany, Switzerland, and Belgium to the PEFA follow-up activities, described in box 5.

The interviews revealed that the following factors were considered to hamper the success of present approaches in support of domestic accountability and the quest for synergies between donors in general and with German development cooperation in particular:

- Different interpretations and visions on domestic accountability (Tanzania) or the role of specific drivers of domestic accountability (Mali);
- Informal aspects of governance and the predominant role of the executive power (in all of the countries under review);
- Insufficient efforts to share information on relevant experiences and activities between donors (Malawi, Mozambique, Tanzania, Peru);
- Lack of other donors' knowledge on the expertise and activities of non-governmental actors, such as the German Political Foundations and NGOs (all countries, except for Mozambique);
- Different approaches to strengthening domestic accountability, in particular with regard to the role of technical assistance and the willingness to invest in local capacity builders (Mozambique, Mali);
- Different assessments of fiduciary risks and administrative barriers at donor headquarters that - in the view of field staff - limited possibilities for engaging in harmonised approaches in support of domestic accountability systems.

As the case studies show, the interviewees made country specific proposals, on how to overcome some of these barriers and to strengthen synergies and complementarities between their respective efforts to strengthen domestic accountability systems.¹⁷ More general proposals referred, for instance, to the following points:

Regarding informal aspects of governance, many interlocutors mentioned that their efforts to strengthen domestic accountability could benefit from a better analysis and understanding of how informal and traditional accountability relations impact on (support to) domestic accountability systems. They argued for a better integration of these aspects into analytical tools and programme formulation, e. g. by making use of political economy analysis and making more use of local research institutions as well as strengthening their capacities to conduct such analysis (Loquai and Klavert 2011b, p. 47; Fanetti and Loquai, p. 32).

The case studies on Tanzania, Malawi, Mali and Peru highlighted the importance of formal and informal arrangements for information-sharing on different lines of support to domestic accountability (Koch 2011, p. 25; Loquai and Klavert 2011b, pp. 29 and 49; Loquai 2011, p. 57; Hackenberg, pp. 16-17). In general, thematic coordination groups were seen as an effective instrument for exchanging information and for

¹⁷ See for further information: Loquai and Fanetti 2011b, pp. 31- 35, Loquai 2011, pp. 55-59, Hackenberg 2011, pp. 16-19, Koch 2011, pp. 23-26, Klavert 2011, pp. 16-18.

developing a joint vision on how to strengthen accountability systems around specific policy processes in a more complementary and harmonised way. In this context many interlocutors also highlighted that the shift towards budget support required parallel efforts to strengthen the capacity of CSOs and media organisations and their networks to engage in policy dialogue with the government and the donors.

With regard to the German Political Foundations interlocutors argued, that specific experience and know-how in the field of support to domestic accountability, could be more explicitly highlighted by these institutions and the German Embassies. This would make their specific contributions and specific approaches more visible for other donors and allow for their expertise to be harnessed, e. g. in the context of initiatives in support of Parliaments, civil society or media that are financed by several donors.

Box 5: Efforts to harmonise approaches to domestic accountability around public finance management in Peru

Harmonising donor approaches in Peru is in general an area where increased efforts are necessary. This also holds true for joint donor approaches to strengthening domestic accountability systems. Until recently, there have been no harmonised and coordinated approaches that use synergies and complementarities to strengthen domestic accountability in Peru (apart from some limited bilateral cooperation between some donors).

In 2009, the World Bank, IADB, and the European Commission co-financed the first “Peru Public Financial Management Performance Report” (PEFA-Report). The results and recommendations were discussed with the partners and the European Commission invited all donors and relevant partner institutions to jointly reflect on the follow-up to the report’s recommendations.

A working group was established in September 2009 to coordinate these follow-up activities. This multi-donor PEFA Follow-Up working group is headed by representatives of the MEF. Its objective is to harmonise donor approaches on Public Financial Management (PFM) and to increase donors’ responsiveness to specific partner demands on PFM. Together with Belgium and Switzerland, the German development cooperation agencies GTZ and KfW jointly co-finance a group of four experts who work within MEF to provide technical assistance on PEFA follow-up. This expert group reports directly to the multi-donor working group. It will also support the inclusion of other important PFM stakeholders into the process, such as CGR, Congress, or the Superintendence of Tax Administration (SUNAT).

The most important opportunity that arises from the PEFA Follow-Up process is the realisation of a better and more harmonised donor approach toward strengthening PFM reforms and thus, accountability in budget processes. MEF, as a key player for PFM reform, has shown high ownership in the process, leading the working group and requesting expert advice. Furthermore, MEF is the entry point for budget support and other PBAs in Peru. Good and transparent cooperation between MEF (as well as other PFM actors) and donors is essential for realising efficient and accountable PBAs in the future.

Interviewees noted that involving other stakeholders, such as CGR or Congress, in the process of PFM and budget accountability will be a key challenge for joint follow-up efforts. Their involvement was seen as essential, as otherwise there is a danger that the executive branch’s accountability towards donors will be strengthened, instead of strengthening domestic accountability systems.

Source: Hackenberg 2011, p. 17

6. Preliminary conclusions and recommendations

The evidence from the stock taking exercise shows, that domestic accountability has been and is a concern for German development cooperation in all the six countries under review. In each of these countries several instruments of German cooperation were used to strengthen domestic accountability, often in complementary ways. In particular bilateral cooperation and the German Political Foundations were engaged in strengthening accountability institutions and/or their interaction around key policy processes.

BMZ's country and sector strategy papers only partly reflect the priority given to the objective of strengthening domestic accountability in German development cooperation in practice. In fact, none of the country strategic analysis or vision documents show, how German development cooperation aims to promote domestic accountability systems in partner countries. Some sector strategy papers for the focal area of "decentralisation and governance" were more explicit in terms of these objectives and contained ample references to relevant lines of intervention (e.g. for Malawi, Tanzania, and Peru).

Particularly prominent lines of support to domestic accountability of German bilateral cooperation revolve around strengthening PRSP monitoring and translation of poverty reduction priorities in the budget processes, budget processes at the national and decentralised level, financial management reform and decentralisation processes. There are also some components of programmes in priority sectors for German development cooperation that aim to strengthen vertical accountability, e.g. by enabling citizens' and CSOs to engage in debate on agricultural or educational policies, helping to introduce public service charters or helping user groups to monitor standards of decentralised service delivery.

Assistance around the budget process and public financial management reform largely focuses on finance ministries, relevant parliamentary committees (e.g. the budget, and auditing committees), supreme audit institutions, tax authorities, statistical services and local government. At the national level, these efforts mainly focus on strengthening horizontal accountability. Measures that aim to improve reporting and timely information on budget allocations and expenditures do pave the way for greater budget transparency. However, a truly systemic approach to domestic accountability systems around national budget processes also needs to consider the demand-side of accountability. In the countries studied, complementary activities aimed at helping citizens and CSOs to access and make use of budget information or developing the capacity of media to report on and investigative issues of public financial management received relatively less attention than to strengthen the supply side of accountability.

Decentralisation was a focal sector in German development cooperation in all the six countries studied. Not surprisingly, it was also the focal sector in which most priority was given to strengthening domestic accountability. Approaches to strengthening accountability were numerous and diverse. They ranged from support for testing and institutionalizing participatory planning and budgeting processes at local level to helping design mechanisms that aimed to strengthen the supply and demand side of accountability. Another important line of intervention in the context of support to decentralisation was technical and financial assistance granted to providers of civic education and conveners of public debates. This kind of support was not only provided by GTZ and DED but also by the German Political Foundations and German NGOs

The German Political Foundations traditionally have a strong focus on supporting specific drivers of accountability, such as parliaments, the media, opinion leaders, trade unions and some private sector associations that have been less targeted by bilateral aid. They also provide assistance outside the realm

of bilateral cooperation, such as capacity building measures in support political parties and leaders of the opposition and accountability around policy processes outside the focal sectors bilateral aid. The expertise and added value of the Foundations was generally acknowledged by German interlocutors. However, awareness on this specific instrument of German development cooperation tended to be low with other donors.

On the role of German NGOs, too little information was available to be able to draw sound conclusions. Some NGOs, such as German Agro Action (Welthungerhilfe), EED and DVV International, have assisted initiatives that are intended to strengthen watchdog organisations or the capacity of their target groups to scrutinize and engage in political debate. However, judging by the available evidence, German NGOs do not appear to have a strong focus on the objective of strengthening accountability around budget processes.

Cooperation between bilateral cooperation actors was described as well developed and fruitful in most of the countries studied. In particular in the focal sector of decentralisation, the contributions of the different bilateral aid agencies were combined in a multi-level approach. This approach and the fact that German cooperation had development agencies “that were still working on the ground” were seen as the greatest strengths of German development cooperation.

The approaches of actors of bilateral cooperation in support of domestic accountability systems around key policy processes at the national and decentralised level were perceived to be largely complementary. Interviews with representatives of other donor agencies and partners confirmed that German development cooperation is considered to contribute substantially to promoting accountability in the context of policy dialogue around budget and budget support processes and in focal sectors of German development cooperation, notably decentralisation and health.

There were however few examples of a collaboration between bilateral aid agencies and Political Foundations that aimed to harness complementary expertise.

German support for strengthening media as driver of domestic accountability appeared to be rather fragmented and limited. The fact that there is presently no position paper or strategy that deals with German assistance to media in partner countries was deplored in this context. Another important driver of accountability that received comparatively little attention in German approaches in the countries selected was the judiciary. Support to audit institutions with judiciary powers was an exception in this regard.

The decision by the German government to provide part of its aid in the form of sector or general budget support was generally perceived to be beneficial in terms of increasing the opportunities for promoting domestic accountability. It therefore appears to be important to continue to make use of the new opportunities afforded by these aid modalities.

A number of interlocutors expressed the view that the coherence of German efforts to promote domestic accountability could benefit from strategic and operational guidance. Such guidance seems necessary to ensure a common understanding of the concept and a more strategic approach. This could not only ensure that aid managers systematically explore possible lines of intervention, but also contribute to making existing expertise more visible and thus available for joint and more harmonised approaches with other donors.

More specifically, policy makers should consider the following avenues for action:

- *Promote an exchange between practitioners* (embassies, PGF-managers and some focal sector coordinators) on how to make best use of policy dialogue for promoting the emergence of domestic accountability in different country contexts. Such an exchange could take place in an electronic discussion group.
- *Invest in an operational guideline that provides some definitions and guidance on how to strengthen domestic accountability in a truly systemic way, combining different instruments and modalities of aid.* Such a guideline should also provide examples of possibilities for harnessing the available expertise of political foundations, NGOs and media organizations, such as Deutsche Welle”, in-country.
- *Foster in-country reflection processes that can help to define a joint vision and explore the scope for complementary and joint action by various actors and instruments of German development cooperation.* These efforts could initially focus on countries receiving general budget support, because the findings from the case studies suggest, that in these countries attention to domestic accountability systems appears to be quite high. However, such efforts should not exclude other countries, where there is a demand for such strategic reflection processes from German actors in development or their partners.
- *Consider investing in joint political economy analysis with other donors who have a strong interest in strengthening domestic accountability systems.* This could help to develop a common understanding and assessment of the influence of informal aspects of governance on aid in general and support to domestic accountability in particular. It could also help to assess the relationships between “traditional” and “modern” accountability institutions and give donors more hints on potential effects of assistance strategies that largely focus on formal institutions (e.g. in the field of public financial management).
- *Provide strategic guidance on how to support the local media as driver of domestic accountability, building on experiences of bilateral assistance, the Political Foundations, “Deutsche Welle” and other (non-governmental) actors that have an expertise in this field.* It could be particularly worthwhile to explore how to work with local media in order to strengthen the demand side of accountability around budget and public management reform processes, as present approaches to assistance are strongly focused on the supply-side.
- *Build on the dynamics triggered by the joint budget support evaluations, the in-country consultations of the GOVNET Work-stream on “Aid and domestic accountability and aid” and this internal stock taking exercise to stimulate or maintain discussion* with interested donors on strengthening synergies and complementarities, including German non- governmental organisations, the Political Foundations and representatives of Deutsche Welle (Academy), who showed great interest in the debate during the consultations for this stock taking exercise.

The German political foundations have considerable experience in working with potential drivers of accountability, some of which are outside the realm of bilateral cooperation. Their implication and contribution in strategic reflections at the country level is thus highly desirable.

Based on the findings of the case studies, it can be argued the present agreements on cooperation, task division and mutual information do not really provide sufficient incentives for synergies between the efforts

of the different German organisations. In some regards, this agreement and administrative barriers even seems to limit efforts to explore opportunities for strategic alliances between the foundations and bilateral cooperation agencies that would allow German development cooperation as a whole to follow a more systemic approach to strengthening domestic accountability.

With a view toward rendering German assistance to domestic accountability more systemic, the scope for strategic alliances and a pragmatic approach to task division between the foundations, bilateral cooperation, German NGOs should therefore be further explored. This could, for instance, be done in the meetings between the different actors of German development cooperation that are organised by Head of Cooperation of the German Embassies.

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Annex 1: Overview of lines of intervention mapped per organization – support around policy processes

Policy processes/debates	Bangladesh	Malawi	Mali	Mozambique	Peru	Tanzania
National Poverty Reduction Strategy, Overarching dev. Strategy	EMB, GTZ	EMB, GTZ, KfW	EMB, GTZ, KfW, DED	Embassy, GTZ, KfW, WHH, EED	--	EMB, GTZ, KfW
Budget (support) processes and public financial management reform (national and local level)	EMB, KfW, GTZ (local level)	EMB, DED, GTZ, KfW, InWEnt	EMB, KfW, GTZ, DED	EMB, KfW, GTZ, DED, FES, KAS	DED, GTZ, KfW	EMB, DED, KfW, GTZ, FNS
Decentralisation/ local governments (including urban and rural development)	GTZ, KfW	DED, GTZ, KfW, InWEnt, FNS, KAS	DED, GTZ, CIM, InWEnt, KfW, FES, RLS, DVV	DED, GTZ, KfW, KAS	DED, GTZ, KfW	DED, GTZ/CIM, InWEnt, KfW, KAS
Education	n.r.	n.r.	n.r.	GTZ, InWEnt, KfW, DVV	n.r.	n.r.
Health/ HIV AIDS	GTZ, KfW	DED, GTZ, KfW	n.r.	n.r.	n.r.	GTZ, KfW
Agriculture/environment/natural management	(BGR)	n.r.	DED, GTZ, KfW, RLS	n.r.	n.r.	n.r.
Tax reform	GTZ		GTZ, KfW	KfW, GTZ?	GTZ	GTZ
Respect of Human and political rights	EMB, GTZ, (TI)	EMB, DED, GTZ, KfW	EMB, DED, GTZ, KfW, FES, RLS	EMB, DED, GTZ, KAS, FES	EMB, DED	EMB, DED, GTZ, KAS, FES, RLS
Anti-corruption/EITI	GTZ	KfW, DED, InWEnt	GTZ, KfW, InWEnt	GTZ, FES/EMB	GTZ/BMZ	--
Procurement processes (national and local level)	KfW, GTZ	KfW,	KfW, DED, GTZ	KfW	--	--

Source: The case studies, interviews and internet research conducted by the authors.

Annex 2: Overview of lines of intervention mapped per organization – support to specific drivers of accountability (other than central and local government)

Institution	Bangladesh	Malawi	Mali	Mozambique	Peru	Tanzania
Support to Parliament	--	CIM	GTZ, FES	KfW, KAS, FES	--	KAS
Support to the judiciary and paralegal institutions	GTZ		FES			
Support to audit institutions	--	GTZ, KfW	GTZ, KfW	GTZ, KfW	GTZ, InWEnt?	InWEnt
Support to political parties (relevant aspects)	--	KAS	FES	KAS, FES	--	FES
Support to media (relevant aspects)	--	EMB, KfW, DED and GTZ (indir.)	GTZ, DED, FES, RLS, DW	FES	FES, DW	FES, DED, DW
Support to CSO (watchdog, functions, democratic control, civic education)	RLS	DED, GTZ, InWEnt	GTZ, DED, FES, RLS, DWH	GTZ, DED, FES	DED, EED	GTZ, DED, FES, RLS, KAS, FNS
Support to ombuds-institutions/complaint-mechanisms	--	DED, GTZ	FES	--	GTZ	--
Respect of Human and political rights	EMB, GTZ, (TI)	EMB, DED, GTZ, KfW	EMB, DED, GTZ, KfW, FES, RLS	EMB, DED, GTZ, KAS, FES	EMB, DED	EMB, DED, GTZ, KAS, FES, RLS

Source: The case studies, interviews and internet research conducted by the authors.

Annex 3: List of people interviewed and consulted

Thematic experts at headquarters

Name	Institution	Function
BMZ		
Ms. Birgit Nett	BMZ	Desk Officer, Division 211 (Governance, Democracy, Rule of Law)
Ms. Birgit Pickel	BMZ	Desk Officer, Division 220 (Cooperation with countries and regions, Policy and Quality control)
Ms. Claudia Pragua	BMZ	Head of Division 211 (Governance, Democracy, Rule of Law)
Mr. Hans Wollny	BMZ	Deputy Head of Division 211 (Governance, Democracy, Rule of Law)
Mr. Stefan Sckell	BMZ	Desk Officer, Division 110 (Civil Society, Economic Policy and Private Sector)
German implementation agencies		
Ms. Sybille Schröder	DED	Desk Officer, International Cooperation and Programme Monitoring Division
Ms. Ute Eckardt	GTZ	Expert in the field of public financial management, Sector Programme International Tax Compact
Ms. Pamela Jawad	GTZ	Former Sector Project Officer Good Governance at HQ (currently GTZ Cambodia)
Mr. Christof Kersting	GTZ	Senior Advisor, Division 43 (Social Protection)
Ms. Kathrin Löber	GTZ/ BMZ	GTZ, Planning and development department /Governance
Ms. Deborah Nonhoff	GTZ	Advisor, Governance Unit BMZ
Mr. Matthias Witt	GTZ	Head of section Public Policy – Public Finance, Public Administration, Anti-Corruption within the Governance and Democracy division
Mr. Jörg Wisner	InWEnt	Senior Project Manager - Economic Policy/ Good Governance
Mr. Uwe Strangmann	KfW	Head of the Competence Centre Governance
German political foundations		
Ms. Christiane Kesper	Friedrich-Ebert-Stiftung	Head of Department, International Development Co-operation Department
Ms. Michelle Auga	Friedrich-Ebert-Stiftung	Head of Department, Africa
Dr. Christian Taaks	Friedrich-Naumann-Stiftung für die Freiheit	Head of International Policy Department
Mr. Christian Hegemer	Hans-Seidel-Stiftung e.V.	Director of the Institute for International Encounter and Co-operation
Mr. Steffen Heizmann	Heinrich-Böll-Stiftung e.V.	Head of International Co-operation Department
Ms. Lili Fuhr	Heinrich Böll Stiftung e.V.	Head of Department Ecology and Sustainable Development
Ms. Sabine Gerhardt	Konrad-Adenauer-Stiftung	Desk Officer, Democracy and Development
Ms. Liliane Danso	Rosa-Luxemburg-Stiftung	Centre for International Dialogue and Co-operation, Executive Staff Unit, Planning, Monitoring & Evaluation
German NGOs		
Dr. Pedro Morazán	SüdWind Institut	Senior Economist

Ms. Merle Bilinski	VENRO	Advisor Project "Perspective 2015"
Ms. Birgit Dederichs-Bain/ Mr. Stephan Kreischer	Welthungerhilfe	Free Collaborator Health Specialist
Other German Organisations		
Dr. Helmut Osang	Deutsche Welle Academy	Head of Asia Department
Other donors		
Ms. Gwen Corre	European Commission	Consultant, Structural Dialogue
Ms. Lisa Williams	OECD/ DAC GOVNET Secretariat	Advisor, GOVNET Workstream on Improving Support for Domestic Accountability

Geographic experts, BMZ

Name	Institution	Function
BMZ		
Ms. Traudel Köhler Mr. Santosh Persaud	BMZ	Country Desk Bangladesh (July 2010) Country Desk Bangladesh (December 2010)
Mr. Thomas Staiger	BMZ	Country Desk Malawi
Ms. Claudia Krämer	BMZ	Country Desk Mali
Mr. Rudolf Huber	BMZ	Country Desk Mozambique
Ms. Jana Zitzler	BMZ	Country Desk Peru
Ms. Marion Fleuth-Leferink	BMZ	Country Desk Tanzania

Bangladesh

Name	Institution	Function
German bilateral cooperation		
Mr. Hans-Heinrich Schnelle	BMZ/German Embassy	Development Counsellor
Mr. Peter Palesch	GTZ	Country Director GTZ Bangladesh
Mr. Alexander Jachnow	GTZ	Coordinator Focal Sector Governance
Ms. Petra Piechulek	GTZ	GTZ Programme Coordinator HNPSP
Mr. Dirk Gehl	KfW	Coordinator Focal Sector Health
Mr. Christian Schönhofen	KfW	Project Manager (responsible for UGIIP II)
German political foundations		
Ms. Sonja Blasig	Rosa-Luxemburg-Stiftung	Project Manager South Asia
Other donors		
Ms. Tania Dmytraczenko	World Bank	Senior Health Economist
Ms. Meriaty Subroto	Asian Development Bank	Senior Country Specialist
Mr. Rafiqul Islam	Asian Development Bank	Senior Project Implementation Officer (Integrated Urban Development)

Malawi

Name	Institution	Function
German bilateral cooperation		
Mr. Hanspeter Schwär	BMZ/German Embassy	Development Counsellor
Dr. Silvio Decurtins	GTZ	Coordinator Focal Sector Governance/ Decentralisation
Dr. Florian Lang	GTZ	Macro-economic Advisor at Ministry of Finance
Dr. Dieter Köcher	GTZ	Focal Sector Coordinator "Health"
Mr. Carsten Sandhop	KfW	Former Senior Sector Economist, Malawi
Dr. Patrick Rudolph	KfW	PGF-Manager
Ms. Monika Schimmelpfennig	DED	DED Country Director
German NGOs		
Mr. Tobias Hausschild	Oxfam-Germany	Advocacy Manager, Joint Oxfam Programme Malawi
Other donors		
Britt Hilde Kjølås	Embassy of Norway	1 st Secretary/Country Economist
Mr. Lamulo Nsanja	All budget aid donors	Budget Support Coordinator (on the donor side)
Mr. Adrian Fitzgerald	Irish Aid/Embassy of Ireland	Deputy Head of Development Cooperation
Ms. Bea Parkes	DFID	DFID Governance Advisor
Partner organisations		
Ms. Wezi Mjojo	National Local Governance Finance Committee	Executive Secretary

Mali

Name	Institution	Function
German bilateral cooperation		
Ms. Birgit Joußen	BMZ/German Embassy	Head of Cooperation
Mr. Güther Roos	KfW	Country Director Mali
Mr. Dirk Betke	GTZ	Focal Sector Coordinator
Ms. Hilke Roeder	GTZ	Coordinator of the PASSIP Programme
Ms. Ingrid Rösner	InWEnt	Project Leader, Decentralisation
Mr. Holger Marienburg	InWEnt	Senior Project Manager, Division Economic Policy/Good Governance
Ms. Anke Weymann	DED	Country Director
German political foundations and NGOs		
Ms. Annette Lohmann	Friedrich-Ebert- Stiftung	Representative of FES in Bamako
Mr. Henner Hildebrand	DVV International	Head of Regional Desk 'Africa'

Other donors		
Mr. Jacob Waslander	Embassy of The Netherlands	First Secretary
Ms. Anja Nagel	European Commission, Bamako	Head of the Macro-Economic Unit, Delegation of the European Commission in Bamako
Mr. Thomas Feige	European Commission, Brussels	Former Head of the macro-economic unit, Delegation of the European Commission in Bamako, currently Policy desk officer, Unit 3, Economic governance and budget support
Mr. Claude Goulet	Canadian Embassy	Deputy Director for Canadian Cooperation
Ms. Lisa Williams	OECD/ DAC GOVNET Secreteriat	Advisor, GOVNET Workstream on Improving Support for Domestic Accountability
Partner organisations		
Mr. Bakary Doumbia	Fédération ds Collectifs des ONG au Mali (FECONG)	President

Mozambique

Name	Institution	Function
German bilateral cooperation		
Ms. Ute Heinbuch	BMZ/German Embassy	Development Counsellor
Mr. Ralf Orlik	KfW	Country Director Mozambique
Ms. Claudia Maennling	GTZ	Coordinator Focal Sector Decentralisation
Mr. Gert Flaig	GTZ	Coordinator Focal Sector Education
Mr. Carlos Mauricio Cabral Figueiredo	GTZ	Technical Adviser at Tribunal Administrativo (SAI)
German political foundations		
Ms. Annette Schwarzbauer	Konrad-Adenauer-Stiftung	KAS representative in Mozambique
Mr. Manfred Öhm	Friedrich-Ebert-Stiftung	FES representative in Mozambique
Other donors		
Ms. Natalia Adler	UNICEF	Planning Officer, responsible for support to Budget Monitoring Forum of Civil Society (FMO)
Mr. Salvador Forquilha	Swiss Development Cooperation	Programme Officer for Governance
Mr. Wim Ulens / Ms. Olívia Gervasoni	European Commission	1. Responsible for macroeconomic support and PFM 2. Responsible for demand-side governance
Mr. Paul Litjens / Ms. Christine Pirenne	Embassy of the Netherlands	1. Head of Dutch Development Cooperation 2. Economist
Partner organisations		
Mariam Umarji Bibi	MB Consulting	National Consultant for KfW and UNICEF on Capacity; Building in Budget to Parliament and Civil Society.
Marcelo Mosse	Center for Public Integrity (CIP)	Director
João Pereira	Civil Society Support Mechanism (MASC)	Director

Karina Cabral	Mozambican Group of Debt (GMD)	Member
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Peru

Name	Institution	Job title
German bilateral cooperation		
Ms. Kerstin Sieverdingbeck	BMZ/German Embassy	Development Counsellor
Mr. Hartmut Paulsen	GTZ	Director of Programme "State Modernization And Democratic Participation"
Mr. Volkmar Blum	GTZ	Coordinator Focal Sector Governance
Mr. Markus Rühling	KfW	Project Manager
Ms. Karin Apel	DED	Coordinator of Programme "Democracy, Civil Society and Public Administration"
Partner organisations		
Mr. Fernando Ortega	Supreme Audit Institution (CGR)	Director for the prevention of corruption and internal control
Mr. Hernando Serna	Supreme Audit Institution (CGR)	Director of Projects
Zoila Navarro	Ministry of Economy and Finance (MEF)	Advisor to the deputy finance minister
Mr. José Carlos Chávez	Ministry of Economy and Finance (MEF)	Assistant director for the social development budget

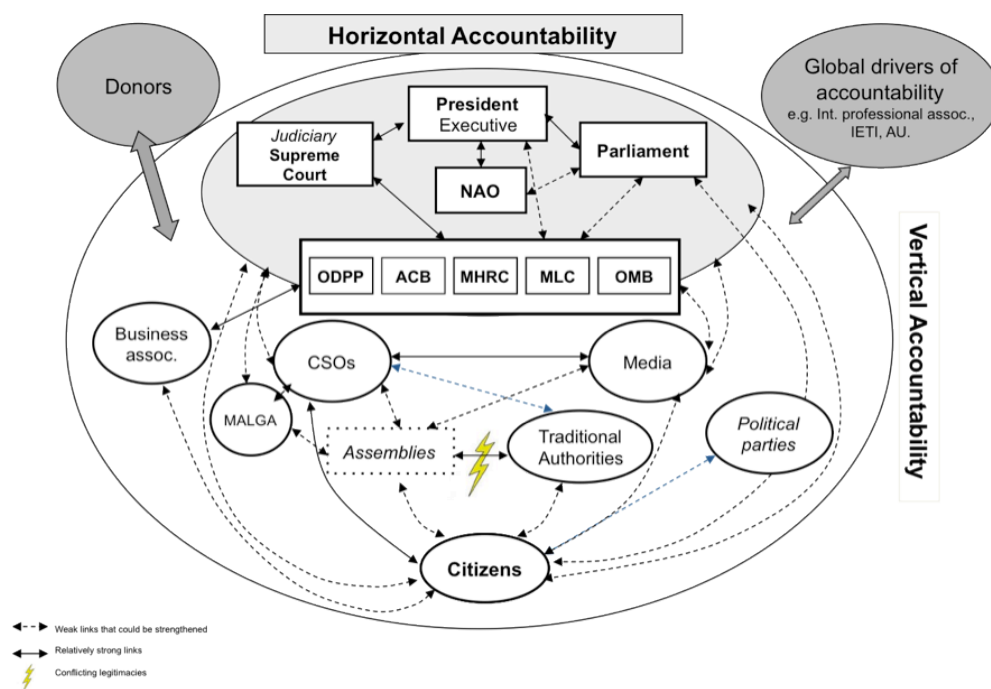
Tanzania

Name	Institution	Job title
German bilateral cooperation		
Ms. Gisela Habel	BMZ/German Embassy	Development Counsellor
Ms. Angela Tormin	KfW	Senior Programme Manager, PGF Manager
Mr. Axel Dörken	GTZ	Head of Country Office
Mr. Frank Holtmeier	GTZ	Coordinator of Focal Sector Decentralisation
Ms. Inge Baumgarten	GTZ	Coordinator of Focal Sector Health
German political foundations		
Dr Stefan Chrobot	Friedrich-Ebert-Stiftung	Country Director
Mr. Richard Shaba	Konrad-Adenauer-Stiftung	Country Director
Veni Swai	Friedrich-Naumann-Stiftung	Programme Officer
Other donors		
Mr. Tomi Sarkioja	Finnish Embassy	Economic Adviser, GBS
Ms. Ulrika Lang	Swedish Embassy	Senior Programme Officer, Democracy and Human Rights
Ms. Julie Adkins and Mr. Jan Meelker	SNV	Experts on Domestic Accountability, PATA Initiative
Partner organisations		
Mr. Hebron Mwakagenda	Leadership Forum (NGO)	Director
Mr. Salum Olutu	Civic Education Teachers Association (NGO)	Director

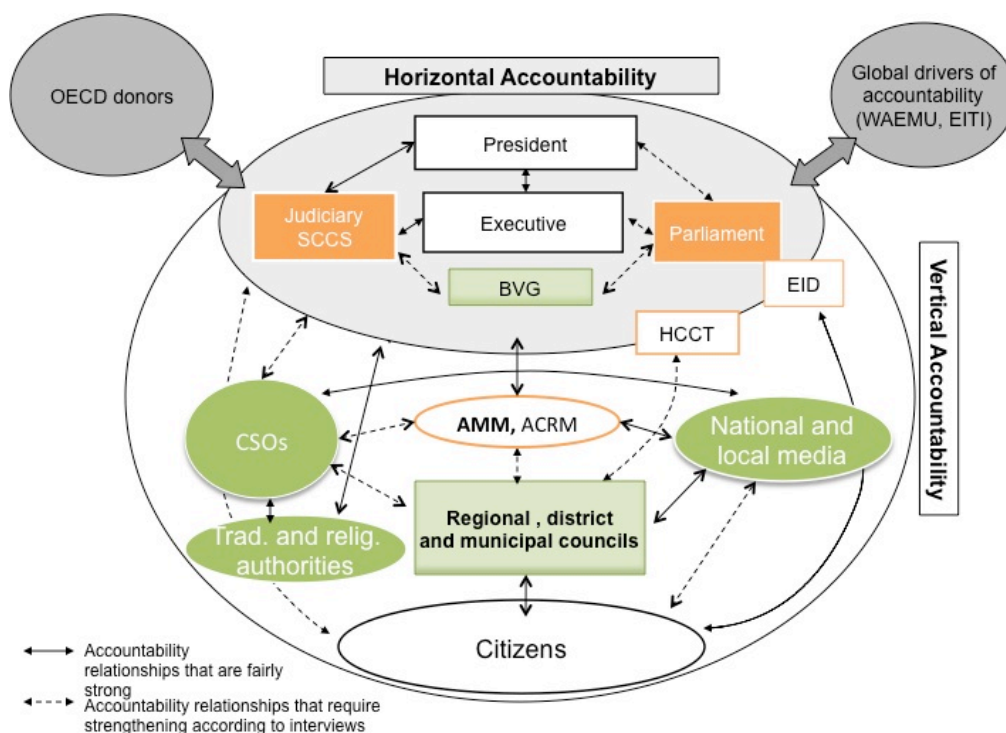
Annex 4:

Visualising domestic accountability: some examples

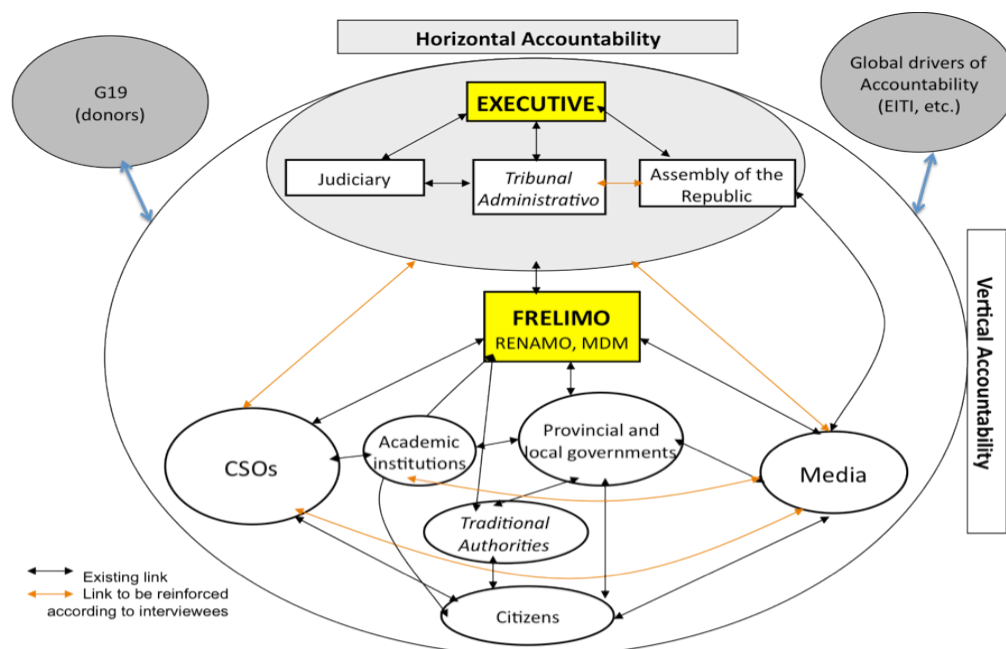
Malawi



Mali

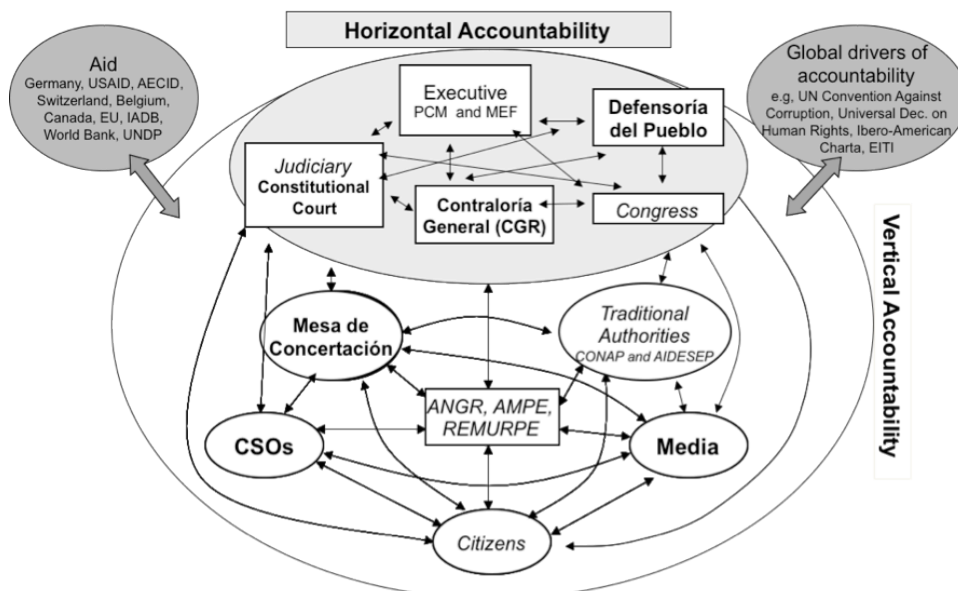


Mozambique



Peru

National control mechanisms



The European Centre for Development Policy Management (ECDPM) aims to improve international cooperation between Europe and countries in Africa, the Caribbean, and the Pacific.

Created in 1986 as an independent foundation, the **Centre's objectives** are:

- to enhance the capacity of public and private actors in ACP and other low-income countries; and
- to improve cooperation between development partners in Europe and the ACP Region.

The Centre focuses on **three** interconnected thematic programmes:

- Development Policy and International Relations
- Economic and Trade Cooperation
- Governance

The Centre collaborates with other organisations and has a network of contributors in the European and the ACP countries. Knowledge, insight and experience gained from process facilitation, dialogue, networking, infield research and consultations are widely shared with targeted ACP and EU audiences through international conferences, focussed briefing sessions, electronic media and key publications.



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