Mokoro Ltd

Evaluation of Danish Aid to Uganda 1987–2005

Volume 2: Stakeholder Perceptions

November 2006

... whether we feel ourselves to be inferior or whether we over-estimate ourselves – we Danes can and must not appraise ourselves. It is non-Danes who must teach us to get to know ourselves properly.

You on Us – 25 Foreign Views of Denmark from 845 to 2001.
Kristian Hvidt, June 2002. MFA: Copenhagen.

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Volume 2: Stakeholder Perceptions

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Acronyms and abbreviations

ABDC	Agri-Business Development Component
ACCU	Anti-Corruption Coalition of Uganda
ATJ	Access To Justice
ASPS	Agricultural Sector Programme Support
CAE	Country Assistance Evaluation (World Bank)
CAO	Chief Administrative Officer
CAS	Capacity Assistance Strategy
CB	Capacity Building
CDF	Comprehensive Development Framework
CSO	Civil Society Organisation
DAC	Development Assistance Committee of OECD
Danida	Danish International Development Agency *(before 1991)* Danish International Development Assistance *(after 1991)*
DATIC	District Agricultural Training and Information Centre
DENIVA	Development Network of Indigenous Voluntary Associations
DFID	Department for International Development (UK)
DKK	Danish Kroner
DRC	Danish Red Cross
DS	Decentralisation Secretariat
DWD	Department of Water Development
EC	European Commission
ECWSP	Eastern Centres Water and Sanitation Project
FIDA	International Federation of Women Lawyers
GAVI	Global Alliance for Vaccines and Immunisation
GBS	General Budget Support
GFATM	Global Fund to fight AIDS, Tuberculosis, and Malaria
GNI	Gross National Income
GOU	Government of Uganda
HASP	Household Agricultural Support Programme
HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immune Deficiency Syndrome
HMIS	Health Management Information System
HoDs	Heads of Department
HR	Human Rights
HRD	Human Rights and Democratisation
HSPS	Health Sector Programme Support
HSSP	Health Sector Strategic Plan
HUGGO	Human Rights and Good Governance Liaison Office
IGG	Inspector General of Government
JAS	Joint Assistance Strategy
JICA	Japanese International Cooperation Agency
JLOS	Justice, Law and Order Sector
LC1	Local Council 1 (village level)
LC3	Local Council 3 (sub-county level)
LC5	Local Council 5 (district level)
LGDP	Local Government Development Programme
LSRP	Livestock Systems Research Programme
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MFA	Ministry of Foreign Affairs (Denmark)
MFPED	Ministry of Finance, Planning and Economic Development
MLG	Ministry of Local Government
MOH	Ministry of Health
MOWHC	Ministry of Works, Housing and Communication

MOWT	Ministry of Works and Transport
NAADS	National Agricultural Advisory Service
NALAD	National Association of Local Authorities of Denmark
NARO	National Agricultural Research Organisation
NARS	National Agricultural Research Systems
NDA	National Drug Authority
NGO	Non-Governmental Organisation
NMS	National Medical Stores
NURP	Northern Uganda Reconstruction Programme
ODA	Official Development Assistance
PAF	Poverty Action Fund
PCU	Project Coordination Unit
PEAP	Poverty Eradication Action Plan
PEPFAR	President's Emergency Plan for AIDS Relief (US)
PIU	Project Implementation Unit
PMA	Plan for the Modernisation of Agriculture
PMB	Produce Marketing Board
PMU	Project Management Unit
PSD	Private Sector Development
RDDP	Rakai District Development Programme
RDE	Royal Danish Embassy
RFS	Rural Financial Services
RSPS	Road Sector Programme Support
RUWASA	Rural Water and Sanitation
Sida	Swedish international development cooperation agency
SJP	Strengthening the Judiciary Project
SWAp	Sector-Wide Approach
TA	Technical Adviser
TASO	The AIDS Support Organisation
UHRC	Uganda Human Rights Commission
UIA	Uganda Investment Authority
UJAS	Uganda Joint Assistance Strategy
ULAA	Uganda Local Authorities Association
ULGA	Uganda Local Governments Association
UNFA	Uganda National Farmers' Association
UNFFE	Uganda National Farmers' Federation
UNICEF	United Nations Children's Fund
UWONET	Uganda Women's Network
USAID	United States Agency for International Development
WB	World Bank
WSPS	Water Sector Programme Support

1. Background

Objective

1.1 This perception study is part of an ambitious evaluation of Danish aid to Uganda over two decades (1987–2005). The Terms of Reference[1] envisaged it thus:

> As part of the evaluation, a perception study will be undertaken in which the "voice" of stakeholders (Ugandan and other donor representatives) will be heard. After identification of a number of important issues experienced during the delivery of the Danish assistance key stakeholders from political and administrative positions will be included as well as civil society representatives, academia, other donors and the general public will be questioned of their perception (which by definition is subjective, but none the less important) of the relevance, modalities and performance of the Danish financed assistance.

Approach

1.2 The perception study is an important part of the evidence base for the whole evaluation. The choice of methodology is explained in more detail in Annex 3. The approach we adopted was to use all the study team's interviews as potential source material. Interview notes were systematically written up and shared among all team members. A total of 150 interviews were conducted, involving 186 informants. The interview notes run to over 135,000 words. Annex 3 includes an analysis of the informants, who came from a variety of organisations reflecting both Danida and non-Danida perspectives on Danish aid to Uganda.

1.3 There were a total of 46 Danida informants and 140 non-Danida informants. The informants have been further classified by their most recent relationship vis-à-vis Danida:

	No. informants
Non-Danida	
Central government	40
Non-Governmental Organisation (NGO) and Civil Society Organisation (CSO)	33
Local government	27
Agency	17
Donor	14
Other	9
Sub-total	**140**
Danida	
Danida programme/project officer	16
MFA Danida, Kampala	16
MFA Danida, Copenhagen	14
Sub-total	**46**
Total	**186**

[1] The full Terms of Reference are annexed to Volume 1 of the evaluation report. As implemented, the Perception Study did not include the "general public".

1.4 Of the 186 informants, there were 130 Ugandan interviewees and 56 interviewees of other nationality (the majority Danish). A total of 132 men and 54 women were interviewed.

1.5 In order to maintain accuracy and authenticity, most interviews were conducted by at least two team members. Notes were written up as soon as possible after the interview, and were checked by all the team members who had been present. Interviews were not tape-recorded, so there is not a complete verbatim record. However, phrases presented in quotation marks in this volume were noted at the time as direct speech. Other paraphrases also follow the original notes very closely.

1.6 Drafts of the analysis presented in this report were carefully checked by team members for accuracy and balance. Nevertheless any study of this sort has limitations:

- As the Terms of Reference acknowledge, the perceptions recorded are subjective.
- The interviewees were not a scientifically selected sample.
- Many interviewees have biases by virtue of their involvement in the Danish aid programme on one side or another. So that readers can make their own allowances for possible bias, the report indicates the affiliations and perspectives of the informants quoted, but without disclosing individual identities.

1.7 This study concerns an exceptionally long period and a wide range of activities in which Danish aid has been involved. Inevitably, perceptions of the early years are fewer and less certain than for the more recent period. Some areas of Danida focus are covered in considerable detail; for others there is only a smattering of observations. Nevertheless, the study team has found the exercise very useful. For the main reports, interview material is complemented by review of the documentary record. The interviews were often very stimulating and insightful: they yielded a lot of useful facts and pointers to other evidence, as well as the opinions that are reflected in the present volume. Writing up the interviews and sharing the material among the entire team was a valuable discipline; it particularly helped us to identify themes and issues that cut across the specialist concerns of different team members.

Acknowledgements

1.8 We are grateful to our interviewees for their patience and candour. Rebecca Carter has been the principal author of this report. Richard Johnson, Charles Lwanga-Ntale and Stephen Lister helped develop the methodology. They and all the other members of the evaluation team (Martin Adams, Brian Van Arkadie, Wilson Baryabanoha, Lawrence Bategeka, Poul Buch-Hansen, Milton Ogeda, May Sengendo, Trish Silkin and Veronica Walford) were also involved in conducting interviews and in reviewing the draft findings. Jon Bateman, Philip Lister and Andrew Poore variously assisted with arranging interviews, taking notes of telephone interviews, managing the interview database, and editing this volume. We are grateful for permission to reproduce the cartoons from the New Vision (Kampala, Uganda).

Organisation of the report

1.9 The report is organised as follows:

- **Chapter 2**, by way of context, notes the international perspectives on Danida and Danish aid that appear in the donor peer reviews published by OECD Development Assistance Committee (DAC).
- **Chapter 3** presents overall perceptions of Danish aid in Uganda. It systematically compares the perceptions of Danida staff with those of other stakeholders.
- **Annex 1** provides additional perceptions drawn from other studies.
- **Annex 2** presents perceptions from different sectors (Agriculture, Decentralisation, Gender, Governance, Health, Private Sector Development, Roads and Water and Sanitation) in more detail.
- **Annex 3** is a detailed explanation of the methodology, including a profile of the interviewees for this study.

1.10 The process of editing and analysis inevitably reflects the judgements and biases of the study team as to what is relevant and interesting. The evaluation team's own judgements and opinions are provided in the other volumes of this report. In this volume we have tried to let the voices of stakeholders come through.

2. Some International Perceptions of Danida

A Few Facts

2.1 The Danish Ministry of Foreign Affairs (MFA) is responsible for the Danish aid programme. Until 1991, the Danish International Development *Agency* (Danida) had a distinct organisational identity. Subsequently the agency was thoroughly incorporated into MFA, and Danida (Danish International Development *Assistance*) is now simply a brand name for Danish aid.

2.2 Official Danish aid to Uganda was resumed in 1987, after the chaotic years during and after the Amin regime. Danish aid concentrates on a number of programme countries (currently 15). Uganda was designated a programme country in 1989 and, in volume terms, has consistently been amongst the top two or three recipients of Danish aid.

2.3 Denmark has consistently been one of the most generous Western donors, with Official Development Assistance (ODA) reaching and even exceeding 1% of Denmark's Gross National Income (GNI). The majority of western donors fall well short of the official UN target of 0.7% (which was set in 1970 – 35 years ago).

Perceptions of Danida by its Peers

2.4 The OECD's Development Assistance Committee (DAC) acts as a forum for monitoring ODA and reviewing its effectiveness. Peer reviews of DAC member countries' aid programmes are conducted at regular intervals: Danish aid was reviewed in 1995, 1999 and 2003. The following excerpts from these reviews show what is seen as distinctive about Danish aid.

The 1995 OECD DAC Review

2.5 The 1995 Review (OECD Development Assistance Committee, 1995) provided a ringing endorsement:

> Danish development cooperation inspires confidence and optimism in the public mind, not only in Denmark, but elsewhere as well. The programme's achievements and efficiency could help to dispel confusion and cynicism regarding the role of aid and its effectiveness.
> … above all, it is the care being taken to maximise the effectiveness of the Danish contribution in terms of the specific development needs and institutional capacities of each programme country that is the fundamental strength of Danish development cooperation.

2.6 It attributes many of the strengths of the Danish aid programme to its political roots:

> There are some particular features which distinguish the Danish aid system from others and contribute to its positive image with the public. One of these elements is the strong involvement of all components of Danish society in the conception of aid policy, also in its implementation. Non-governmental organisations (NGOs), consultancy firms, researchers, trade unions and the private business community form the so-called "Danish Resource Base" for the aid programme.

2.7 The same review included a "snapshot" of Denmark's Uganda programme, provided in April 1995 by the United States DAC delegate. Its headlines[2] highlight some persistent themes:

- Danish aid emphasises use of local expertise
- Danish aid supports decentralisation policy
- Danish aid supports training of women in non-traditional skills
- Denmark addresses the problem of corruption
- Denmark grapples with the issue of salary supplements
- Danish construction firms participate in high-priority infrastructure projects.

The OECD DAC 1999 Review

2.8 In the context of another very positive assessment, this review (OECD Development Assistance Committee, 1999) notes the fusion of aid and foreign policy:

> Denmark offers a long standing and positive example of the integration of the aid system with the handling of other aspects of foreign relations.

2.9 It comments favourably on Denmark's openness to coordination with other donors:

> Donor co-ordination is also considered as a key element for efficiency in aid delivery, which Danida is both willing and able to develop. This is favoured by a policy of great transparency regarding Danish ODA at large and Danida's activities and by active efforts for better local co-ordination in the field. Thus most of the documents produced by Danida are translated in English, and almost no document is regarded as confidential: for instance the minutes of the annual consultations with partner authorities are distributed to other donors, *who generally rate highly Danida's openness to donor co-ordination*, especially those who participate in SPS [Sector Programme Support] with Danida. [emphasis added]

The OECD DAC 2003 Review

2.10 The most recent OECD DAC review (OECD Development Assistance Committee, 2003) took place after the 2001 change of government in Denmark and the subsequent review of aid strategy and priorities. It again complimented the quality of Danish aid and remarked on its innovativeness:

> *Learning from the Danish experience:* Because of its longstanding interest in new, more effective approaches to development cooperation, Danida has been in the forefront of addressing and applying best practices of some of the leading development approaches, such as sector based approaches, when to use or not to use budget support modalities, and the use of private sector approaches to development, including those supporting pro-poor growth. The DAC and its system of working groups and networks would benefit considerably from well documented feedback on the results of the Danish experience in these areas.

2.11 A field visit to Tanzania[3] was part of the review, and yielded the following observation:

> Because of its visibility there, partner perceptions of Danish development co-operation were readily accessible. In the case of Tanzania, Denmark was widely viewed as conscientious and collaborative. The fact that competent Danish professionals implemented their aid programme through extensive interaction locally was highly appreciated, a fact which should be further reinforced by the current effort to completely decentralise Danida operations by later this year.

2.12 A couple of adverse comments are also offered:

(a) On Denmark's withdrawal from some programme countries:

> .. growing political sensitivity concerning good governance and human rights recently led Denmark to withdraw unilaterally from three priority countries (Zimbabwe, Malawi, Eritrea) with which long-term partnership agreements had been established. While conditions in these countries had clearly deteriorated to a point where donors generally are revising their degree of

[2] For the full description see Annex 1.
[3] See Annex 1 for some selected findings from a perception study of Danish aid to Malawi which was conducted in 2000.

engagement, the abrupt withdrawal by Denmark raised the question of its commitment to the longer-term partnership concept.

(b) On the linking of aid to Danish business interests:

The short-term allocation of development funds essentially motivated by Danish domestic interests should be avoided wherever possible. This type of activity is often not sustainable, does not fit with Danish principles of partnership, and can be disruptive to carefully laid out country strategy.

3. Perceptions of Danish Aid to Uganda

Introduction

3.1 It is always interesting to compare self-perceptions with the perceptions of others. This report systematically juxtaposes the views of Danida informants with those of other stakeholders. However, there are differing views on both sides of this dividing line, which is itself blurred. "Danida" informants included Danes and non-Danes working on the delivery of Danish aid; several informants spent different periods on the donor and the recipient sides of the relationship. And a Danish publication warns us not to take the self-opinions of Danes at face value:

- "*In fact, all Danes have a better opinion of themselves than they allow themselves to express.*" (Hvidt 2002: 149)

3.2 Perceptions are organised under the following main headings:

- What kind of donor is Denmark perceived to be?
- What kind of organisation is Danida perceived to be?
- How is the Danish Uganda Programme perceived to have developed?
- Key thematic and sector perceptions.

3.3 Each section starts with a box summarising the main points and key perceptions covered in the section.

What kind of donor is Denmark perceived to be?

Under this heading we report perceptions on:

- ***The overall image of Danish aid***
  Overall non-Danida informants have a very positive perception of Danish aid.
- ***Its visibility***
  Non-Danida informants perceive Danida as a large and highly visible donor in Uganda. Danida is very concerned about visibility, so as to be able to show the Danish public what their aid does. This concern may make Danida more cautious of change and more conservative in its moves towards greater harmonisation of donor support.
- ***Its ratings for innovation***
  According to non-Danida informants, Danida has been innovative and has taken risks (especially in the programme's early years and when compared with other more hesitant donors).
- ***Its ratings for listening and flexibility***
  Both Danida and non-Danida informants agree that Danida listens and is willing to mould programmes to suit Government of Uganda (GOU) priorities; government ownership is important to Danida.
- ***Involvement in political dialogue***
  Danida takes pride in being vocal and constructively critical in promoting human rights and 'good governance' issues; non-Danida informants see Danida as "*passionate about human rights*".

- ***Danida's stance on corruption and accountability***
  Danida regards its zero tolerance strategy on corruption and its emphasis on strict accountability as appropriate and effective. Non-Danida views are mixed – some see the strict accountability as helping to build up transparent and effective systems, while others consider that Danida's preoccupation with corruption is not always helpful.

3.4 Chapter 2 showed that the international image of Danish aid is definitely positive. Danida informants unanimously believe that Ugandans have a **positive view** of Danida, although few would go as far as this:

- "*Danida is a household word. If Danida stood for presidency, it would win – especially in rural areas.*" (D)

3.5 It may be extreme to believe that "*Danida is a household word*" in Uganda. On the other hand, Danida's self-perception that Danida has a good reputation in Uganda is confirmed by the positive general perceptions gathered from a variety of non-Danida informants.

- "*Danida is among the best."* (ND – central government/health)
- *"I've never heard any complaints. It's appreciated, and* [has] *well established relationships."* (ND – donor/health)
- *"Denmark's commitment to our programme was outstanding."* (ND – agency/health)

3.6 Non-Danida informants' overall perception of Danida is that it is a large and **highly visible** donor to Uganda. This visible presence is perceived to come from Danida's involvement in key sectors (roads, health, and water) and Danida's presence on the ground, in districts.

- "*Danida has been a huge donor to Uganda*." (ND – judiciary)
- Danida's involvement in lots of different sectors has given it high visibility and is the reason that it is known as "*the godfather of the Ugandan economy*". (ND – consultant)
- "*I see Danida is there on the ground in the districts. It is visible.*" (ND – donor/health)
- "*Danida is recognised as one of the major donors to Uganda. I know it is strong on governance, law and order and human rights. Danish assistance was key in getting the issues of women in development onto the policy agenda. Danida has also played an important part in supporting agriculture, infrastructure, especially the roads sector, etc*." (ND – central government)
- "*The other thing that people know Danida for … is for their road-building.*" (ND – NGO)

3.7 Danida and non-Danida informants highlight that physical products of Danish aid are visible in Uganda. For example, there is a continuing legacy from early dairy projects. A perception is that milk coolers have become symbolic of Danish aid. A Danida informant reported President Museveni as saying that Danish milk coolers had transformed the dairy industry [in the president's home region] and remarking on several occasions:

- "'*Denmark… Denmark… You have made my people rich.*" (D)

Figure 1: Danida Truck at Masese

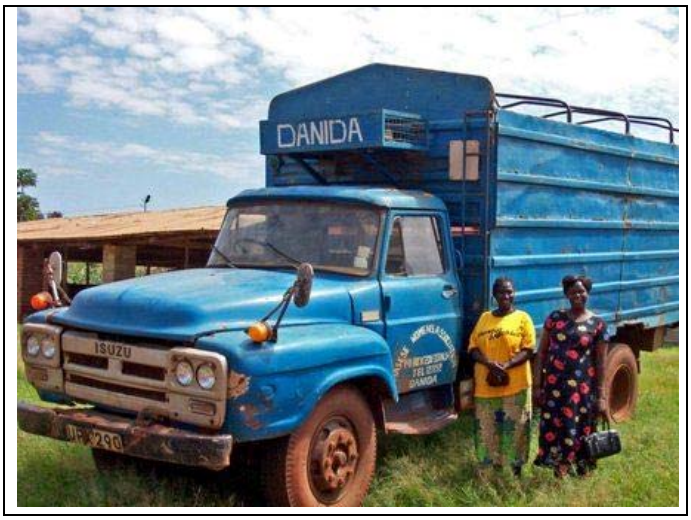


Photo: S. Lister, Masese Women's Project, Jinja, June 2006.

3.8 Some non-Danida informants perceive that Danida support comes with the requirement that Danida should be very visible.[4] Some of these informants also believe that this concern for visibility has some negative knock-on effects: in making Danida more cautious of change and more conservative in terms of moving towards greater harmonisation of donor support:

- If an organisation has core funding from another donor, Danida seems to be reluctant to fund them. For example, one district network is reported to have opted out of Danida funding because it compromised their relations with other donors. (ND – NGO)
- Visibility is also the reason that Danida "*have sat on the fence for far too long*" over UJAS (Uganda Joint Assistance Strategy). Danida funding to the Judiciary outside JLOS [Justice, Law and Order Sector] does not make sense. (ND – consultant)

3.9 At the same time, Danida, particularly in the early years of the country programme, is perceived by Danida and non-Danida informants to have taken risks and been innovative when other donors have been more hesitant:

- They were also the first to come in with decentralisation and HIV/AIDS (both in Rakai) when other donors were hesitant. Especially with decentralisation "*nobody wanted to put their money far from the bank, in the forest*". (ND – central government)
- "*The Decentralisation Secretariat* [supported by Danida] *was an innovative institutional arrangement for kick-starting the policy.*" (ND)

3.10 Danida is seen to be willing to sustain support in difficult areas:

- "*Danida has persisted, despite the problems. They really tried. … Any other partner would have jumped ship long ago.*" (ND – donor/health)

3.11 Non-Danida informants also believe Danida is willing to be different. For some informants Danida's uniqueness is its innovative character, for others this is perceived as being eccentric.

[4] This concern for visibility is noted in the Agreed Minutes of Denmark–Uganda Annual Consultations (April/May 2002, page 7): "The Head of the Danish delegation raised the dilemma of the visibility of Danish funds if integrated into government's budgetary and financial systems. In order to maintain public support for Danish development assistance it will be necessary even within a Sector-Wide Approach (SWAp) to demonstrate results on the ground of Danish support."

- "*Danida is interesting in what they have chosen to support. … Danida's uniqueness is mostly evident in its support to policy innovations, such as the one on Women/Gender in Development and the other on decentralisation.*" (ND – central government)
- Some donors regard some Danish initiatives as "*slightly eccentric*" and "*curious*". (ND – donor)

3.12 Danida informants perceive that Danida's reputation is that of a **listening and flexible** donor. Returning to the example of milk coolers, the story goes that the President maintained that Denmark had first of all wanted to do a much grander scheme, but had been willing to listen to the Ugandan view that simple milk coolers were what was needed:

- "[Danida's reputation is] *that it is willing to hear suggestions and proposals. Initiatives come from the ground.*" (D)
- "*We recognised that ownership is absolutely necessary.*" (D)
- "*Danida has a lot of respect for the beneficiary institution.*" (D)

3.13 Non-Danida informants confirm Danida's self-perception. They frequently commented that Danida provides support in the context of GOU policy and strategy and does not impose its will on GOU. The importance of this is highlighted by explicit comparisons with the less favoured behaviour of other donors:

- "*There are two types of donors. Those that are like stones – they come with their minds made up; they design and implement programmes regardless of what you say to them; they adopt a know it all approach – USAID is a case in point; then there are those that have big hearts – they are flexible and understanding. They are able to listen and to bend or change their own strategy when you explain to them the advantages of adopting your proposals. Danida is in this latter category. Those in the second group are the kind of people you can work with. When choosing which donors to go to, being human you choose who you can phone up and work with.*" (ND – central government)
- "*They are flexible and come round to accept things quickly and mould programmes to suit the government's priorities. I can't say that for most of the other donors.*" (ND – senior government official)
- "*They had their own ideas – the way decentralisation is done in their own country; but the good thing was the way they came and sat with us, were open to government, and were willing to go the way the government wanted to go.*" (ND – central government)
- "*Danida has been listening to us. … This makes us feel we own the process.*" (ND – central government)

3.14 At the same time as being proud of Danida's flexibility and responsive behaviour, Danida informants stress that Danida is a plain-speaking donor. Danida informants perceive that Danida is not a "*silent partner*" (there is a "*general prohibition on it from Copenhagen*"), rather the added value is that Danida uses the influence that goes with funding and is **vocal and constructively critical**. Danida informants view Danida's political dialogue with Uganda as being a key element of its strategy in promoting governance, and through which Danida has made a difference in Uganda:

- Danida has "*quite plain-speaking people both when it comes to political and when it comes to development cooperation issues*". (D)
- "*It is very often Danida that asks the nasty questions.*" (D)
- "*By presenting our perspectives on key issues we feel that we have made our contribution to the development process in Uganda.*" (D)

Danida judges that it is in the desired strategic position:

- "*We are pullers, doing the pulling*." At the same time, Danida's approach to "*making a difference*" aims to be "*in such a way that it is fully consistent with local conditions"*. (D)

Figure 2: Danish Envoy Shown the Door (November 2005)

Caption: The New Vision editorial cartoonist Mr Ras - "Col. Kiiza Besigye on Wednesday refused to recognize the General Court Martial and just kept staring at the court chairman, Gen Elly Tumwine." (November 26, 2005)

The Danish Ambassador was evicted from the court hearing.

(Cartoon reproduced with permission of New Vision.)

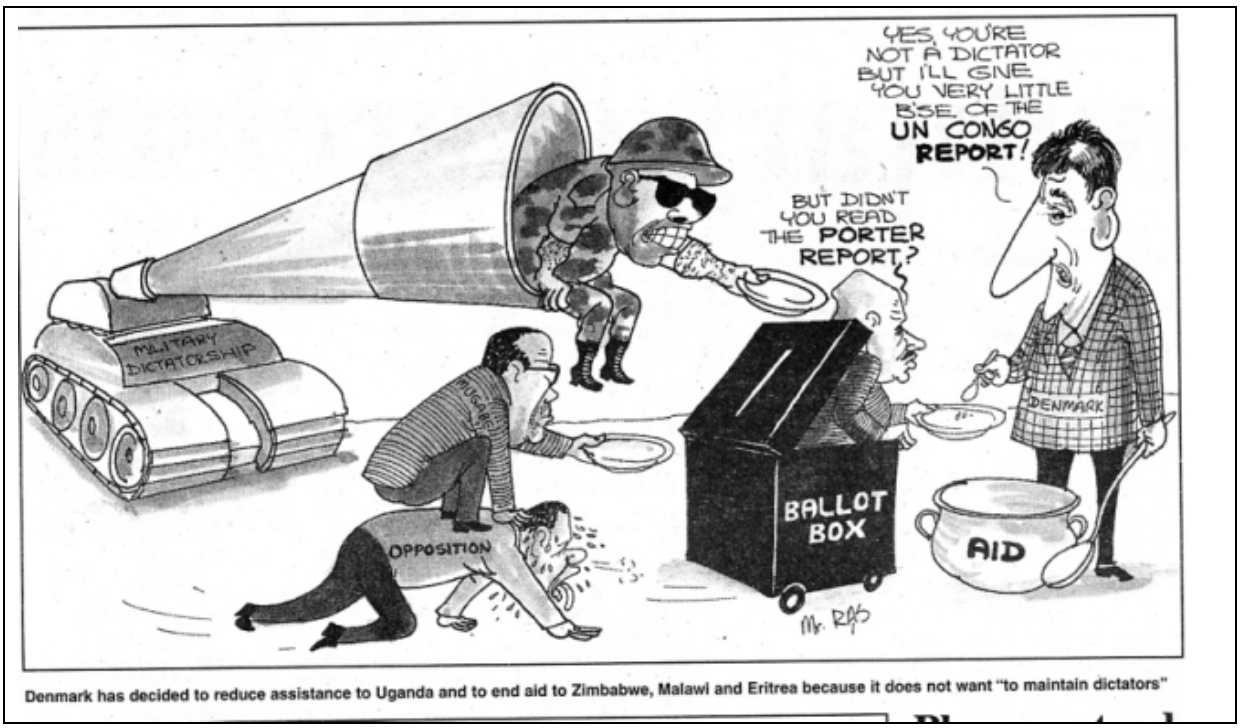
3.15 Danida informants hold the perception that Danida is in a position to be constructively critical of the government of Uganda, because Danida is a small non-political country, considered to have no hidden agendas. The early relationship with the National Resistance Movement (NRM) government is seen as important. From the start Danida established a good, close dialogue with key individuals in the Ugandan government, up to the President himself:

- "*It was challenging for a small country that was considered non-political to be a big donor in Uganda. However this did give us many opportunities. Danida was considered to have no hidden agendas, and as such had a very good dialogue with the Ugandan government … we had very good access to the highest levels of the Ugandan government.*" (D)
- "*We had an open door* [to Museveni]." "*We were the ones Museveni was proud of.*" The grain silos, which weren't at all remarkable in the Danish context, were always shown off: *"He used us and we used him"*. (D)
- "*You needed to be genuine partners for the programmes to work. We had a wonderful dialogue with the right people. We felt we had common vision and interests. This gave us a free hand from both the Danish and Ugandan governments to experiment.*" (D)

- Danida is seen by Ugandan stakeholders as "*trustworthy*" and therefore can get away with "*working with the other partners on all the political issues, meeting with both government and opposition; in a position to caution both government and opposition on the way they should operate* [at the time of recent court dramas]". (D)

3.16 Most non-Danida informants also perceived that Danida was vocal on governance issues and **passionate about human rights**. Various examples are given of episodes when Danida "*was one of the very few donors that put its foot down*" showing that for Danida "*it's not about the pay cheque; it's about Danida standing up for what they think democracy should be in Uganda.*" (ND – NGO)

Figure 3: On Denmark's Aid Reduction in 2002[5]



Caption: The New Vision editorial cartoonist Mr Ras - "Denmark has decided to reduce assistance to Uganda and to end aid to Zimbabwe, Malawi and Eritrea because it does not want to maintain 'dictators'." (February 2, 2002). *(Cartoon reproduced with permission of New Vision.)*

Figure 4: "Leave Congo, says Denmark"

Leave Congo, says Denmark

By John Barulyo

THE Danish government on Friday asked Uganda to pull out of the Democratic Republic of Congo (DRC) and use the money it is spending on the war there for economic development.

Mr Ulrik Holdt, a press counsellor in Kampala at the end of three-day consultations with Ugandan government officials, the Danish Foreign Affairs Minister, Ms Mimita Hvidt, said Danish aid to Uganda will continue.

Hvidt is the head of Danish delegation for East and Central Africa in the Danish foreign affairs ministry. The press conference, held at the Grand Imperial Hotel, was convened by the Danish embassy.

In attendance was Mr Tumusiime Mutebile, the Secretary to the Treasury and Permanent Secretary in the Ministry of Finance, and the Danish ambassador to Uganda, Flemming Byrck Pedersen.

Hvidt said Denmark would give Uganda "constructive criticism".

Pedersen said: "In the discussions, the Danish delegation expressed concern about the continued presence of Uganda troops in the DRC and the negative consequences for the economy of this presence."

He added: "Hope has been expressed that the Lusaka agreement will be implemented, specifically to allow the withdrawal of all foreign troops."

Pedersen said: "Denmark will send two observers to join the UN team, which is to prepare the cease-fire."

He said the withdrawal of foreign troops from Congo "has consumed large sums of money, the ambassador said.

But Mutebile said he was not aware of how much money the Danish government spends daily on soldiers in the DRC.

"I am not the accountant-general in the Ministry of Defence. I don't know how much money a day spent. But a Paris-based newspaper said we are spending US$1m daily in Congo. This means that we should be spending $365m annually. That is ridiculous," he said.

"The Danish delegations said there was evidence of trend in the DRC, Angola, Zimbabwe, Lesotho and SUPPADA in which sh174m and sh 815bn respectively were misappropriated," he said, adding that the Post-Beijing activities project and the Mubende Causality project.

They talked for the leveling of the political ground during next month's referendum and an improvement on the level of democracy in the country

ONE ON ONE: Mutebile (right) and Danish foreign ministry representative Hvidt yesterday.

New Vision, 8 May 2000.

[5] See excerpt from OECD DAC 2003 peer review: ¶2.12.

3.17 Danida informants see Denmark as not afraid to be critical of the government on human rights issues, even when this means Danida does "*not agree with like-minded donors*". Another perception is that as a consequence of Danida's willingness to be outspoken, other donors are thought to delegate to Danida a lot within the governance field. A Danida perception is that this is a good thing and there are no plans to delegate this area of activity from Danida to others. Denmark relishes the opportunity to act as spokesperson for the donor group on governance issues. As a result non-Danida observers may overestimate Danida's independent influence on GOU. For example:

- "*At the recent elections, on behalf of the donor group, Danida told us they didn't want to see the military supervising elections. So the government had to rely on the police. This was very positive, no intimidation, contrary to when the army terrorises voters.*" (ND)

3.18 Danida informants hold the perception that an important characteristic of Danida, which enables it to hold a strong line on ethics and integrity, is its ***"zero tolerance"*** **approach to corruption** and an emphasis on **strict accountability**.

- *"While the Danes are relaxed on* [some] *things, they are very tough on certain things for example, corruption. … People say that the Danes listen; also* [that they are] *very strong on ethics and integrity. People say 'You have to be very careful when you're working with the Danes.' If someone steals, it's not enough for the Danes for him to pay it back; they expect him to be taken to court. The Danes are less interested in getting the money back than in seeing due process."* (D)
- *"Denmark is very strict on accountability – complete zero tolerance about anything to do with mismanagement of funds."* (ND – local government)

Figure 5: "Denmark seeks refund of misused aid funds"

ECONOMY

Denmark seeks refund of misused aid fund

The Danish government through its International Development Agency (DANIDA) is concerned about projects where its funds have been misused and the Uganda government will be required to refund the money, the annual Denmark/Uganda consultative meeting in Kampala learnt last week.

The consultations were led by Mr Tumusiime Mutebile, permanent secretary in the ministry of finance, planning and economic development and secretary to the treasury, and Ms Nanna Hvidt, head of the East and West Africa department in the Danish ministry of foreign affairs.

According to the Danish ambassador to Uganda, Flemming Bjork Pedersen, the Ugandan delegation during the meeting provided an update about the status of the cases where Danida funds have been misused.

Some of these cases involve the Post

Tumusiime Mutebile, secretary to treasury. Std treasury will pay if cases are proved.

several more cases since those cases were still part of their working documents.

Mutebile noted that the cases cited are before court and if the suspects are found guilty, the treasury will refund the misappropriated money to DANIDA.

Ms Nanna Hvidt, during the recently

trained efforts to reduce poverty.

They promised to maintain the same country frame for programme aid project assistance within the same high levels as in the previous years, with annual disbursements to the tune of $30-40 million. Also promised was technical assistance to the private sector, NGOs, research assistance and other types of bilateral assistance. In 1999 alone, Denmark's total aid to Uganda exceeded $54 million.

Having identified the need for enhanced state capacity especially in the districts as a major impediment to the fast implementation of the sector support, the Danish delegation highlighted the need for effective evaluations including the public reforms.

The Ugandan-Danish development cooperation is mainly concentrated in four main sectors namely, health, water and sanitation, agriculture and roads with the overall element of assisting

Uganda Confidential, May 2000.

3.19 There are non-Danida informants that regard Danida's approach to corruption and accountability as being good, with the main reason cited that it is helpful in building up the culture and processes of accountability.

- The Danida attitude "*is a very big help*". "[In cases where we are weak] *it's a help to be able to say 'there's a donor agreement, so we can't compromise.'*" (ND – central government)

- Because of emphasis on accountability, the oldest vehicle in [district] is one provided under a Danida funded education project. "*If this becomes a culture it will be very useful.*" (ND – central government)
- *"Generally speaking I think Danida have helped the country – and* [we] *really value Danida's support. Maybe they also have a point. African countries have never been very accountable – why should we get money from their taxpayers to mismanage or steal it. The country will eventually become corruption-free."* (ND – local government)

3.20 At the same time, Danida perceives itself to be **predictable, efficient and transparent**: "*more efficient than other donors where everything has to be brought home*" and "*transparent with project funds. Others are not*". (D) Some non-Danida informants report that Danida funds are reported to be disbursed in a timely manner, especially when compared with other (slower) donors: "*disbursement of funds is usually fast when agreements have been concluded.*" (ND – central government) Some non-Danida informants also hold the perception that Danida, in the processes of sourcing and recruitment, is "*not a cumbersome organisation.*" (ND – consultant) There is the perception that other organisations go through the process for the sake of it, but Danida is good because they don't do that: "*they are very fast to process, unlike DFID that take 30 days to process an invoice. In Danida it will take a week or less*". (ND – consultant)

3.21 However, other non-Danida informants believe that Danida's zero tolerance stance has costs in terms of efficiency. A very senior government official perceived that "*Danida's weak spot is that they have been too concerned with corruption*" (ND – central government) and unrealistic in their expectations. It is perceived that because of this preoccupation with corruption, Danida overprotects its funds and, as a result, is often less efficient than it perceives itself to be, as well as being overly-cautious of using government systems:

- One perception is that as a requirement from headquarters and the Danish parliament; Danida's accountability to Danish tax-payers has been stronger than Danida's accountability to partner governments, and the result has been that Danida has used government planning but not government accounting.
- "*[Danida] invest so much to stop their shilling getting lost.*" (ND – central government)
- As lead agency of a basket fund, a perception is that Danida had more stringent rules than the other donors. Discussions "*of the rules and regulations always seemed to dog the relationship, always seemed to be the most important issue*". (ND – central government)

What kind of organisation is Danida perceived to be?

Under this heading we consider the implementation and administration of Danish aid, as seen by those involved. Hence it is concerned with:

- ***Perceptions of personal and organisational partnerships that Danida builds with other stakeholders. These place the formal processes and structures in the context of Danida's working relationships.***
  Personal relationships played a key role in the early years. Non-Danida informants generally respect Danida staff (although some negative perceptions were reported) and the involvement of Ugandan staff in programme management is valued. Danida has built good partnerships with many stakeholders.
- ***Danida's programme management: to what degree this is seen as efficient and flexible, how Danida applies policies in practice, and how it deals with issues of accountability and corruption.***
  Danida is perceived to have efficient, flexible processes, but some informants find Danida's requirements for accountability overly bureaucratic.
- ***Perceptions of the evolution of the management of the programme, particularly decentralisation of management to the Royal Danish Embassy, Kampala (RDE).***
  Decentralisation to RDE in 2002 is seen as broadly positive by MFA and RDE informants.

3.22 At all levels, informants talked about **personal relationships** between Danida and people in Ugandan institutions. In the early years of the programme, "*personal relationships played a very, very key role*". (ND – central government/decentralisation)

3.23 There is generally a good perception of RDE staff:

- RDE staff are approachable, helpful and "*have a personal commitment to what they do.*" (ND – central government/agriculture)
- "*We deal with Ugandan staff, and they're solid.*" (ND – NGO)
- "*The Ambassador is very supportive.*" (ND – central government)

3.24 The way in which Ugandan staff are involved in programme management is valued:

- "*They have given the Ugandan staff some clout.*" (ND – consultant)
- "*At the Embassy it was good to have the Ugandan officer who provided continuity working on the sector, which the expat advisers did not.*" (ND – donor/health)

3.25 Recently Danida staff have been seen as **lacking on-the-ground experience** in a similar way to other donors, but perhaps to a lesser extent:

- Without small projects in rural areas there is no basis for learning what works and what doesn't. Instead, programme officers stay in Kampala. (ND – central government)
- However, a Danida perception was that other donors envy their knowledge of work on the ground, connections at the centre, and links to the Danish resource base. (D)

3.26 Relationships between Danida staff and recipients have not all been seen as positive:

- The quality of the relationship also depended a lot on personalities. Some Danida staff found it difficult to understand the context within which things happened and to appreciate that things couldn't happen as quickly as they would like. But there were

very frequent meetings with Danida and this was a useful forum to discuss and try to resolve misunderstandings. (ND – central government/governance)

3.27 However, there were occasional concerns among other donors about the **quality** of RDE staff and a sometimes sub-optimal use of technical advisers:

- Some Embassy people (both Danes and Ugandans) display "*bureaucratic and elitist behaviour and low professional calibre*" and lack "*a firm grasp of policy issues.*" This was seen as "*odd because the Danes are not normally perceived as elitist*". (ND – donor)
- Another voice within the donor group said that RDE seemed to be a "*loose cannon*" and "*out to lunch.*" They did not seem to do their homework. The suggestion was that Danida should make better use of technical people in donor meetings, rather than relying on RDE staff. (ND – donor)

3.28 Danida's distinction between diplomats and technical advisers (TAs) was seen by some as somewhat arbitrary:

- There was concern by non-donors and TAs themselves, that TAs "*can't be part of the discussions*", and that this weakened Danida's policy and contribution to discussions with other donors. (D)

3.29 Danida is reported to build good **partnerships** with many stakeholders:

- They support basket funding and advocated for others to join the basket. They are "*really good partners*". (ND – NGO)
- Danida maintain "*very good dialogue and openness*". They subscribe to national policies and systems. They look at what is being done and support that. "*They are making an effort to respond to the need that has been defined – the gap.*" (ND – NGO/health)

3.30 Danida sees itself as providing **efficient**, **flexible** processes that put its clients first:

- Danida staff sees Danida operations as easy and fast by comparison with other agencies, because decisions do not often get referred to a head office outside Uganda. (D)
- According to programme staff, when Danida asks questions, it seeks to avoid delays and stay within agreements. (D)
- An informant from another donor commended Danida's grasp of budget cycles and processes. They understood at what point in the budget cycle it made sense to seek influence. Not everyone was like this. (ND – donor)

3.31 Staff are pleased when they can respond to an urgent requirement:

- We were told how a project was approved on the basis of a concept note. The paperwork followed later. (D)

3.32 Many recipients of Danida assistance were also positive about Danida's flexibility and efficiency:

- "*Danida are the best donors we have.*" The reasons for this were their flexibility, their willingness to base their support on the ministerial work plan, to allow amendment and reallocation, and their timely delivery of funds. (ND – central government/health)

- "*The donors are great. They give us millions of dollars, and leave us alone to get on with it. Danida has been great to deal with*." (ND – NGO)
- "*Denmark's commitment to our programme was outstanding. The Agricultural Sector Programme Support (ASPS) management and the RDE were accessible to us throughout. Compare the World Bank which is distant, negatively bureaucratic, and introduces discontinuities*." (ND – government agency/agriculture)

3.33 However, a distinction was also made between Danida's positive role in **programme design** and subsequent less effective **implementation**:

- "*They have very good people for programme design, but then tend to leave implementation in the hands of not such good TA.*" (ND – central government/health)

3.34 At times, dealing with the volume of projects became difficult for RDE, (particularly the small projects funded under the Local Grant Authority). A TA commented that project-based funding "*grew out of hand*". It was not strategic, and very difficult to monitor. Like many embassies, it was simply responding to the requests, some of which were opportunistic approaches by NGOs.

3.35 The creation of the Human Rights and Good Governance Liaison Office (HUGGO) has helped to address these issues more strategically. It was also seen as responsive and flexible:

- If "*they buy the idea, they will commit*". HUGGO is seen very good at mobilising funds at short notice: "*fast and timely*". (ND – NGO)
- The creation of HUGGO is seen as an effective move by Danida "*to manage its own bureaucracy*". (ND – NGO)

3.36 Some see Danida as more difficult to deal with than other donors. In particular, some organisations found Danida's requirements for **accountability** overly bureaucratic:

- "*Rules and regulations always seemed to dog the relationship, always seemed to be the most important issue*." Requirements to account for an activity within seven days, and expenditure ceilings were seen as too stringent. (ND – central government/governance)

3.37 RDE sees itself as having a high level of **decentralised management**, particularly since the 2002 reform:

- "*To a large degree we have total autonomy*." (D)

3.38 Staffing within RDE has also evolved over the period from a small group to a substantial structured team. Staff perceive a reasonable division of labour between programme staff on the one hand, and the head and deputy head of mission on the other.

- "*These* [political] *issues have moved from our level to Heads of Mission level and discussion between the Development Partners Heads of Mission group.*" (D)

3.39 Danida's decentralisation to the Embassy in 2002 was seen as broadly positively by MFA and RDE informants. Kampala embassy staff were given more responsibility, although there was more work too. There was more reliance placed on local staff, which strengthened '*local ownership'* and was less costly. (D) The involvement and responsibility of local staff received positive comment, noted above.

How is the Danish Uganda programme perceived to have developed?

Under this heading we report perceptions on:

- ***The early development of Denmark's Uganda programme, and how it came to focus on particular sectors and activities.***
  Danida has earned considerable credit for being quick to support the NRM government in its early days. It is still regarded as an important player in several sectors where it was one of the first bilateral donors involved.
- ***The aid modalities it has adopted, e.g. the evolution from project focus to sector approaches.***
  Danida is seen as an early advocate of harmonisation and use of government systems, but as also being cautious because of its concerns about corruption and visibility. It appears that Danida applies the same general principles across sectors, but a pragmatic approach results in significant variations in its practice between sectors.

3.40 Denmark is seen as **an early supporter** of the NRM government. *"Denmark was one of the first donor countries to come to Uganda's side in 1986/87 when the country's economy was in ruins."*[6] Danida informants from the period emphasise the importance of this early support. They report that Danida's representatives on the ground, first from Nairobi and then in Kampala, were given considerable flexibility in setting up the initial programme, and that this was instrumental in enabling them to move rapidly and to establish a genuine partnership with the government. The same informants consider that with today's rules and regulations such rapidity would not be possible.

3.41 At the time it was considered important to come in and show that Denmark was supporting the Ugandan government:

- *"It was good for us to come in and show that we were politically supporting the regime with some eye-catching projects."* (D)

Thus from the beginning of the programme Danida was concerned to have some highly visible projects. Danida informants describe the rehabilitation of Entebbe airport (in the 1990s) as a deliberate ploy to gain favour with the Ugandan elite whose support would be needed for the social leg of Danida's strategy. (See discussion of Danida's concern for visibility in ¶3.6–3.8.)

Figure 6: The Danida-funded grain silo at Kawempe on the UGS 1,000 note.

[6] Statement by the head of the Uganda delegation at the 1990 annual consultations (Danida, 1990).

3.42 Both Danida and non-Danida informants credit Danida with investing in Uganda and setting up popular and practical programmes at a time when Uganda was very much in need of assistance:

- "*Danida came in when it* [Uganda] *was a risk area, putting in admin and legal reform.*" (D)
- "[Danida early drugs support] *provided much needed drugs at a time when little was available, and facilities could count on getting* [the drugs from Danida] *reliably.*" (ND – central government/health)
- At the beginning of the programme: "*Danida and DRC* [Danish Red Cross] *support was an injection of life*". (ND – NGO)
- There were a number of popular programmes…. for example, at the beginning of the [Danida Uganda country] programme the justice system had very limited equipment and resources. The Chief Justice asked for a set of collected reference laws which Danida supplied: "*This became the foundation of the Ugandan legal system; there is still a plaque at the High Court thanking* [Danida] *for getting the books to them*". (D)

3.43 Non-Danida informants believe that Danida was the **first donor to provide support to a number of sectors**. Governance, in particular, is highlighted by both Danida and non-Danida informants as an early important component of the Danida country programme:

- They were also the first to come in with decentralisation and HIV/AIDS (both in Rakai) when other donors were hesitant. Especially with decentralisation "*nobody wanted to put their money far from the bank, in the forest*". (ND – central government)
- "*They were interested in governance at a time when other donors were focused more on service delivery.*" (ND – consultant)
- "*Danida is known as the first donor to take an interest in civil society in Uganda as well as being the first donor to support the public agencies concerned with corruption.*" (ND – NGO)
- Danida was the main supporting donor at the beginning: "*because Danida provided almost all the support* [we needed for decentralisation] *we didn't make overtures to other donors*". (ND – central government/decentralisation)

3.44 Due to Danida's focus on particular sectors during the evaluation period, non-Danida informants perceive Danida as dominant in various different sectors; in some sectors they identified donor assistance completely with Danida. A Danida perception is that donor agencies are now more harmonised, so that past perceptions such as "*gender was Danida's*" no longer apply. However, for several non-Danida informants the close connection between Danida and particular sectors still persists:

- "*When we talk about gender or agriculture, we say Danida.*" (ND – central government) "*Danida is recognised as one of the major donors to Uganda. I know it is strong on governance, law and order and human rights.*" (ND – central government)
- "*Decentralisation is where Danida's main influence is seen.*" (ND – central government)

3.45 This perception of dominance in a sector is not always due to the actual size of Danida's support. At times it is thought to be due to Danida's higher visibility compared with other donors:

- There is a perception that: Norway "*had actually done a lot* [in gender] *but Danida has been much more visible.*" Similarly, the Irish have been doing a lot of serious work on gender in districts but nobody knew about it. (ND – consultant)

3.46 Non-Danida informants note Danida's **project approach** at the beginning of the evaluation period:

- "*Danida had a lot of projects all over the place at the beginning.*" (ND – central government)

However, this was not exceptional among donors at that time:

- "*There was not a lot of donor coordination, we were just working closely with the Ugandan government*." (D)

3.47 Some informants highlighted that in Rakai, at the beginning Danida was trying to go alone, not consulting other donors:

- "*They* [Danida] *were genuine but they didn't take account of the fact that what you do in Rakai has implications for other donors.*" (ND – government agency)

This is seen as part of a general issue: there should have been a uniform approach to the districts but such an approach was lacking among donors, who were competing with each other.

3.48 Danida informants emphasise Danida's concern for coordination. They point out, for example, that their initial design for the Rakai district programme excluded water because UNICEF already had a water programme in the district. They perceive Danida as a strong proponent of donor harmonisation and government alignment:

- "*Today Danida's funding is the most harmonised and aligned of other bilateral donors* [in the water and sanitation sector]." (D)

3.49 Danida has been involved in the **development of Sector-Wide Approaches** (SWAps) in a number of sectors and in some sectors has been the leader or among the leading agencies driving forward this development:

- They were "*up to the minute*" with development philosophies and willing to use new instruments. (ND – donor)
- They were instrumental in encouraging development of the SWAp, they "*seemed to be the driving force behind the sector approach*". (ND – NGO)
- Danida (with DFID and the Irish) helped to negotiate the SWAp in health – Danida was "*very helpful in this*". (ND – central government)
- They have shifted from programme support to SWAps, e.g. in the water sector Danida has been influential in the development of the SWAp. "*They have helped a lot in terms of harmonisation within a sector.*" (ND – consultant)

3.50 Danida's practical experience at district level is thought by Danida informants to have been the basis for Danida's influence:

- "*Danida … was able to feed experience gathered in the districts into the general debate and ensure that money was well spent. Because Danida had practical experience at district level, it was listened to by other donors and 'we punched above our weight*' [in the development of sector approaches]." (D)

3.51 As discussed in ¶3.12, Danida has a strong reputation for listening to the government and for aligning with government planning:

- Health: "… *good that Danida use government processes for planning use of funds for districts and MOH …* [gives] *support for integrated work plans.*" (ND – donor)
- Danida is perceived to have been a key stakeholder in the development of the Poverty Eradication Action Plan (PEAP). "*In PEAP1 there were ten working groups and Danida*

had a lot of presence in agriculture and infrastructure. In PEAP2, again Danida was in the working groups and had started talking about gender." (ND – central government)

3.52 However, Danida's desire for (separate) visibility and its concerns about corruption have made Danida cautious about committing to pooled financing arrangements with donors and disbursing its funds through the standard government financial systems. There are different views within Danida about this, but some hold that:

- "*At the time* [when SWAps were first being developed] *Danida was at the forefront of donor thinking on sector programmes, but now other donors have moved ahead of Danida*." (D)

3.53 Danida informants advocated a pragmatic approach. For the Justice, Law and Order sector, for example:

- "*SWAps, budget support, avoiding parallel structures is good but you have to analyse the real situation on the ground on a case-by-case basis. Given the important role of the judiciary in the political transition we were right to support it separately. The other approaches are right but you have to choose the right time to implement them*." (D)

3.54 Over time, Danida has joined (limited) pooled or basket arrangements in various sectors, but Danida informants have perceived an advantage to keeping some financing managed outside of government systems. One explanation common across all sectors is Danida's concern over corruption, but the reasons given by Danida informants for the cautious approach are often sector-specific. In health, for example:

- In Phase 1 of HSPS, Danida did not initially put funds into budget support in the same way as others, especially for district support; therefore Danida's participation in pooled funding was limited. Both Danida and non-Danida informants cite concerns over corruption as being behind the initial cautious approach. Danida informants also cited Danida's concerns over the sector ceiling in the Poverty Action Fund (PAF) and the low level of unearmarked funding available to sector ministries.
- At the same time, some Danida as well as non-Danida informants shared a perception that there remains (in 2006) a weakness in the Danida programme due to the existence of parallel systems for much of the HSPS funding (e.g. for managing funds, procurement and accounting).

3.55 The impression is that Danida is slowly buying into more shared financing arrangements:

- "*For water, basket funds were channelled through a project account. The change came in the second phase programme, under which Danida was persuaded to move away from the project approach. The process was led by the World Bank who was positive about the procedures and convinced that programme support was more sustainable.*" (D)

3.56 Some non-Danida informants report that Danida has worked closely with government systems. This is perceived to be useful as it has pushed GOU to recognise the problems and strengthen its own financial systems:

- "*It forces you to develop systems that work.*" (ND)

3.57 Danida is never a silent partner in a shared financing arrangement. Danida and non-Danida informants give examples of how in the various sectors, Danida is either the leader of, or tries hard to influence the relationship between, the donor group and government, from the day-

to-day management level up to policy development. In some cases, "*buying a seat at the table*" is seen as an important reason for providing joint funding:

- The strength of Danida's Agricultural Sector Programme Support (ASPS) II design is perceived to be that it "*buys us a seat at the policy table*" (D), "*provides buy-in; it gets us a seat at the PMA* [Plan for the Modernisation of Agriculture] *table*". (D)
- In the roads sector Danida, low down in the pecking order of the so-called "*billionaires' club*" of donors funding that sector, has much less influence. The perception of both Danida and non-Danida informants is that this means Danida has not been able to influence the other donors as much as it would have liked: Danida's proposal for the Joint Review has only been "*grudgingly accepted*". (ND – central government)

3.58 In human rights and good governance, by contrast, Danida is a major player with respect to the Ugandan Human Rights Commission (UHRC). In this case it was an early advocate of coordination among donors, and a system of joint funding through a basket fund. Danida is perceived to be responsible for convincing the other donors that the time was right for a basket fund. Danida is the largest agency in the basket fund and has always been the lead agency and while there was discussion about the role being taken by donors in rotation, this did not go anywhere. It is perceived that Danida drives the basket fund; although UHRC meets with other donors all the negotiations are with Danida. Another donor informant acknowledged the tendency for Danida to take the lead role in the basket fund arrangements more often than others because of its greater capacity in governance. (ND – donor)

3.59 When Danida is at the forefront of a basket fund, as in the case of the UHRC, the result is that Danida, through the technical adviser, is seen as being very prominent and highly visible over issues of accountability, over programmes and over policy and management of the operations of the basket fund:

- "*It's a delicate balance. They* [Danida] *are paying the piper. They try not to be too obvious about it but it's in everybody's mind.*" (ND)

3.60 Given the prominence of Danida as the lead agency of the UHRC basket fund, debates are often perceived as being between UHRC and Danida, rather than UHRC and the donor group. Other donors' perception is that because Danida usually takes the lead agency role, it tends to get more of the problems e.g. Danida had to ask the hard questions of government over the financial management problems in the UHRC and over the difficulties around the Leadership Code with the Inspector General of Government (IGG).

3.61 Non-Danida informants in the field of human rights and good governance report that the detailed management of the relationship between donors and partners is not always easy or smooth-running:

- "*Difficulties in managing the relationships [between donors are] not helped by the high turn-over in donor agencies. … And a lot depends on the personalities involved. The Chair has a lot of leeway to steer the rest of the group. A lot of the quality of the interaction depends on the character of the Chair.*" (ND – donor/governance)
- "*Earmarked funding means that activities and programmes tend to be driven by donor interests*." (ND – central government)

3.62 In the various SWAps the overall perception of other donors is that Danida makes a "*good and constructive partner*". (ND – donor) However, there are some instances where Danida finds other donors' management behaviour difficult to align with. For example, now Danida has a

Memorandum of Understanding (MOU) with the Ministry of Local Government on Local Government Development Programme (LGDP) cooperation with the World Bank. A Danida perception is that the World Bank behaves in a way that is hard for Danida: it buys vehicles and computers, and fails to enforce trigger conditions. Danida asks additional questions: this does not delay the release of funds, since the MOU binds other PRSC-funding donors to the World Bank's assessment, but it sends a signal about Danida's concerns (D).

3.63 Danida informants have mixed views on the pros and cons of **general budget support**. There is a perception that Danida has been constrained by the statement at the Consultative Group meeting in 2000 when it was said that as long as Uganda had troops in the Congo, it would be unable to move to general budget support. There is a non-Danida perception that the Danes "*wish* [they] *were providing budget support to Uganda so* [they] *can tell the Government what* [they] *think*". (ND – donor) However, Danida informants report concerns on moving to budget support. A contention is that, if Danida had moved into budget support, its programme would have been more vulnerable to cuts for political reasons. (The "*pain*" involved in cutting back specific projects, it is argued, makes the programme more robust.) There is also the perception that the prevailing high level of corruption will be a problem if Danida is to move to general budget support.

3.64 Another Danida view is that in any case donors are becoming increasingly aware of the perceived limitations of budget support:

- "*Donors are increasingly frustrated with budget support because of what they have seen with the transfer of funds. But they no longer have staff on the ground so their hands are tied"*. By not providing general budget support "*Danida is one of the few donors with its feet on the ground"* and "*DFID is providing direct budget support and now they are coming to us wanting to shift some of their resources to support farmers directly. They want to piggy back on Danida. Both the Dutch and the British have come forward.*" (D)
- Other donors may be more dogmatic on budget support etc. but they are envious and use us quite a bit. More than 50% of HUGGO's funds come from other donors. (D)
- *"Danida's strength is that it has been slow to react, is still old-fashioned."* (D)

3.65 However, other Danida informants draw less of a clear distinction between Danida's current arrangements and budget support. For example, one view in the agriculture sector was:

- The distinction between ASPS and direct budget support funding arrangements are somewhat 'philosophical' i.e. hair-splitting: "*we would be most happy if we were writing out a cheque to the ministry*". (D)

Key thematic and sector perceptions

This section highlights key thematic and sector perceptions, extracted from Annex 1 which provides further detail by sector including additional examples of individual perceptions.

Under this heading, we consider:

- ***General perceptions of Danida's sector presence***
  Non-Danida informants see Danida's strengths in particular sectors, including governance, decentralisation, agriculture, infrastructure. Within health Danida's comparative advantage in the drugs sector is highlighted. Danida often comes off favourably in comparisons with other donors.
- ***Technical assistance and capacity building***
  Danida's investment in technical assistance and capacity building is valued. Technical Advisers (TAs) are considered to be in general good quality. TAs' management of funds is not popular. Some capacity-building support has achieved a lot, but not all has been successful.
- ***Exit***
  Informants have special interest in the continuation of Danida funding; Danida's exits are seen at times to be too early in the capacity-building process, leaving unsustainable organisations.

3.66 Non-Danida informants gave examples of Danida's strengths in individual sectors:

- Governance: "*Danida is recognised as one of the major donors to Uganda. I know it is strong on governance, law and order and human rights.*" (ND – central government)
- Decentralisation: "*Decentralisation is where Danida's main influence is seen.*" (ND – central government)
- Agriculture and infrastructure: "*When developing PEAP, Danida people were called in as key stakeholders in the agriculture and infrastructure working groups.*" (ND – central government)
- Health: "*Danida is one of the core partners in health.*" (ND – donor)
- Road: "*Danida has made a unique and significant contribution is supporting and improving labour intensive road technologies*." (ND – central government)

3.67 In particular in the drug sector Danida is considered to have a particular comparative advantage:

- "*The Danish really know the drug sector and have done good work, this is a real comparative advantage, it would be a loss if they were replaced by another donor as part of UJAS. If they are going to go they should phase out slowly. Technical competence is key for the sector.*" (ND – donor)
- "*Pharmaceuticals is their outstanding area, others do not have this knowledge; in other technical areas they are comparable to other donors.*" (ND – central government)

3.68 A Danida informant considers that no donor has a comparative advantage in the water sector as the advantage gained through in-house knowledge built up during a lengthy involvement: "*soon evaporates when field teams disperse and knowledgeable advisers move on. There is no clear, long-term comparative advantage for Danida or any other donor.*" (D)

3.69 A number of non-Danida informants have provided perceptions on Danida's performance compared with other development partners. Often Danida comes off very favourably in these comparisons. Danida is perceived by many non-Danida informants to be more flexible, less bureaucratic and less likely to push its own agenda than other donors:

- Agriculture: "*The USAID project refuses to have anything to do with government and misses out.*" (D) "*Denmark's commitment to our programme was outstanding. The PCU* [Project Coordination Unit] *management and the RDE were accessible to us throughout. Compare the World Bank which is distant, negatively bureaucratic, and introduces discontinuities.*" (ND – government agency) "*We find Danida money much better compared to USAID money because we agree on how to spend it. We prepare work plans together with Danish consultants. … USAID tells you how to spend the money and does not use existing public sector institutions preferring to work with the private sector directly*." (ND – central government)
- Decentralisation: "*We deal with them comfortably. … The EC still wants to use* [project units]*, and USAID is dedicated to implementation via third parties. The Irish and the Dutch are still posting people at district level.*" The Danes "*are not rigid in their designs. When a new policy comes up, they are open to change*". (ND – central government)

3.70 Some non-Danida informants do, however, provide other examples of the relative inflexibility of Danida funding compared with some other donors. For example, an NGO contrasts Danida with DFID which provides three year core funding that gives a lot of flexibility in how the funds are spent. The perception is that a basket fund arrangement would provide greater flexibility with multi-donor assessments of whether the NGO has achieved results in relation to "the bigger picture" of developing civil society:

- "*We are not rigidly tied to what was in the original proposal or to outputs* [in the relationship with DFID]. *This means that as they present themselves we can take up positive opportunities where we feel we have a comparative advantage, and report back to DFID after the event. For example, we have taken up opportunities relating to poverty analysis and policy inputs at national and international levels.*" (ND)

3.71 Across sectors non-Danida informants hold the perception that Danida invests in **technical assistance and capacity building**. There is view that Danida is "*willing to go the extra mile*" in terms of support (ND – NGO), and that Danida has sustainable development very much set as a goal for their programmes. For example:

- "*Danida cannot give money for road rehabilitation unless there is evidence that funds are available for maintenance.*" (ND – central government)

3.72 Danida and non-Danida informants make numerous references to Danida's provision of technical assistance and capacity building support in the various sectors Danida is involved in.

3.73 The more common perception is of good quality TAs:

- Gender: The consultant leading the process in the Ministry of Women in Development "*made a big difference to the way certain things were achieved*". (ND – central government)
- Health: Good technical adviser support to drugs management and policy in the MOH. (ND – donor/health) "*Technical assistance has been useful, good quality.* [The TAs] *advise and help to solve problems.*" (ND – public sector, semi-autonomous/health)

3.74 There are occasional cases where non-Danida informants felt a TA did not have the appropriate background or skills (Rakai), or where the TA was regarded as a difficult personality to work with:

- Health: "[Danida has] *very good people for programme design, but then tend to leave implementation in the hands of not such good TA.*" (ND – central government/health) There were some personality issues with one TA who was very blunt when faced with corruption.

3.75 It is perceived that Danida will replace TAs that are not functioning well:

- Water: In cases where the specific TAs were not performing, they were replaced. (ND – central government)

3.76 However there are various criticisms specifically related to TAs that point to a common perception that Danish technical assistance is not always put to the best use. In particular the criticisms focus on the problems that arise when TAs manage funds in addition to their advisory role and when there is poor integration of the TAs with their GOU counterparts:

- Health: "*The perception is that the TAs' separate accounting unit means they do not strengthen MOH accounting unit capacity. … Their TA did not work with us as part of our team – they want to have their own enclave.*" (ND) "*The lead TA to the MOH had 2 hats – both managing the Danish funds and technical advice*" and this was always problematic and difficult for the TA when accountability problems arose: "*it would have been better to separate the roles.*" (ND – donor) "*We have the perception that the TA does the whole job that a civil servant should have done. This must change. They should be more aware of their role*." (ND – donor)
- Water: One observation was that it is a challenge with TAs as some paid more allegiance to the donor but had a poor relationship with the GOU staff. A non-Danida recommendation is that in the future technical assistance should be more targeted and focused. (ND – central government)

3.77 Danida is aware of the view that advisory input should be "*very light*". (D) Other non-Danida informants recognise Danida as "*trying to get away from old-fashioned technical cooperation*". (ND – donor)

3.78 Non-Danida informants hold the perception in the various sectors that in terms of capacity building in general, Danida has done a great deal:

- Gender: The Ministry of Gender was a young ministry, and it is perceived that "*Danida helped us to build up the institution*". (ND – central government)
- Judiciary: Danida funding enabled the financing from government to go on the basics, Danida funding could be used for development purposes. Before we didn't have a training plan or a training committee: "*It was sheer luck if you got any training at all*". Now we've established a committee which has developed a training policy, curriculum, annual training plans, the Judicial Training College. (ND – judiciary)
- Agriculture: "*Without Danida we would not have a coherent and successful livestock research* programme. *With their support we have developed our capacity and have good infrastructure. We maintain close links with Danish research institutions and, as partners, we jointly bid for funds.*" (ND – government agency)
- Decentralisation: "*Danida has interest in supporting national institutions, supporting the ministry to implement its mandate.*" (ND – consultant) "*The Danes build institutions that*

can run on their own, not just individuals. … Where Danida's been, it's OK." (ND – central government)

3.79 Danida capacity-building interventions which benefit stakeholders at the district level are also highlighted by non-Danida informants:

- Roads: A perception of successful capacity-building support is the Mount Elgon Training Centre (where labour-intensive methods of road construction are taught to contractors and construction supervisors): "*Danida has single-handedly raised the profile of the institute to a place of repute in labour-based road maintenance training.*" (ND – central government) "*This provides employment. We like their work.*" (ND – local government)

3.80 The most intensive district level capacity-building support was provided to the Rakai district under the Rakai District Development Programme (RDDP). Rakai is a particularly important case given the extent (both in terms of time, variety of inputs, and amount of capacity-building input) of Danida's programme there. The huge investment in technical assistance and capacity building in Rakai is noted and is perceived by non-Danida informants to have had some success:

- "*Danida strengthened our human resources department. …We no longer need consultants – everything was done by consultancies in 1994.*" (ND – local government)
- Danida "*made a huge investment* [in capacity building in Rakai] *and some of the* [building] *blocks are still there*". (ND – NGO)

3.81 However, there is also some criticism of Danida's capacity-building strategy from non-Danida informants across the different sectors. The criticisms are:

- RDDP: There is a criticism that Danida's "*huge investment*" in infrastructure did not take account of the capacity of the District Council to raise revenue for maintenance of the infrastructure. Another criticism is aimed at the perceived assumption that if Danida empowered LC5 [the district], it "*will trickle down to the lower levels*"". Instead it is thought the effect was more to institutionalise control over the lower levels by LC5 (especially because of the Ministry of Local Government decision to devolve funds to sub-counties through LC5) and to get around this, capacity-building efforts should also have focused at Sub-County [LC3] level. Another view is that if Danida had paid more attention to civil society and to economic development, they might have contributed to a situation where people were better able to pay taxes for services and maintenance. (ND – NGO)
- Agriculture: Danida is recognised as "*the champion for farmers' associations*" but this particular informant goes on to say: "*It was unfortunate that they did not model them into a more sustainable organisation*". (ND – central government)
- Agriculture: It is reported that on graduation from one District Agricultural Training and Information Center (DATIC) young farmers got a wheel barrow and hand tools: "*What good was that?"* (ND – NGO) A good percentage of the young graduates "*can adequately apply skill levels"* but they do not have access to the resources, agricultural inputs or sufficient land to enter into farm production on their own account. (D)
- Governance – Networks: Danida's early support to district networks resulted initially in a de-linkage of them from the national level (i.e. the NGO Forum) that was not helpful when it came to lobbying and advocacy. Many of the problems experienced in the districts can only be solved at national level. "*What was striking about the way that Danida worked with the district networks, was that it by-passed the national structure to which they were linked. They didn't adequately recognise the dynamics of the national-local*

connection." (ND – NGO) Another perception is that HUGGO by-passes the Anti-Corruption Coalition of Uganda (ACCU) and goes straight to the regional networks (in providing training). HUGGO employs civil society activists who want to implement themselves rather than facilitating others to implement. "*Even the Ambassador is an anti-corruption activist.*" (ND – NGO)

- Governance – "*Danida needs to think about how to work more strategically and flexibly, and about how not to create dependency through their funding. Danida seems to have an assumption that, if you have the physical and human infrastructure in place, the programmes will automatically follow.*" (ND – NGO)

3.82 There are a number of perceptions from non-Danida informants on Danida's **exit** of programmes/projects. Some perceptions were positive. For example, in the case of the Decentralisation Secretariat, the non-Danida perception is that Danida did all it could to ensure a smooth transition:

- It wasn't considered to be an abrupt move, "*there was plenty of notice"*. (ND – central government)
- "*Well, they announced it early enough; you can't blame them.*" (ND – consultant)

3.83 However, there were a number of criticisms of Danida's exit from a number of projects and programmes. Many of these informants had a special interest in the continuation of Danida funding; in particular, the timing of the Rakai interviews was especially sensitive. Danida's RDDP ended on 30 June 2006, one month after the evaluation team's interviews in Rakai were carried out:

- Rakai: The RDC team was severely demoralised at the time of the evaluation: "*in lamentations*". "*Danida did not prepare the district for the exit of funding.*" (ND – local government)
- Gender: "*Danida left us when we were still in need. By the time Danida was with us, it was the only donor we had. That is why we miss them a lot. They stood in for us where no other could.*" (ND – central government) "*We are still grappling with how to address gender properly. This is because donors moved onto the other things like decentralisation and anti-corruption.*" (ND – central government)
- Masese Women's Project: *"For … Danida not to have formally handed over to us – we felt it was a big failure. Very different from the example of the Adventist Development and Relief Agency (ADRA) supported projects in Eastern Uganda – when they left there was a proper handover with notes and everyone was fully briefed. Here they just literally fell into it and* [we] *felt that it was a big hole, a big blow to the process."* (ND)

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Annex 1: Other Perception Studies

Introduction

1. This Annex provides extracts from other perception studies that complement the present one, namely:

- The *OECD DAC peer review of 1995* (OECD Development Assistance Committee, 1995), which included a perceptive sketch of the Danish aid programme in Uganda.
- The *Malawi perception study of 2000* (Malawi Institute of Management, 2000) which provides a point of comparison for some of the perceptions we recorded in Uganda.

Snapshot of the Danish Country Programme in Uganda, 1995

2. The following appeared in the 1995 OECD DAC peer review of Danish aid (OECD Development Assistance Committee, 1995):

A Danish Country Programme – Uganda

The following description of projects funded by Denmark is based on a field visit to Kampala in April 1995 by the United States DAC Delegate.

Danish aid emphasises the use of local expertise

A $35 million village project will bring water to four million people. Danish aid provides financial support to pay for the imported construction components and is supporting the construction of pumps, wells and protected springs in over 7,000 locations. One expatriate engineer supervises Danish input and calls in additional technical expertise as required. The projects are carried out by local communities and local construction firms under the supervision of 300 employees of the Ugandan Government,

In a project to achieve an improved cost-benefit ratio for investments in imported drugs, Danish aid has had to engage more foreign experts, but the tasks of improving training of pharmacists, creating and maintaining drug quality testing services, building new storehouses and manufacturing intravenous solutions are much more complex. Furthermore, for the basic purposes of the project – improved drug import policies and distribution systems – substantive expertise is very limited in Uganda. Nevertheless, even in these condition, emphasis is placed on developing local expertise with a restrained use of foreign experts.

Danish aid supports decentralisation policy

Uganda Government policy supports decentralisation, but communities lack resources to respond. Danida committed substantial support to the District of Rakai to support community priorities. Other donors cited the excellence of the Danish approach which allows local leaders maximum flexibility in realising their aspirations. Danish aid helps address the problems most important to them and has gained credibility as a partner for solving difficult long-term problems.

In the $35 million village water project mentioned above, local communities are taking on significant responsibilities. Before a community receives help in establishing a source for saving water it must carry out a campaign to promote the construction and use of latrines or other systems of sanitation. Once the community qualifies, it organises community labour and the delivery of local construction materials. In addition, local organisations will take over from Danish aid authorities the responsibility for conducting and supervising the local firms which supply pumps, cement and other construction materials and the technical supervision of the construction workers.

...continues.....

Danish aid support training of women in non-traditional skills

A factory for the production of construction materials has brought pride and motivation to an entire community. At Masese, Uganda, Danish aid is financing an innovative NGO project which has so successfully trained women as carpenters that one of the project's greatest challenges is to replace those lost to private construction firms. The project was originally requested by a community of women who say that they were "prostitutes, drug addicts, and alcoholics, who did not even take their children to school." Today bricks and roof tiles from the construction materials factory have been used to build over two-thirds of the 500 homes in the community. Observers say this was an important factor in overcoming resistance from the males in this traditional community. The factory also produces latrine covers and curved bricks for water cisterns and materials are also sold for use in the construction of Danish-financed elementary schools and elsewhere.

A major constraint in this project, as in other start-ups of small businesses, is cash-flow, especially since imported steel is used extensively as a primary input to the manufacturing of the construction materials. Danish authorities have responded pragmatically with contracts to build additional school buildings at nearby localities where they are desperately needed.

Denmark addresses the problem of corruption

In several commodity-import programmes for Uganda, the local authorities have not yet been able to document the delivery of all the units of drugs or cement financed by Danish aid. The Ugandan authorities stated their respect for Danish tenacity in pursuing this problem. Although many commodities are urgently needed in Uganda, Denmark is now focusing on other forms of assistance for the economy and local communities, thus minimising exposure to the diversion of goods intended for aid purposes, while providing more effective catalysts for development. Furthermore, Denmark is supporting the Inspector General and the Auditor General of Uganda in their fight against corruption.

Denmark grapples with the issue of salary supplements

Like other donors to Uganda, the Danes supplement the salaries of civil servants who work on programmes supported by development co-operation. Danish aid also co-operates with the overall civil service reform aimed at reducing the phenomenon of "phantom" staff at increasing salaries. These supplements are necessary since Ugandan government wages are still insufficient to keep a family. Donors have agreed on a shadow schedule of compensation, on which to base salary supplement, which works rather imperfectly. A more basic problem, however, is that the dependence of counterpart officials on donor-provided salary supplements is fundamentally unhealthy for the development process and is a serious constraint in Uganda to local "ownership" of development co-operation efforts, Denmark is providing financial support to the major World Bank programme designed to address this issue.

Danish construction firms participate in high-priority infrastructure projects

The selection of infrastructure investments by Denmark is seen by its Ugandan counterparts and other donors as well focused. Danish firms are engaged in a sub-project of the construction of large additional hydroelectric capacity and in upgrading the airport runway and control tower functions at Entebbe airport. Electricity supply is very inadequate and an obvious constraint to development. Upgrading of the airport's performance will open up this land-locked country to more tourism and should offer significant additional opportunity to exports of perishable goods, such as flowers. The Danish contractors were selected on a competitive basis from a short-list of Danish firms. While the economic return on both projects should be excellent, Uganda's overwhelming poverty and debt situation would not permit commercial borrowing for these large projects. Finance was provided on the basis of Danish procurement.

Perception Study of Danish Aid to Malawi, 2000

Methodology

3. The study report describes the methodology as follows:

> The Study was conducted using two approaches desk study and a survey. Substantial amount of documents were obtained from the Royal Danish Embassy which gave an insight into the programmes under the cooperation. After the literature review, the consultant developed a survey instrument which contained both quantitative and open-ended questions. After discussing the questionnaire with the client, a survey was conducted throughout the country.
> Eighty-nine respondents were contacted, of whom 52% were from the central government, 15% from the local government, 14% from the donor community, 10% from the private sector, 7% from the civil society and 2% from other sectors. Twenty seven percent were female respondents. As to their ages, 33% were under 30 years, 34% were between 31 and 40 years, and 53% were over 40 years of age. Seventy-eight percent of the respondents had more than one year of involvement with DANIDA while the rest stated that they had been involved with DANIDA for less than a year. It should be noted that 51% of the respondents regard DANIDA as a Danish independent government agency for development assistance while 42% understand it to be a popular name for the development assistance of the Danish Ministry of Foreign Affairs.

General Findings

4. Answers to quantitative questions were summarised in the following table:

Item	% of Positive Responses					
	Overall	**Central Govt.**	**Local Govt.**	**Donors**	**Civil Society**	**Private Sector**
1. Overall contribution to Malawi's development	54	50	39	70	72	55
2. Interaction with DANIDA officials	61	58	26	89	89	64
3.Overall support of Malawi's development Needs	54	46	38	79	71	63
4. Programme Design	54	46	35	67	89	74
5.Programme implementation	45	46	15	68	58	37
6. Donor Coordination	42	40	42	83	22	38
7. Comparison with other donors	46	46	23	43	73	54

The Role of Danida Advisers

5. All aspects of such a study are affected by country contexts, but it may be interesting to compare different countries' experiences of using Danida advisers. The Malawi findings are reported as follows. Section II.6 of the study report gives the results of the survey; Section III.6 gives the interpretation and recommendations of the study's authors.

> **II.6. The Role of DANIDA Advisors**
> On the quantitative questionnaire, respondents were asked to rate the effectiveness of DANIDA officials. Table II.2 summarises the results.
>
> Overall, 61% of respondents feels that DANIDA officials are effective. Most of them perceive the officials to be competent, honest, reliable and accessible. In addition, their communication is clear and give consistent messages. However, these officials did not get high marks in respect for local knowledge and expertise, ability to adapt their knowledge to Malawi's needs and transfer of skills.

Table II.2: The Effectiveness DANIDA Officials

No.	The DANIDA Officials	DANIDA Effectiveness (% of respondents who feel DANIDA is above average).
1.	Technical competence	67%
2.	Honesty in their dealing with you.	65%.
3.	Reliability in delivering on commitments.	71%
4.	Clarity of communication.	70%
5.	Consistency of messages.	69%.
6.	Respect of local knowledge and expertise.	52%
7.	Accessibility.	68%
8.	Ability to adapt their knowledge to Malawi's needs.	52%
9.	Transfer of knowledge and skills	33%.

The respondents were also asked to give their perception of the role of advisors as they currently see it, whether the performance of the advisors meets their expectations and what they think the role of the advisors should be. The following are the responses:

The respondents had different perceptions of the role of advisors including the following:

- Providing technical advice and expertise;
- Overseeing and monitoring programmes to ensure achievement of objectives;
- Implementing and managing programmes;
- Capacity building and transfer of skills; and
- Advisory on and interpretation of DANIDA policies, rules and procedures.

On the question of whether or not the advisors they are working with meet their expectations, the majority responded in the affirmative but 32% of them stated that their expectations have not been met for the following reasons:

- They lack flexibility and knowledge of local situations;
- They lack competence, capacity and relevant experience;
- They are adamant, rude and do not treat Malawians as equal partners;
- They lack transparency in managing finances and spend too much time looking after DANIDA finances;
- Their job descriptions are not clear in terms of inputs and outputs;
- They are selfish in the use of programme facilities such as vehicles; and
- They are not available in field offices hence they are not accessible.

The following are the responses to the questions of what the role of the advisors should be or what should be done to improve their performance:

- They should help to build capacity of their counterparts;
- They should work closely with the beneficiaries up to the grassroot level;
- They should be more interactive and open-minded;
- They should reorient themselves to the local situation;
- They should have relevant qualification, experience and attitude;
- They should provide timely advice and leave nationals to manage the programmes;
- They should not be involved with financial management; and
- They should be provided with proper and clear terms of reference.

III.6 The Role of DANIDA Advisors

Over 60% of the respondents perceive that DANIDA officials are effective because they are competent, honest, reliable and accessible. However, they were rated low on transfer of knowledge and skills, ability to adapt their knowledge to Malawi's needs and respect of local knowledge and expertise.

On the question of transfer of skills, it is the same issue of the technical advisors abandoning their role of advising on technical matter and taking up the function of managing and implementing the programme activities. This approach sidelines the locals and creates a wall between the two parties making it impossible for knowledge and skills transfer. In addition, programmes are unsustainable after the programme when the technical advisors are no longer there since there was no skills transfer the locals fail to manage and implement the programme activities on their own.

Therefore, it is recommended that the technical advisors maintain their role as advisors on technical issues and let locals manage and implement programme activities.

The respondent also perceive that DANIDA officials do not have respect for local knowledge and expertise because it is felt that there are too many technical advisors and external consultant on DANIDA supported programmes. Apart from sidelining the locals, this result in most of the aid funds being spent in Denmark instead of Malawi. DANIDA could be doing a great service if it could build local capacity by advising the Malawian how to manage and implement programme activities instead of them (DANIDA advisors) managing and implementing the activities and by giving most of the consulting assignments to Malawian consulting firms and/or individuals. The perception about the disregard of local expertise comes about because DANIDA tend to give local consultants small assignments only but when the assignment is big, the tendency is that it will be offered to an external consultant even where capacity exist within the country. This disrespectful attitude could be minimized if the technical advisors were streamlined and more consulting assignment were given to Malawians.

Therefore, it is recommended that DANIDA technical advisors be streamlined. It is further recommended that DANIDA should reduce the use of external consultants in favours of Malawians in order to build local capacity.

On the inability of DANIDA to adapt its knowledge to the local situation, it is not being advocated that new approaches must be designed for Malawi but that the international best practices must be applied in the country after taking into account the prevailing circumstances locally. It is perceive that DANIDA does not do this and if it adapts its knowledge to Malawi's situation it is not very obvious to the respondents.

It is recommendation, therefore, that DANIDA officials should be flexible and open-minded such that they can incorporate the local circumstances in the international best practices before applying them in the country.

The respondents' perception of DANIDA advisors is that they are incompetent, adamant, rude, and selfish in the use of vehicle, inaccessible in the rural areas and they lack transparency in managing finances. The consultant believes that the Danish Government goes to great length to recruit competent and experienced advisors who are not rude and selfish. However, a minority who are not competent may slip through the screening process and find their way to Malawi as advisors and these few are the ones who are being talked about here. The consultant feels that it is unfair to generalize the situation.

We, therefore, recommend that in those isolated instances where the advisors are incompetent, inexperienced and rude, Malawi Government should discuss the matter with the Royal Danish Embassy so that corrective measures can be taken.

In addition to the above, the consultant understands that the recruitments of technical advisors and external consultants are done by the Danish Government without any input from Malawi. As cooperation partners, this activity should be done by both governments. In order to cut costs, the Danish Government could do the initial screening, shortlist the candidates and interview them. The CVs of three best candidates should then be sent to Malawi so that one could be chosen by Malawi Government.

Therefore, it is recommended that the recruitment of technical advisors and external consultants be done by both Danish and Malawi Government.

Moreover, when the technical advisor is in post, no one will know whether he is competent or not. Even though the CV may be good, it is possible that once on the job he may fail to deliver. Therefore, it is important to find ways of periodically assessing his performance.

Therefore, it is recommended that technical advisors' performance should periodically be assessed jointly by the two parties of the Cooperation Agreement so that corrective measures could be taken before things get worse.

The issue of letting advisors manage and control programme funds has come up again and our earlier recommendation that management should be responsible for the finances still stands.

Annex 2: Thematic and Sector Perceptions in Detail

Introduction

Here we have collated perceptions about different sectors and topics in more detail. In each case we give a brief background to Danish involvement in the sector, and an overview of the informants who offered perceptions.

2A. Perceptions on Danida's support to Agriculture

Summary of Danida interventions in the Agriculture sector 1987–2005

A.1 Danida's contribution to Ugandan agriculture over the period under review has gone through three distinct phases:

(a) An initial period (1987–1990) of *ad hoc* interventions prior to the establishment of the RDE in Kampala:
- bulk grain drying and storage
- farm forestry
- milk collection and processing and training in dairy husbandry and
- farm credit

These projects were complemented by balance of payments support to ameliorate the negative effects of structural adjustment and assist the recovery of the small farm sector.

(b) A longer period (1991–1998) of support to the recovery, through policy development and related investment:
- provision of more dairy infrastructure (Kampala and Mbarara), but within the framework of a dairy master plan which envisaged privatisation of the Dairy Corporation.
- the development of a national cattle breeding policy and the provision of support to the rehabilitation of an Animal Breeding Centre and Artificial Insemination service.
- assistance to farmers' organisations in Uganda through the establishment of an apex organisation (the Uganda National Farmers' Association) and district associations.

(c) Finally the period since 1998 of greatly expanded and more comprehensive assistance under Danida's own Agricultural Sector Programme Support (ASPS) Phase I which ended in 2004 and Phase II which is ongoing and within the framework of the Plan for the Modernisation of Agriculture (PMA).

A.2 The perceptions recorded do not cover the whole gamut of Danida's support to agricultural activities. For the scope and content of this support in the wider context of official development assistance and government's agricultural development policy, see Volume 4, Thematic Paper 1: Agriculture, Land and Natural Resources.

Informants

A.3 The perceptions of the agriculture component of the Uganda country programme are drawn from 30 informants:

- 13 *Danida* informants, of whom 6 are from the RDE, Kampala and 7 are project/programme officers. The Danida group consists of 9 men and 4 women.
- 17 *non-Danida* informants were interviewed. Of these, 3 were from central government, 3 from local government, 6 from existing and former government agencies, 3 from an NGO, 1 donor agency and 1 university academic. The non-Danida group consists of 14 men and 3 women.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case. The informants may have changed category during the 20-year evaluation period and the category used here is the most appropriate given the experience of the informant that shapes the perception. The group of informants has experience that spans the period of Danida's programme in Uganda under evaluation.

Perceptions

A.4 General perceptions of Danida's assistance to the agricultural sector include:

- *"Danida is a household word. If Danida stood for presidency, it would win – especially in rural areas."* (D)
- *"When we talk about gender or agriculture, we say Danida."* (D)
- *"When developing the PEAP, Danida people were called in as key stakeholders in the agriculture and infrastructure working groups."* (D)
- *"Danes working in agriculture in Uganda have their feet on the ground. Danida's knowledge is rooted in two decades of field experience and this provides for a more operational dialogue. With ASPS II, Danida is one of the strongest donors in the sector."* (D)
- *"Danes may have their feet on the ground, but not those in the Embassy" "Danish initiatives are sometimes regarded as slightly eccentric and curious by other donors."* (ND)
- *"Danida were the strongest donor in the agricultural sector in the late 1990s, but they are not now."* (ND)

A.5 In the **first phase (1987–1990)**, the period of the Economic Recovery Strategy, rehabilitation of the infrastructure of parastatals received priority and Denmark funded the construction of **grain drying and storage plants** at Jinja, Kawempe and Kyazanga, for the former Produce Marketing Board (PMB). This was the principal project of the period and involved expenditure in excess of DKK 90 million. It was a failure for reasons relating to the construction and technical design and the lack of financial probity of the PMB.

A.6 Few Danida informants professed to have any knowledge of the early period covered by this evaluation. Those who were present in the early period acknowledge that they have fading memories because it was a long time ago and/or because they were not directly involved with large projects, since decisions about them were made in Copenhagen:

- *"Some of the bigger things were: the wheat* [sic] *mill in Jinja, the ferry, the dairy in Entebbe. … Dairy: this was an old Danish project that had collapsed and which we brought back to life. …* [Did any projects fail?] *"There may have been* [failures], *but I can't recall – I would have to check."* … Danish development cooperation with Uganda

during the National Resistance Movement era was seen as exemplary "*because we avoided tying it to any particular Danish interests". … There was not a lot of donor co–ordination, we were just working closely with the Ugandan government.* (D)

A.7 Non-Danida perceptions of this period are generally less positive. Because non-Danida informants were directly involved with the implementation of the projects, their recollections are probably sharper than those of the Danida informants from the same period. The grain storage facilities constructed during this period are criticised.

Box A2: Grain storage at Jinja, Kawempe and Kyazanga (1987–1990)

- *"The grain storage facility constructed at Jinja in the early 90s has never been effectively used as it was constructed in the wrong place and too near a swamp. The silos should have been raised on piles. The shortage of electric power in the area at that time meant that the complex could not be dried out. Following privatisation, an attempt was made to sell or lease them but nobody was interested and they have been largely empty ever since. … Debt accumulation was taking its toll on PMB's operations. This was probably not directly revealed to Danida at the time, but they* [the consultants] *were naïve in their investigations. They did not study the company's financial operations before proceeding with the project. … Government lost confidence in the PMB and became reluctant to meet commitments made to Danida. In the eyes of Government, the PMB had lost its reputation. Further funding was refused. PMB was beyond saving. Danida provided a financial management specialist, but there were no longer finances to manage, and a Procurement/Marketing Specialist when there was nothing to market."* Nonetheless the project continued to have political clout. It was the biggest visible investment of the regime. Museveni brought Mandela to see it in 1993. "*Museveni may not have known that it was a white elephant, but the Ministry and Board of Directors certainly knew. And the staff knew.*" (ND)

A.8 The **second phase (1991–1998)** of assistance was not much better. Despite a well-formulated Dairy Master Plan, Danida went ahead with funding the rehabilitation of another dysfunctional parastatal and the construction and equipping of the **Kampala Dairy** and related milk collection facilities in Mbarara.

- *"Danida and the Ministry reached an agreement with the Dairy Corporation in 1993 on the redistribution of equity to farmers on the privatisation of the Kampala plant. But the plant is still in government hands. It has been badly managed and Danida has given up raising the issue in the annual consultations."* (D)

A.9 However, the dairy programme is perceived to have had a significant impact. The general view is that it has raised Danida's profile in Uganda, an effect which continues today. The milk coolers introduced at the time have become symbolic of Danish aid in Uganda. Museveni is reported to have remarked on several occasions: "*Denmark… Denmark. You have made my people rich*" with direct reference to how Danish milk coolers had transformed milk collection from small producers [in the president's home region]. The President also maintained that Denmark had first of all wanted to fund a much grander scheme, but had been willing to listen to the Ugandan view that simple milk coolers were what was needed:

- *"The Dairy Master Plan project funded by Danida provided the road map for the development of the industry."... "A very good piece of work which led to the transformation of the industry." … "The rehabilitation of the Dairy Corporation was*

very successfully done." … *"Without this, the industry would never have developed. Danida made a difference."* (ND)

A.10 In the same period, Danida also heavily backed the **Uganda National Farmers' Association** (UNFA) as a less costly alternative to the government extension service funded by a credit from the World Bank. But the **UNFA** (and its successor the Uganda National Farmers Federation (**UNFFE)**) and many of the constituent farmers' associations have been unable to establish themselves as viable institutions funded by members' contributions, as anticipated by Danida's consultants.

Box A3: Uganda National Farmers' Association (UNFA)

- *"I don't really remember* [how the project began]. *... it was driven by the NGO that wanted to do it – the Danish cooperative society."* (D)
- "*The farmers' associations were expected to survive by recovering the costs of the services they offered, but it is difficult to recover costs if poor farmers can still enjoy free services from a government extension service running in parallel and from NGOs funded by other donors.* The UNFA "*came to rely on Danida*". In addition: '*The situation was made more difficult* [for Danida] *as the leaders of the UNFA used the organisation as a vehicle for promoting their political ambitions.*" (D)
- Today the UNFFE is perceived as being a particular "*burden – the hardest work we have on our books*" … Danida has given them "*too much too fast"*. (D)
- The UNFFE component "*is not very effective"*. It is a "*top-down set up"* which "*needs to be overhauled." "It is difficult to see what they are doing for small farmers."* (ND)
- Under ASPS-II continuing efforts are being exerted to get the district-level Farmers' *Associations* on their feet by making available "*challenge"* funds for particular extension "*packages"* This obliges the district Farmers' Association to "*tailor the programmes to fit the purpose budgeted for, but it is difficult because poor farmers have many problems*". (ND)
- From the farmers' organisations there is a perception that: "*We cannot do without Danida. … We still need support, but we are trying to become self-supporting.*" (ND)

A.11 The **third phase (1999–2005)** of Danida assistance to agriculture followed the publication of the PEAP in 1997. The **Agriculture Sector Programme Support Phase I (ASPS-I)** was designed with the overall objective of poverty alleviation in rural Uganda, taking into account the rôle and functions of the agricultural sector and the need for strategic support. ASPS-I comprised seven principal components:

- Support to Ministry of Agriculture, Animal Industry and Fisheries' (MAAIF) policy, planning, technical guidance and regulation;
- Agricultural Training and Education;
- District Agricultural Training and Information Centres (DATICs);
- Livestock Systems Research Programme (LSRP);
- Farmers' Organisations (UNFA);
- Household Agricultural Support Programme (HASP);
- Rural Financial Services (RFS).

ASPS-I in general

- ASPS-I was perceived as being more of a project than a programme. This raised issues of coordination in the past: *"It did not have a long-term vision and was rather ad hoc."* (ND)
- "*The performance of ASPS-I was very good. … ASPS I outputs were very clear. …* [The Chief Technical Adviser] *worked well. … Government was aware of what was taking place. … The policy was provided by the sector. … Technical assistance worked with government."* (ND)
- Danida and DFID are believed to have driven the PMA and the outcome of the PMA planning process enabled Danida to design "*a consistent programme*". (ND)

A.12 The objective of the **Household Agricultural Support Programme (HASP)** was to raise the income of poor farmers and households. HASP was piloted in five of a planned six districts (i.e. one third of the sub-counties in the districts of Kabarole, Rakai, Masaka, Pallisa and Tororo) with a view to targeting the poorer sections of the community through capacity development and the use of participatory methods. At the same time, the programme sought to develop the capacity of local government structures to respond to their needs and test and demonstrate emerging policies relating to the liberalisation and privatisation of agricultural support services by working with so-called 'common interest groups', which numbered over a thousand on completion of the programme.

Box A4: Household Agricultural Support Programme (HASP)

- HASP was "*a good programme, supporting the poor*" in which "*ASPS-I obtained useful lessons of working with groups*"…..."*NAADS* [National Agricultural Advisory Service] *is benefiting from these groups set up under HASP.*" (D)
- *"MLG implemented HASP as one of the ways of trail blazing PMA-related activities. HASP was a popular programme, limited to one third of the sub-counties in five districts (Kabarole, Rakai, Masaka, Pallisa and Tororo). It was very important for the sub-counties to have something to show. Over 200 Common Interest Groups (CIGs) were formed, but HASP was killed in its infancy and not followed up in ASPS-II. It was felt not to be consistent with the private, service-provider advisory system of the PMA."* (D)
- *"HASP taught a lot of lessons and made some excellent achievements. But it was also a very expensive project (per unit), running in parallel to government programmes and within the government institutions and often duplicating their work. Prospects for sustainability were nil."* (D)
- "*The HASP was a source of innovations. More recently groups are writing applications for grants to NAADS. Under HASP, grants were provided to farmers' groups so that they would make good use of the seed capital and go on to borrow and invest. Although 75% made good use of their HASP grants, very few have sought loans for further investment in agriculture. Why? Because bank charges are wild!"* (ND)
- *"HASP was limited in extent and spread over five–six districts. To a great extent it was successful and popular with farmers. It started in a small way and made good use of the resources available. It improved the capacity of extension staff to deliver services to community-based, farmers' groups, mostly poor households, and in turn improved the capacity of farmers (women as well as men) in production and marketing. It was a demand-driven process; the number of groups increased significantly by the time I left. Former HASP groups are now under NAADS, indeed NAADS swallowed them when it was given the mandate to run the extension service."* (ND)

A.13 ASPS-II, the most recent phase of Danida's assistance to the agricultural sector, adheres to the government's current guidelines for the sector, as set out in the PMA, and is designed with the overall objective of poverty alleviation. With more limited scope than ASPS-I, ASPS-II comprises five principal components:

- Support to MAAIF's National Reform Process
- National Agricultural Research (NARO/NARS)
- National Agricultural Advisory Services (NAADS)
- Agri-Business Development Component (ABDC)
- Support to agricultural recovery in the northern districts

A.14 The change in strategic focus from ASPS I to ASPS II with the addition of the agri-business component is perceived as being the outcome of a learning and adjustment process: "*the* a*griculture programme is an area where we are being realistic; the programme is in its second phase, an acknowledgement of the need to support modernisation; not just concerned with subsistence* peasant *farmers, but recognising that it's necessary to get farmers who are already economically active to be even more so.*" (D)

A.15 In contrast, Danida's ASPS II design is perceived to be effective: "*I think the mix* [of Danida's ASPS II] *is excellent. Our strength is that we contribute to the government's programme as well as the private sector.*" (D) Comments on the effects of this strength are:

- *"… buys us a seat at the policy table."* (D)
- "*… provides buy-in; it gets us a seat at the PMA table.*" (D)
- "*We support NAADS and NARS, but we are also in direct day-to-day* contact *with farmers' organisations and agri-business.*" (D)

One informant highlighted that at the design stage of ASPS II, the Danes had the upper hand which was fortunate because *"a lot had their hands in"*. (D)

A.16 However, there are some negative perceptions of the sustainability of ASPS II. One view is that the programme is perhaps too market-orientated and in a determination to make markets work, there is perhaps too much "*pump priming"* by Danida. For example ASPS II collaboration with "*the big boys*", in the interests of contract farmers and out growers, "*may be transferring normal production risks to the donors*". The question remains of: "*How sustainable is it?*" (ND)

A.17 The institutional arrangements of ASPS II are "*dysfunctional*": "*The ASPS II is not under the PMA Steering Committee but under the PMA Secretariat.' How can you have a programme within a programme? The counterpart* [of the Team Leader/Sector Adviser] *is an employee of PMA which is not an official government institution. There is no reporting mechanism to Agriculture, unlike ASPS-I which had coherent reporting arrangements.*" (ND)

A.18 In general however, the perception of ASPS II is positive. A typical comment is: "*The current phase looks comprehensive enough.***"** (ND) There appears to be little appetite among informants for a complete overhaul and redesign of the programme. The overall tenor of comments is rather that the programme needs to be expanded: "*We need more of the same. This is not the time for major change.*" (ND)

A.19 The National Agricultural Advisory Services (NAADS) is a semi-autonomous body with a mandate to develop a demand driven, farmer-led agricultural service delivery system targeting poor subsistence farmers, with an emphasis on women, youth and people with disabilities. The programme was officially launched in March 2002. It commenced in a handful of trial districts and will continue to expand until all the districts in the country are covered within the first 7 years of implementation. Under ASPS-II, Danida contributes to a basket fund for NAADS.

Box A5: National Agricultural Advisory Services (NAADS)

- There is a perception that increased corruption may arise as a result of the introduction of the NAADS private service-provider advisory system. "*Who will get the contracts – local politicians? … The big pay will not go into the pockets of those who do the advisory work, but the companies that get the contracts and then sub-contract the advisers for a reduced fee.*" (D)
- The low level of resources allocated to NAADS and the resulting limited coverage of districts is criticised: "*when the government got NAADS, they put less emphasis on agricultural extension, they think that NAADS is addressing everything, but the money is too little for it to do that.*" (ND) The result is that the NAADS programme acts as "*spot treatment.*" An informant expressed the opinion that "*agricultural extension under AEP* [Agriculture Extension Project] *was much better than NAADS*". (ND)
- In addition with the change from HASP to NAADS, there have been changes to how funds are disbursed. These changes have caused unhappiness among groups formed under the HASP scheme. However, although various differently named, groups rise and fall to take advantage of various short-lived schemes of government, NGOs and Farmers' Organisations: "*they are the same farmers down there"*. (ND)
- A suggested solution is that Danida could "*make a greater contribution to NAADS and shift more resources to supporting mainstream policies and programmes*". (ND)

A.20 Within ASPS-II there are several contrasting views on direct budget support. A portion of the ASPS-II budget is allocated to NAADS and NARS through a basket-fund mode of disbursement. Funds are also channelled to the districts and sub-counties by way of the PMA Non-Sectoral Conditional Grant. These contributions to basket funds continue to provide Danida with its seat on the PMA Steering Committee. Other activities are directly funded and managed by ASPS-II partners (e.g. the Agri-Business Development Component), subject to RDE guidelines. The remainder of the budget is handled by the appointed sub-programme managers.

A.21 One view is that the distinction between ASPS and direct budget support funding arrangements are somewhat 'philosophical' i.e. hair splitting: "*we would be most happy if we were writing out a cheque to the ministry.*" (D) Another view is that:

- "*Donors are increasingly frustrated with budget support because of what they have seen with the transfer of funds. But they no longer have staff on the ground so their hands are tied"*. By not providing direct budget support "*Danida is one of the few donors with its feet on the ground"* and that "*DFID is providing direct budget support and now they are coming to us wanting to shift some of their resources to support farmers directly. They want to piggy back on Danida. Both the Dutch and the British have come forward.*" (D)

A.22 Danida was favourably compared with other donors by both Danida and non-Danida informants:

- Danida's strength is contrasted with the weakness of another donor – USAID: "*The USAID project refuses to have anything to do with government and misses out."* (D)

- *"Denmark's commitment to our programme was outstanding. The PCU* [Project Coordination Unit] *management and the RDE were accessible to us throughout. Compare the World Bank which is distant, negatively bureaucratic."* (ND)
- *"We find Danida money much better compared to USAID money because we agree on how to spend it. We prepare work plans together with Danish consultants. … USAID tells you how to spend the money and does not use existing public sector institutions preferring to work with the private sector directly."* (ND)

2B. Perceptions on Danida's support to Decentralisation

Summary of Danida's Intervention in Decentralisation 1987–2005

B.1 Decentralisation has been one of the main political and administrative themes of the Museveni era in Uganda. The National Resistance Movement (NRM) had set up local Resistance Councils in the areas it took over, and when it became the government it saw democratic local government as an antidote to Uganda's unhappy history of political strife and division at national level (see Background Paper 2: Political and Social Context). Danida had strong empathy with this interest in democratic decentralisation. It is committed to the principle of participatory development, and, from the beginning, institutional development was one of the main strands of Danida's programme in Uganda. Moreover, Denmark itself has a highly decentralised local government system.

B.2 The main elements of Danish support to decentralisation in Uganda were:

(a) Support to the formulation and implementation of decentralisation reforms. Under this heading, Danida was the main supporter of the Decentralisation Secretariat within the Ministry of Local Government (MLG), and provided capacity building support to the local government associations of Uganda (ULAA/ULGA). It also supported a donor coordination unit within MLG.

(b) A district development programme in Rakai (the RDDP). This began in the early 1990s and Danish support continued until June 2006. In many ways the Rakai programme served as a test-bed for models of decentralisation which were later rolled out across the country,

B.3 From the mid-1990s a number of other donors also sponsored district-level programmes. After the Local Government Act of 1997 and the introduction of the Poverty Action Fund (PAF) in 1998 there was an upsurge in the provision of basic services through local governments. The Local Government Development Programme (LGDP) led by the World Bank set a common pattern and a harmonised donor approach to district support. Denmark became one of a number of co-financiers of LGDP, but also retained a leading role within the donor group concerned with decentralisation.

Informants

B.4 The perceptions of Danida's decentralisation component of the Danida Uganda country programme are drawn from 37 informants:

- 12 *Danida* informants gave perceptions, of which 7 are from MFA Copenhagen, 2 from RDE, Kampala and 3 Danida project/programme officers. The Danida group consisted of 8 men and 4 women.
- 25 *non-Danida* informants gave perceptions, of which 8 were from central government, 11 from local government, 3 consultants, 2 NGOs and 1 from an independent government agency. The non-Danida group consisted of 19 men and 6 women.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case; where relevant the sub-category of informant is highlighted. The informants may have changed category during the evaluation period and the category used here is the most appropriate given the experience of the informant that shapes the perception. The group of informants has experience that among them spans the period of Danida's programme in Uganda under evaluation.

Perceptions

The perceptions reported in this annex are grouped as follows:

- overall perceptions of Danida's role in decentralisation;
- perceptions on why Denmark came to be the leading donor supporter of the decentralisation process;
- perceptions on its support to the Decentralisation Secretariat and other national-level interventions;
- perceptions on the Rakai programme;
- perceptions on the success or otherwise of decentralisation and Danish support for it.

B.5 All informants have the **overall perception** that Danida was very instrumental in the local government decentralisation process, with the perception that Danida's past support to the early legal and institutional reform in decentralisation was highly important.

- *"Danida drove decentralisation."* (D)
- *"All the things we are doing* [in decentralisation], *Danida contributed: they laid the base."* (ND)
- "*Decentralisation is where Danida's main influence is seen.*" (ND)

B.6 Government informants make clear that **Danida's initial involvement** was somewhat fortuitous. Government had already embarked on its decentralisation process and was looking for technical advice and support. The Permanent Secretary of the MLG had worked in Zimbabwe with a British consultant, whose work there had been financed by Danida. MLG approached the Danish embassy in Kampala to see if they would fund the same individual. But there were also considered reasons for seeking Denmark's assistance in particular. MLG were already committed to real devolution, not the colonial tradition of local government. They felt that neither an ex-colonial power, nor the World Bank would be on the right wavelength. They came to see Denmark's decentralisation experience as being highly relevant: a Ugandan team visit to Denmark (which included meetings with local authorities and the Danish local authorities association) was reportedly convinced that Denmark's approach was what Uganda needed.

- *"We picked the Danish type, because it involved real devolution (which was already the de facto position in Uganda)."* There was a World Bank proposal; this had more focus on the financial management of resources at local level – "*the financial management minus the political devolution aspect". …* "[We] *rejected the World Bank approach*". *"After that the World Bank tended to withdraw. The President sided with us.*" (ND)
- The Danes were chosen because "*we were looking for a different approach*" [not the UK colonial model] *… felt Denmark was a … country that had decentralised a great deal, and so would understand our situation*". (ND)
- "*We were quite impressed* [after a team visit to Denmark] *and convinced that what they had was near to what we needed.*" (ND)

B.7 The initial relationship with Danida became an enduring one. In the early 1990s, Danida is perceived to have been at the forefront of assisting government in crystallising decentralisation policy, formulation of the Local Government (LG) Act, and writing of LG financial accounting regulations. Government informants attribute this relationship very definitely to the style of working that was adopted by Danish experts and Danida-funded consultants:

- "*They had their own ideas – the way decentralisation is done in their own country; but the good thing was the way they came and sat with us, were open to government, and were willing to go the way the government wanted to go.*" (ND – central government)

- "*We deal with them comfortably. … The EC still wants to use* [project units]*, and USAID is dedicated to implementation via third parties. The Irish and the Dutch are still posting people at district level*". The Danes "*are not rigid in their designs. When a new policy comes up, they are open to change*". (ND – central government)

B.8 As regards the use of consultants, a non-Danida perception is that Danida's approach is to be praised. The attitude of Danida consultants is thought to be helpful: "*their teams were ready to listen ... attitude of 'what is it that you want?'*" In addition there is the perception that Danida used local consultants. While Danish experts were used too, they were in Denmark in contrast to other donors that "*insist on bringing their people and making you sit with them*". (ND – central government)

B.9 Related to this is a strong government perception that it was the government and not Danida which led the process: "*the decentralisation policy we worked out ourselves*". (ND)

B.10 Non-Danida informants nevertheless saw Danida **funding** as crucial: the consultancy and other support required could not have been obtained from the GOU budget. Uganda was happy to have just Danida as the main supporting donor at the beginning:

- "*Because Danida provided almost all the support* [we needed] *we didn't make overtures to other donors.*" (ND – central government)
- Another important factor was that "*Danida resources were grants and* [some] *other donors wanted to come in with loans*". (ND – central government)

B.11 The government found other donors to be sceptical and they only came on board much later when they saw it was a successful and popular policy:

- "*In due course, donors came to appreciate decentralisation as a way of getting funds/services to the people.*" (ND – central government)

B.12 Non-Danida perceptions also highlight that Danida was the founding donor, prepared to take risks:

- "*Today Danida is not talked about; if you read the speeches made at policy and technical level you find that everyone else is now a player, but the ones who went into a high risk enterprise were Danida, and that should never be forgotten.*" (ND)

B.13 Both Danida and non-Danida informants highlight the **importance of individuals** in this process. A Danida perception is that success depended on linkages between key individuals as well as close working with the Decentralisation Secretariat (DS) and the MLG. A non-Danida informant emphasised the importance of continuity of personnel involved, from stability at the helm of MLG to the consistent support of the President. The individuals who spearheaded this process (across the board and at all levels) were perceived to be "*down-to-earth*"; they were committed to the process, and continuity was important:

- "[They were] *at it for a long time – enough time to conceptualise, innovate, plan, test through implementation and review. … Things might also have been different without stability at the helm – it would have been different if MLG had had five different ministers. … personal relationships played a very, very key role.*" (ND – central government)

B.14 More recently, Danida has not had the same pre-eminence in decentralisation, although still regarded as an important player. This is seen on all sides to be a consequence of decentralisation "taking off" and many more donors coming on board. There are some non-Danida perceptions that the relatively meagre funds available through Danida are a factor:

- "*They have little money. Big things come up but they have little money. … In our culture, when you have a wedding, you ask for contributions; you cannot complain about how much people contribute* [but] *I am not satisfied with quality if the quantity is small; they could have done better with more resources*." (ND – central government)

B.15 There is still a perception that Denmark can offer exceptional expertise on decentralisation issues, based on both its international expertise and its Uganda experience. A non-Danida perception is that Danida has a comparative advantage in decentralisation because, of the donor group, they were the ones that went into supporting decentralisation first:

- "*I genuinely believe that Danida has comparatively very strong advantage in decentralisation.*" Concerning Danish experts: "*they may be hired by Danida because they are Danish, but that isn't why the World Bank hires them"*. (D)
- "*They were interested in governance at a time when other donors were focused more on service delivery.*" (ND)

B.16 Danida presently participates in joint funding of the Local Government Development Programme (LGDP), which is led by the World Bank. A Danida perception is that the World Bank behaves in a way that is hard for Danida: it buys vehicles and computers, and fails to enforce trigger conditions. Danida asks additional questions: this doesn't delay release of funds, since the Memorandum of Understanding binds other donors to the World Bank's assessment, but it sends a signal about Danida's concerns

B.17 One component of Danida's strategy was support to the **Decentralisation Secretariat** (DS). Non-Danida perceptions highlighted the importance of the DS in the early days of the decentralisation reform:

- "*You have probably already heard how useful the Decentralisation Secretariat was.*" The DS "*took us through the basics of what's required from a LG; provided lots of guidelines etc*." (ND)
- "*The Decentralisation Secretariat was an innovative institutional arrangement for kick-starting the policy.*" (ND)

B.18 Danida's support to the DS is believed to have been key as Danida were the "*backbone and funders*" of the DS. (ND) There is a perception that the Danish support insulated the DS from direct public service management:

- They concluded it would be better to have a separate organisation to manage the decentralisation process (producing design papers etc) as opposed to expecting the substantive Heads of Department to do it. Heads of Department would be subject to transfer and also had certain historical attitudes to decentralisation; they might not be willing to relinquish powers.
- Although initially the DS did create some friction within MLG, this was only human in view of the top-ups and facilities the DS received, but "*it didn't develop to the point of sabotage*". The Permanent Secretary played it well so that HoDs were benefiting in one way or another. "*These brains got stabilised because of the top-up and* [being preserved] *from transfer*." (ND-central government)

B.19 Danida ended its direct funding of the DS when it considered that it had completed its innovative work and its continuing functions should be mainstreamed within the Ministry, but it was kept in existence for a period after Danish funding ceased. When it was finally terminated, the individuals who had worked for the DS moved on (e.g. to private consultancy). It is perceived that there was no possibility of them joining MLG because their salaries had been far higher.

B.20 There is some controversy about Danida's exit from the DS.

- *"While some people thought* [when Danida stopped supporting the DS] *that it was like abandoning your baby, others understand that Danida stopped because the investment had been negative. …* [The DS] *was becoming like another department of the Ministry but financed by a donor*." (ND)
- "[Danida] *should answer* [why they stopped funding the DS]. *First of all, they were telling us that they had done their part; it was time for government to take over. Another view is that Danida were trying to change their approach, to bring in their experts to the Ministry, and the Ministry didn't accept it."* (ND)

B.21 There are also a number of views on whether Danida's exit from the DS was well-handled. The majority of Danida and non-Danida informants think that Danida gave plenty of notice before stopping funding the DS:

- It wasn't considered to be an abrupt move, "*there was plenty of notice"*. (ND)
- "*Well, they announced it early enough; you can't blame them.*" (ND)

B.22 However an alternative non-Danida perception put across a point of view that the exit was too drawn out: the DS existed for years after the decision to phase it out had been announced, and during that time, it was very ineffective because of uncertainty and loss of morale: "*An example of how not to make an exit*". (ND)

B.23 There is a Danida perception that the MLG did not think Danida was "*serious*" in its intention to close the DS. Neither Danida nor non-Danida informants judge that MLG had capacity to fill the DS role. GOU money is perceived to have kept the DS going for another three years or so. A non-Danida additional comment is that by exiting from the DS, Danida "*was not really mainstreaming*" because the funds Danida had been providing stopped; they weren't channelled into the whole Ministry instead. (ND)

B.24 Both Danida and non-Danida informants consider that Danida took risks in undertaking the **Rakai District Development Programme** (RDDP):

- They were also the first to come in … when other donors were hesitant. Especially with decentralisation "*nobody wanted to put their money far from the bank, in the forest*". (ND)

B.25 According to Danida perceptions, the genesis of the Rakai programme was Danida's keenness to get local experience before taking developments to a higher level. There is a perception that Rakai was a component of Danida's Uganda programme that needed persuasion within Danida, as district development projects had fallen out of favour: "*the Danida establishment was against it"*. (D) This was related to adverse experiences with such district-level activities, in neighbouring Kenya where the Danida-funded Rural Development Fund had

been overtaken by corrupt practices and had to be closed, and also in Bangladesh where it is perceived that "*Denmark had burned its fingers*". (D)

B.26 The Danida perception is that the RDDP strategy placed a strong emphasis on a participatory approach to ensure the involvement of local people in planning the actions which would meet their needs. The low-key approach to sustainable social and economic development in the district over a period of 20 years was deliberate: "*Rolling in big time with experts would be disastrous*". (D)

B.27 The Danes are considered to have supplied practical support on how to decentralise development budgets, with Rakai as the prototype. The Danes were asked to provide technical assistance, but technical assistance to operate in a way that would support the District Development Plan. This is perceived to be close to the idea of budget support:

- "*Let's give people the freedom to do the planning and we only come to support them with money and technical guidance*" and "*build capacity on an incremental basis*". "*That's exactly what we did in Rakai*." (ND)

B.28 Although Rakai was the pioneer of district planning, there were fluctuations in the degree of discretion accorded to the district authorities, and particularly in Danida's willingness to fund the district budget directly. Informants (Danida and non-Danida) cite the corruption uncovered at the centre of the RDDP in 1997 as a turning point: "*Danida people weren't feeling safe. … The main driving force was corruption. It was – is – a very big problem.*" (ND) Many informants consider that the RDDP concept then changed significantly as Danida tried to bring the programme under control with an emphasis on strict **accountability**:

- the Rakai programme at the end was "*purely a project, controlled top-down*". (ND)
- Rakai was then managed in "*project mode*" under close supervision by local and RDE programme staff. "*Efficient use of resources* [in Rakai] *is a big issue. … Workers know what to do but won't do it. They prefer to do it in a way that allows them to make some savings on funds.*" (D)
- "[Danida] were *always wanting more strict control of financ*es." (D)

B.29 The majority of non-Danida informants perceive that Danida's response to discovering the corruption in the Rakai programme was positive.

- "*Danida's reaction to corruption in Rakai? They had a valid issue.* [It is] *a credit to their system that they were able to detect corruption. … It is important to use value for money checks* [as well as the standard paper trail]." (ND)
- "*People remember the corruption scandals in Rakai and the fact that Danida stopped their support. This was noted with interest and pleasure by* [NGOs and Churches] – *they are used to seeing people get away with it.*" (ND – NGO)
- Danida is strict; it is one of the donors that is strict on accountability. "*I think that it is the way it should be.*" "*The DS was a project-based institution, so* [it] *could always do accountability the way they wanted; Rakai was different, more difficult.*" (ND – central government)
- "*Denmark is very strict on accountability – complete zero tolerance about anything to do with mismanagement of funds. Generally speaking I think Danida have helped the country – and I really value Danish support. Maybe they also have a point. African countries have never been very accountable – why should we get money from their*

taxpayers to mismanage or steal it? The country will eventually become corruption-free." (ND – local government)

B.30 On the other hand, there are some non-Danida perceptions that Danida's response to discovering the corruption in the Rakai programme was "*problematic*". (ND – local government) The perception is that sometimes Danida are "*inflexible"* and "*overbearing"* on accountability issues which results in too much top-down control.

- In Rakai they insisted that the planner was sacked, despite his long service – "*it was a direct intervention in the administration.* [Danida] *wrote a number of letters that this man must go. … They froze the account.* [Rakai] *was forced to carry out an undemocratic decision because beggars don't have choice, because* [they] *wanted the money to be released. Two other people went to court at the same time and* [government] *had to pay them a lot of money in compensation.* [It's] *not good to force an organisation to sack somebody.*" (ND – local government)

B.31 Danida's RDDP ended on June 31 2006.[7] Non-Danida informants reported concern over Danida's **RDDP exit**. In particular the dominant non-Danida view was that due to unanticipated challenges (the loss of local revenue collection due to the abolishment of the graduated tax (G-Tax) and the capacity issues for new LC3 councillors due to working in a multiparty context for the first time): "*It's not wise for Danida to withdraw now. … Danida has a duty to face these challenges. … If they pull out, things will decline*". (ND)

B.32 Looking at the **RDDP impact**, the programme is considered by Danida informants to have been overall successful and a worthwhile experience. One of the key achievements is considered to be the piloting of decentralisation. It is thought to have demonstrated the feasibility of the rapid transition to decentralised government in 1994. RDDP is also believed to have been "*a very useful learning process*" for Rakai, for GOU and for Danida. Danida informants highlight that some battles were won: the District Development Plan, the decentralised Rakai council budget.

B.33 The non-Danida consensus is that Danish contribution in Rakai was important.

- "*I'm now proud to say I'm from Rakai. At secondary school I couldn't mention it.*" (ND – local government)
- "*Danida made a difference* [in Rakai]." (ND – local government)
- "*Danida built up Rakai District.*" (ND – local government)
- "*They helped to bring the district up to LGDP standards.*" (ND – central government)
- "*Danida has a very high profile in Rakai down to LC1 level – not necessarily the residents of Rakai, but certainly for all the councils, Danida is a household word.*" (ND – NGO)

B.34 There is appreciation from non-Danida informants of Danida's investment in **RDDP capacity building**, and some success is perceived:

- "*Danida strengthened our human resources department. … We no longer need consultants – everything was done by consultancies in 1994.*" (ND)
- Capacity building has been a major benefit for staff. "*That's why people applied for jobs in Rakai.*" (ND)

[7] Just under one month after the evaluation undertook the majority of the Perception Study interviews.

- Danida "*made a huge investment* [in capacity building in Rakai] *and some of the* [building] *blocks are still there*". (ND)
- "*Danida focused on capacity more than output* [in Rakai]. *It was more flexible, more orientated to systems development than product.*" (ND)

B.35 A Danida view is also that Danida was right to focus capacity development and technical assistance on a Ugandan-led District Planning Unit, because this allowed the elected Council to function and take decisions.

B.36 However, there is also some criticism of Danida's capacity-building strategy from non-Danida informants. There is a criticism that Danida's "*huge investment*" in infrastructure did not take account of the capacity of the District Council to raise revenue for maintenance of the infrastructure. Another criticism is aimed at the perceived assumption that if Danida empowered LC5, it "*will trickle down to the lower levels"*. Instead it is thought the effect was more to institutionalise control over the lower levels by LC5 (especially because of the MLG decision to devolve funds to sub-counties through LC5) and to get around this, capacity-building efforts should also have focused at sub-county (LC3) level. Another view is that if Danida had paid more attention to civil society and to economic development, they might have contributed to a situation where people were better able to pay taxes for services and maintenance.

B.37 Therefore, while it is perceived that a lot of capacity was built by Danida's RDDP, the sustainability of the programme's impact is questioned by several non-Danida informants. There was concern that the exit of Danida would have a seriously adverse effect on the district. The RDC team was severely demoralised ("*in lamentations*") as the project closed. Their perceptions were that:

- The highly qualified personnel that the district had obtained/attracted through Danida funding is likely to quit the district.
- The planning process at the district is likely to be adversely affected.
- Although it was evident that Danida had helped the district to increase revenue through the Revenue Enhancement Programme, revenues had already fallen because of abolition of the G-Tax and are likely to fall further with Danida's exit. There is a non-Danida perception that Danida could have continued to help Rakai strategically – e.g. on economic development to support the revenue base. (In this view, the issue is not revenue collection but revenue generation and mobilisation.)
- "*Danida did not prepare the district for the exit of funding.*" (ND – local government)

B.38 There is a general perception that **the decentralisation programme as a whole was successfully implemented.** Non-Danida informants highlight the importance of the environment in Uganda at the time: it is perceived there was a *"euphoria"* driving forward the process of decentralisation, internationally and within Uganda. Non-Danida informants believe that Uganda had just had a watershed in her rather challenging political journey, had a *"clean slate"* and had demonstrably committed herself to new forms of people's democracy (the Local Council System). Danida informants agree that Uganda's development at the time was progressing very well.

- *"There was euphoria at the time, of power to the people, democracy, elections. There was also an international sentiment in favour of decentralisation as the best way of delivering services. … The coincidental happening of all these factors all at the same*

time, I would say, to a large extent explain the success with which the decentralisation programme was implemented." (ND)

- "*Uganda was a darling of Danida, performing very well, democratisation, rebuilding infrastructure and so on.*" (D)

B.39 Danida and non-Danida informants perceive that Danida's support to the implementation of the decentralisation process was instrumental in its success.

- "*The Danish contributed a lot to the development of decentralisation in Uganda and is one of the country's best donors.*" (ND)
- *"Without Danida involvement I don't think the Uganda decentralisation would have succeeded to the extent that it did ... and in the direction that was taken."* (ND)

B.40 Non-Danida informants perceive Danida's **capacity building** of national institutions in support of the decentralisation process to be successful. In particular the Uganda Local Governments Association (ULGA) is perceived to be much better than three to five years ago because the type of support given by Danida was to strengthen the in terms of managerial capacity and diversifying its financial base. ULGA's trend of funding with a large percentage of the budget being generated internally is "*a very big achievement*". (ND)

- "*Danida has interest in supporting national institutions, supporting the ministry to implement its mandate.*" (ND)
- *"The Danes build institutions that can run on their own, not just individuals. … Where Danida's been, it's OK.*" (ND)
- *"I think for ULGA Danida's support has been very positive*." (ND)
- With visits to Denmark for training etc. "*NALAD* [National Association of Local Authorities of Denmark] *became a very strong ally*". (ND)

B.41 At the same time, a number of Danida and non-Danida informants expressed concerns about recent political moves seen as rolling back some of the gains of decentralisation. The abolition of graduated personal tax ("G-tax") has left local councils more than ever dependent on central government funding, and their Chief Administrative Officers (CAOs) are now again employees of the central government:

- True, there is a lot of recentralisation going on today [but you need to understand the motives]: *"The recentralisation of CAOs has nothing to do with the failure of CAOs in their responsibilities, it's because they are Returning Officers in elections. … We gave districts powers to challenge the government, and much of the present leadership is not prepared to be challenged. … What is happening now is political, it is not the result of* [flaws] *in what we did, not a result of failure of the system. … The thing has been derailed."* (ND)

B.42 However, several Ugandan informants who have been closely involved in the decentralisation process expressed their confidence that the people, having acquired a taste for local democracy, would not lightly give it up.

2C. Perceptions on Danida's support to Gender

Summary of Danida's interventions in Gender 1987–2005

C.1 Gender has been an important component of Danida's development assistance to Uganda. It has comprised support to individual projects and to the development of government policies and programmes, and has had a strong focus on mainstreaming gender in sector programmes. Danida has been seen as a major donor for work on gender issues in Uganda – to some extent as the major donor, particularly in the early years. For the scope and content of this support in the wider context of official development assistance and government's gender development policy, see Thematic Paper 8: Gender.

Informants

C.2 The perceptions of Danida's gender component of the Danida Uganda country programme are drawn from 13 informants:

- 4 *Danida* informants gave perceptions, of which 1 was from MFA Copenhagen and the others from RDE, Kampala. The Danida group consisted of 3 men and 1 woman.
- 9 *non-Danida* informants, of which 5 were from central government, 2 Donors, 1 Ugandan NGO and 1 Consultant. The non-Danida group consisted of 2 men and 7 women.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case; where relevant the sub-category of informant is highlighted. The informants may have changed category during the evaluation period and the category used here is the most appropriate given the experience of the informant that shapes the perception. The group of informants has experience that between them spans the period of Danida's programme in Uganda under evaluation.

Perceptions

C.3 Danida informants' **overall perception** is that Danida's support to Uganda has been "*at the forefront*" of addressing the cross-cutting issue of gender during the period under evaluation. Non-Danida informants also perceive Danida as having been the main donor supporting gender issues in Uganda. There is a range of views on how far gender is mainstreamed across government policy. Some non-Danida informants consider that Danida ended its support too soon.

- "*When we talk about gender or agriculture, we say Danida.*" (ND)
- Previously, because donor development assistance was not harmonised, things were "*much more territorial and gender was Danida's*". (ND)
- There is a perception that: Norway "*had actually done a lot* [in gender] *but Danida has been much more visible*". Similarly, the Irish have been doing a lot of serious work on gender in districts but nobody knew about it. (ND)

C.4 In terms of **strategy**, there is consensus that Danida has been strong in supporting gender policy development. The most notable support by Danida is considered to have been the then Ministry of Women in Development (later Ministry of Gender, Labour and Social Development). Danida informants consider that Danida has pushed for gender mainstreaming in Danida sector

programmes. Danida pressed for a rights-based approach to work in gender; this included pushing other sector programmes to concretise their approaches to gender.

- Danida "*was very demanding in expecting to see gender reflected in routine reporting*". (ND)

C.5 In terms of **impact**, Danida and non-Danida informants perceive Danish assistance to have been "*key*" in getting the issues of women in development onto the policy agenda. Danida is seen as having been influential in debates on policy.

- "*Danida's uniqueness is mostly evident in its support to policy innovations, such as the one on Women/Gender in Development and the other on decentralisation*." (ND)"
- Danida is seen as "*one of those donors that is most consistent*" in supporting gender-related issues. They have continued to support the Domestic Relations Bill (a very radical law that for example recognises marital rape) that has been pending for years and to which there is a great deal of resistance, especially within the family. You can sit and talk to them about issues – if "*they buy the idea, they will commit*". (ND)

C.6 A non-Danida perception is that from about 1993–1994 gender was a hot issue for the government and the demand and push for a gender policy came from the Ministry of Gender, not from Danida. In direct contrast a Danida view is that gender was not a high priority for the GOU.

C.7 Danida's early support to the women's ministry is perceived as important by all informants but particularly non-Danida informants: the Ministry of Gender was a young ministry, and it is perceived that "*Danida helped us to build up the institution*". (ND) Another non-Danida perception is that Danida's work on gender policy and gender machinery influenced other donors, who then picked up on the need for work on gender issues.

C.8 While Danida's main entry points were central institutions, there is also a perception that Danida has had a good impact at district level. All informants note that efforts have been made to mainstream gender in sector programmes. Danida informants feel that Danida has been successful overall in **mainstreaming** gender in the various sector programmes.

- Agriculture: diagnostic surveys routinely examine gender implications (and the environmental ones too). (D)
- Health: "*We have managed to mainstream a lot of things – HIV/AIDS, gender, conflict, in the programme.*" (D)
- Transport: "*We brought gender issues, environmental screening and social awareness into the roads programme.*" (D)

C.9 However, non-Danida informants and some Danida informants feel that the mainstreaming is not an unqualified success, with the view that much of the policy has not been operationalised.

- "S*ometimes gender does not appear to be an issue, other times it is and has to be taken into account in design.*" (D)
- In the health sector the idea of participation [by women] has been taken on board but other aspects, empowerment, equal opportunities, have not been followed up. (ND)
- "*It doesn't always bite but it's there and people refer to it.*" (ND)

C.10 There is a perception that Danida has invested a lot in **technical assistance and capacity building** for gender support. Capacity building in the Ministry of Gender is highlighted by all

informants. It is considered that this was not an easy task especially given that the Ministry of Gender was a new institution. Danida's capacity building attempts are not perceived as having been wholly successful. For example, making training available overseas was a big incentive to take up opportunities and then return to implement the new skills, but the challenges in strengthening the Ministry were difficult to overcome.

- With respect to building capacity around women's issues, Danida provided technical support, provides funds and was "*willing to go the extra mile*" in terms of support. (ND)
- The consultant leading the process in the Ministry of Women in Development "*made a big difference to the way certain things were achieved*". (ND)
- "*This* [capacity building of the Ministry of Gender] *was as much about instilling a different, more professional, work culture and management, as about gender.*" (ND)
- "*So things* [in the Ministry of Gender] *worked when Danida was there but otherwise it was difficult.*" (D)

C.11 Also, while it is noted that Danida tried to set up systems, the perception is that Danida made its **exit** too soon, before the ministry was well-established, particularly as Danida was the main donor. It is believed that the right messages have yet to register with other government ministries. This state of affairs is compounded by the low level of investment by the government. Gender is perceived as not having been a high priority for the GOU and thus GOU contribution to costs rose very slowly.

- *"Danida left us when we were still in need. By the time Danida was with us, it was the only donor we had. That is why we miss them a lot. They stood in for us where no other could.*" (ND)
- "*We are still grappling with how to address gender properly. This is because donors moved on to the other things like decentralisation and anti-corruption.*" (ND)
- "*The gender analysis we have in all our development interventions is still very weak. We need to build more technical capacity especially among macroeconomists so that their prescriptions have a gender flavour.*" (ND)
- "[We have] *responsibility without power. … The machinery is under-resourced. We could work on sectors but we don't have resources now."* (ND).

2D. Perceptions on Danida's support to Governance

Summary of Danida's interventions in Governance 1987–2005

D.1 Governance has been a significant component of Danida's development assistance to Uganda since the start of the programme. Danida is seen as having a particular interest and competence in this area of work. There are a large number of activities that fall under this heading, most notably the programmes supported by Danida comprising work in human rights, democratisation, justice, anti-corruption and conflict; much of this work is with NGOs, but it also incorporates support to governmental agencies; but the term "governance" is also often used to include other elements of support to institution-building within government, such as the decentralisation programme. Governance has become an increasingly important pillar of the Denmark Uganda partnership as concerns about the political transition, conflict in the north and corruption have come more to the fore. For donors, these issues raise crucial questions about conditionality, the appropriate composition of aid, and how to conduct political dialogue with government. For the scope and content of this support in the wider context of official development assistance and government's governance development policy, see Thematic Paper 7: Governance Issues: Human Rights, Justice, Conflict, and Civil Society.

D.2 This section covers Danida's support to governance interventions other than decentralisation, which is covered in Section 2B.

Informants

D.3 The perceptions of these aspects of Danida's governance component of the Danida Uganda country programme are taken from the evaluation's interviews carried out in Uganda in May–June 2006 and from the follow-up field visit in July 2006. A total of 52 informants provided specific perceptions on Danida's governance component, which are summarised below.

- 16 *Danida* informants gave perceptions, of which 10 were from MFA Copenhagen, 4 from RDE, Kampala and 2 Danida project/programme staff in Uganda. The Danida group consisted of 13 men and 3 women.
- 36 *non-Danida* informants provided perceptions, of which 8 were from central government, 5 from semi-autonomous or independent public agencies, 1 from the Judiciary, 2 from local government, 4 from Danish NGOs in Uganda, 10 from Ugandan NGOs and CSOs, 2 consultants, 3 donors and 1 observer. The non-Danida group consisted of 26 men and 10 women.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case; where relevant the sub-category of informant is highlighted. The informants may have changed category during the evaluation period and the category used here is the most appropriate given the experience of the informant that shapes the perception. The group of informants have experience that among them spans the period of Danida's programme in Uganda under evaluation.

Perceptions

D.4 Danida informants hold the **overall perception** that Danida has played a crucial role in the governance agenda of Uganda throughout the evaluation period, through the various different components of the (good) governance programme. Over time, governance issues are perceived to have been become an increasingly important part of Danida's agenda in Uganda. Non-Danida informants also view Danida as being strong on governance:

- "*Danida is recognised as one of the major donors to Uganda. I know it is strong on governance, law and order and human rights.*" (ND – central government)
- "*Danida is known as the first donor to take an interest in civil society in Uganda as well as being the first donor to support the public agencies concerned with corruption.*" (ND – NGO)
- Danida is "*very supportive on issues of governance.*" Danida is "*passionate" about rights*". (ND – NGO)

D.5 Danida informants believe that Danida has a **comparative advantage** in governance. This is perceived to be based on Danida's unique combination of an open but strictly ethical working culture and practice. Danida is considered to be tough on corruption and tough on the causes of corruption – their strong line on ethics and integrity – but at the same time Danida is also predictable, flexible and participatory. There is also a view by Danida informants that non-Danida stakeholders judge Danida favourably in comparison to Danida's donor peers:

- "*People say 'You have to be very careful when you're working with the Danes. If someone steals, it's not enough for the Danes for him to pay it back; they expect him to be taken to court. The Danes are less interested in getting the money back than in seeing due process. Danes are also predictable and flexible. They negotiate in a participatory way. Good governance is reflected all the way through this – all this is also done with an underlying poverty orientation.*" (D)
- "*Danida is the most significant donor, has better dialogue*" (from a big study of anti-corruption CSOs). (D)

D.6 But at the same time it emerged that Danida informants also believe that non-Danida stakeholders may perceive Danida to be "*a difficult partner*" in the governance arena because Danida makes demands and asks the nasty questions:

- "*NGOs see us as a difficult partner because we make a lot of demands on them and make them talk to one another.*" (D)

D.7 Non-Danida informants concur that Danida has a comparative advantage in governance. There are various perceived reasons for this which include:

- Danida was interested in governance earlier than other donors.
- Danida's support provides protection as Danida is a donor of high repute which provides significant funding to different sectors in Uganda.
- The Danish ambassador provides moral support.
- Danida listens.
- Danida is committed and consistent.
- Danida mobilises funds quickly.

D.1 For example:

- "*They were interested in governance at a time when other donors were focused more on service delivery.*" (ND – Consultant)
- Being known as an organisation that is funded by Danida to work on anti-corruption "*doesn't do any harm*" and there is a lot of moral support from the Ambassador. (ND – NGO)
- "*Danida is considered to be a donor of high repute.*" It is helpful to be known to have Danida support ([organisation's] pick-up has Danida's name on the side). It offers some protection that you are known to be supported by a donor that provides significant funding to different sectors in Uganda. Government will "*want to avoid a collision course with them*". (ND – NGO)
- It has been helpful to the judiciary to be supported by Danida which has such a visible presence in Uganda because of its involvement in roads, health, water. Danida has been a huge donor to Uganda. (ND – judiciary)
- You can sit and talk to them about issues – if "*they buy the idea, they will commit*". Danida is "*one of those donors that are most consistent*". The Human Rights and Good Governance Office (HUGGO) is very good at mobilising funds at short notice: "*fast and timely*". Specifically with respect to building capacity around women's issues, Danida provides technical support, provides funds and is "*willing to go the extra mile*" in terms of support. HUGGO has employed some of the best women's activists. (ND – NGO)
- Danida staff listen: "*You talk to* [Donor x]*, they boil up very fast and want to walk out of the meeting"*. [implying that the Danes are calmer] (ND – central government)

D.2 Danida informants are proud of Danida's **strategy** to be one of the first donors to re-enter Uganda and with immediate actions on governance:

- "*Danida came in when* [Uganda] *was a risk area, putting in admin and legal reform.*" (D)

D.3 Small interventions with the Uganda Human Rights Commission (UHRC), Inspector General of Government (IGG) and the International Federation of Women Lawyers (FIDA) were among the first interventions undertaken by Danida during 1988–1989. IGG is considered to be one of the key initiatives after 1990. There is a view that there was a lot of hesitation during the 1990s when Danida was trying to read the political situation.

D.4 In the first half of the 1990s the Danida perception is that support to human rights and democratisation was "*… disjointed, not very coherent and administratively very difficult to monitor*". (D) Funding had grown out of the local Danida small grants line for NGOs/CSOs for work in Human Rights and Democratisation (HRD), while Danida had limited staff numbers and expertise to respond appropriately to requests. There was no strategy; it was a matter of simply responding to the requests that came forward. There is a perception that by the mid-1990s improvement had begun with the Danida support to civil society becoming more strategic. By 2000, the HRD Programme had been developed and is perceived as being a positive development: "*a basic document to develop as we go*". (D)

D.5 From 1996 onwards – with the Country Strategy in place – the two pillars of any Danida programme were poverty reduction (very much demand-driven in Uganda) and governance. During 1996–2000 the Danida perception is that politics, governance, justice and human rights came to the fore of Danida's programme, while from 2004 public expenditure (characterised by efficiency and effectiveness), good governance and concerns with political transition are perceived as being of top strategic importance for Danida.

D.6 A Danida view concerning the institutional arrangements for the governance programme is that the origins of **HUGGO** were based on a limited range of options for intervention given that the heavy administrative requirement of supporting NGOs required some form of project management unit or project implementation unit (PIU) – a.k.a. HUGGO. There is some internal Danida questioning and justification over the use of HUGGO, which one Danida informant describes as occupying a "*special hybrid position*". It is commented that as PIU it "*looks bad in terms of the Paris Declaration*". Also that it has simply become too big: HUGGO is "*a state within a state – it's bigger than the Embassy*".

D.7 The Danida perception is that HUGGO has proved its value not just to Danida but because it handles a lot of other donors' funding to governance initiatives:

- Over 50% of funding comes from other development partners "*using the basket funds we have created there*". (D)
- DFID puts funds into it too and thereby avoids having a PIU.

Not withstanding these arguments for the HUGGO structure, other comments reveal intentions to modify this strategy in future years:

- "*Progress around PIUs should be seen in terms of evolving practice. ... "* [Danida] *want to anchor HUGGO in Ugandan institutions.*" (D

D.8 There is a Danida perception that the (2000) HRD Project Document output of Framework Agreements with a number of **Ugandan NGOs** came from recognition that there was a need to engage more strategically with NGOs. As the programme evolved a nationwide programme of support to district networks, i.e. support on a consortium basis, became a more important strategy. This is believed to be responding to a concern about competition within civil society and the need to harmonise approaches and to have a mechanism for dialogue and for monitoring and evaluation.

D.9 Danida informants perceive that at home in Denmark, development aid in general and assistance to Uganda in particular had become an issue in the 2001 election. Ugandan troops in the DRC, the conduct of the Uganda elections and the level of corruption were major issues. More recently with the 2006 elections, Danish assistance to Uganda "*was on the edge"*. There is a perception that Danida has been constrained by the statement at the Consultative Group meeting (2000) when it was said that as long as Uganda had troops in the Congo, it would be unable to move to **general budget support**. There is a non-Danida perception that the Danes "*wish* [they] *were providing budget support to Uganda so* [they] *can tell the Government what* [they] *think"*. (ND) However, there are differing views on the pros and cons of moving to budget support in this context, with Danida informants concerned that while cutting back (in the absence of general budget support) was not straightforward, if Danida had moved into budget support, its programme would have been more vulnerable. In addition, if Danida were to withdraw support to government, what are the options for support to NGOs? Finally, there is also the perception that the prevailing high level of corruption will be a problem if Danida is to move to general budget support.

D.10 A non-Danida perception is that the government reacted badly to Danida's aid cuts after 2001 and saw the 'governance' argument as spurious and opportunistic, and rather saw it as related more to a general change of attitude by the Danish MFA. The cuts left a road unfinished[8]

[8] Some Danida informants remember this episode differently but *A Review of the Government's Examination of Denmark's Developmental and Environmental Cooperation with Developing Countries* MFA, 29 January 2002, clearly states:

and it is said that a GOU official threatened to put a sign by the road saying: "*This road was left unfinished by the Government of Denmark*". (ND)

D.11 In Danida's **future strategy**, rather than the current seven sectors, the new Danida programme will have three pillars, one of which will be 'good governance' – perceived as being about both the economic and political aspects of governance. There is a Danida perception that governance is an area that Danida is good at:

- *"The UJAS involves most development partners in considering their comparative advantages, so we focus on what we're good at* [i.e. governance]." (D)

D.12 There is a Danida view that the Danida governance policy should relate to a matrix within the PEAP. This is contrasted with the Netherlands and Norway, both of whom are happy to keep a separate matrix:

- "*Some donors think we should continue to have a parallel matrix to monitor governance, but our priority is to get it into the PEAP matrix. … The Danish perception is that you can't separate the political and the technical."* (D)

D.13 Danida perceives its **political dialogue** with the Ugandan government and other Ugandan stakeholders as being a key element of its strategy in promoting governance. There is a perception that Danida is a small donor from a country considered to be non-political. The Danida self-perception is that this characterisation in practice has worked to Danida's advantage in the 1990s:

- "*… mustn't forget that Danida is a very small and almost insignificant donor. … It was challenging for a small country that was considered non-political to be a big donor in Uganda. However this did give us many opportunities. Danida was considered to have no hidden agendas, and as such had a very good dialogue with the Ugandan government … we had very good access to the highest levels of the Ugandan government.*" (D).
- Another Danida view was expressed that Danida was "*a big enough donor to have a natural seat at the table"*. (D)

D.14 Another self-perception is that Danida is seen by Ugandan stakeholders as "*trustworthy*", "*plain-speaking*" and "*frank*" and therefore Danida is in a position to have effective dialogue with all partners, government and the opposition. There is a perception that from the early years of the evaluation period, Danida has had successful dialogue with the government. The Danida view is that Danida has been and continues to be constructively critical of the government. It is believed by Danida informants that Danida could persuade government officials to come to donor meetings to explain things, and that this would not have happened without the close links between Danida and GOU:

- "*At the same time* [in the period leading up to the 2006 elections] … *we were working with the other partners on all the political issues, meeting with both government and opposition; in a position to caution both government and opposition on the way they should operate. … So far we have managed because we have been capable of presenting our behaviour in such a way that it is credible. … We are quite plain-speaking people both when it comes to political and when it comes to development cooperation issues. By*

- Aid work with Uganda will be continued, but on a lower level (DKK 250 million), due to the country's continued military presence in the Democractic Republic of Congo (DRC), and the lack of intervention and prosecution concerning Ugandans involved in illegal exploitation of natural resources in the DRC.
- This reduction (DKK 30 million) will be implemented by *not* carrying out the entire renovation of the stretch of road in the Fort Portal corridor. (Evaluation Team's translation from the Danish.) (MFA Danida, 2002a.)

presenting our perspectives on key issues we feel that we have made our contribution to the development process in Uganda." (D)

- "*We had a dialogue that no other donor had; we were able to have very frank conversations with senior Ugandan officials.*" An example cited is when the government had security problems in the north of Uganda, and they were under fire for spending so much of their budget on the military. "*We could tell officials that they had an image problem, even if their own people would not do this.*" (D)

D.15 Most non-Danida informants also perceived that Danida was committed to, and successful in, standing up for human rights. Various examples are given of episodes when Danida "*was* one *of the very few donors that put its foot down*" showing that for Danida "*it's not about the pay cheque, it's about Danida standing up for what they think democracy should be in Uganda.*" (ND) The examples given include:

- The Ambassador went to attend the Besigye trial and was kicked out; the trial took place in a very militarised environment; most donors stayed away. (See the cartoon at Figure 2 in Chapter 3.)
- The Ambassador's residence is next to what was a 'safe house'. One of the people being tortured escaped into the residence; soldiers followed; the Ambassador publicly stood up to the military; refused to allow them to enter Danish territory.
- *"At the recent elections, on behalf of the donor group, Danida told us they didn't want to* see *the military supervising elections. So government had to rely on the police. This was very positive, no intimidation, contrary to when the army terrorises voters."* (ND)
- Danida supported the Centre for Basic Research when a researcher was arrested – Danida took a hard line.

D.16 There is also a non-Danida perception that Danida's intervention in the West Nile peace agreement was instrumental, "*very strategic and arguably pivotal in bringing the government and UNRF* [Uganda National Rescue Front] *II together*." However, there is a perception that Danida has not been able to capitalise on this success. One belief is that donors (and especially Danida) have tended to place too much faith on working with individuals as agents/champions of change. Danida did this very effectively in West Nile and Karamoja. "*But this approach is nevertheless limited – there needs to be a much stronger critical mass of such people to really see change happen.*"

D.17 However, not all non-Danida informants thought that Danida has a particular reputation with respect to speaking out on human rights:

- "*If* [a donor with a particular reputation with respect to speaking out on human rights] *was what we wanted, I would have gone to the Americans.*" (ND – NGO)

There was also one view that the Ambassador had in fact been tardy in revealing that the residence was next to a 'safe house'.

D.18 The general Danida self-perception is that Danida has been the **leading donor** on political dialogue over human rights issues with GOU. Danida informants highlight Danida as having taken a harder line over human rights and governance issues in Uganda (which first arose in 1998 in connection with the purchase of the presidential aircraft and other non-accountable expenditure items controlled by the President and the engagement in the war inside Congo followed) than other "*like-minded donors*". This is seen by some as a missed opportunity for international partners "*to join hands*" with Denmark. (D) This Danida perception is that development partners badly wanted Uganda to be a success story and so they were prepared to close their eyes. If

donors had been able to find common ground from 1998–2000, they would have been more influential.

D.19 However, another Danida perception is in contrast to this. The alternative view does not draw such a distinction between Danida and other donors, believing that Danida could have also "*tried to use more political influence*" earlier on. It is perceived that there are three reasons why this did not happen:

- In the old days development work was not mixed with politics; small projects were focused on the effects on individual people and it is only in the last ten years that development cooperation has begun to address political issues.
- In addition, it is perceived that because Museveni was not only saying the right things, but (with Ministry of Finance, Planning and Economic Development help) doing the right things, donors went on supporting him too long; it took some time for his authoritarian streak to be recognised.
- Also, at the same time, ownership has been important to Danida: "*we recognised that ownership is absolutely necessary*".
- "*We* [donors] *have been blinded* [to the situation in the north] *by all the post Obote II / Amin progress in the rest of the country*." (D)

D.20 There is a general non-Danida perception that Danida takes the lead among donors on some governance issues. One example cited by non-Danida informants is that it is believed that Danida has taken the lead in developing the donor governance matrix – has continued to push for this while everyone else focused on the World Bank PRSC matrix.

D.21 Danida, the first chair of the Donor Working Group on Anti-Corruption, is perceived to continue to be an important member. It is "*in the commanding seat*" and "*it is believed that no other donor would take initiatives towards civil society on anti corruption work without consulting Danida*". (ND – NGO) There is the perception that donors have confidence in Danida's work with civil society (as demonstrated by the high levels of funding committed by donors at a meeting convened by Danida to discuss the proposed Human Rights Foundation).

D.22 On the Democracy and Governance Working Group, one informant reported fears that it is one huge donor talking shop, with no follow up actions and no action to engage the government: "*they talk amongst themselves and then they don't take it forward*". (ND)

D.23 In terms of **impact**, there are a number of Danida initiatives that informants gave perceptions on:

- Inspector General of Government
- the Audit Office
- the Judiciary
- HUGGO
- Ugandan NGO and CSO Sector
- Danish NGOs.

D.24 The non-Danida perception is that in the early days (1993) Danida's support was extremely important for the **Inspector General of Government** (IGG); at that time Danida was the only donor willing to fund the IGG. Danida bought the first cars, the first computers and

provided salary top-ups. The latter were seen as particularly important for an agency like the IGG because of the need to remove the incentive for corruption. However, the level of Danida support is not perceived to have been out of line with what other donors were doing at the time

- Danida "*opened the doors*" in these areas. Danida was seen as a "*kind of lifeline, as 'big brother'*". (ND)

D.25 The **Audit Office** has received considerable support from Danida over the years. The first phase, c. 1997 (c. USD 400,000) was to get hardware (computers etc, also vehicles): "*they are the ones who enabled us to move to various locations*". Danida also helped with repairing district office buildings etc.: "*we remember them because of the physical assets*". Danida also provided assistance with training local authority staff. However, Phase 2 was from 2002, and along similar lines, but there was disappointment that Phase 2 was never completed; "*Danida withdrew for reasons we don't know*". It is perceived that Danida had a change of policy, against putting up structures. However, as Danida had already committed themselves the funds were expected. One comment was: "*when they cut across the board, they should not cut the oversight agencies"*. (ND)

D.26 **The judiciary** is perceived to be an example of successful intervention by Danida. There is a Danida perception that the judges stood firm on principles of justice in the tough times of late 2005/06, "*when we saw the court system being used, and attempted to be misused*", and that this prevented a derailing of the political transition which was under way. It is perceived that one of the reasons for this is the concerted effort over ten years to build up the judiciary in Uganda – "*and we* [Danida] *have been there all the way through*".

D.27 Non-Danida informants also rate Danida's support to the judiciary very highly. There is the perception that the only "*systematic, coherent support addressing the real issues*" for the judiciary has come from Danida and that there have been some notable successes, thanks to Danida's support. Danida successes include:

- Danida brought order to systems: "*Before files used to get lost. Now there is computerisation throughout the country and you rarely hear of files or documents going missing*".
- Before there was no infrastructure and we had to share buildings with other agencies; Danida has brought the court system (through the court buildings) to the more remote parts of the country: "*in a country like ours, a court building is a visible sign of law and order*".
- Danida funding enabled the financing from government to go on the basics. Danida funding could be used for development purposes. Before we didn't have a training plan or a training committee: "*It was sheer luck if you got any training at all*". Now we've established a committee which has developed a training policy, curriculum, annual training plans, the Judicial Training College.
- Before Danida the judiciary was seen as "*reclusive and closed and many people didn't know what it was and what it did*." The chain-link initiative has helped give other stakeholders a much better understanding of the programme.
- The biggest success is that the judiciary now has a strategic plan for the development of the judiciary which "*has not been seen anywhere else in Africa*".

(all ND)

D.28 There are differing views from non-Danida informants on Danida's strategy of funding the judiciary outside of JLOS.[9] One view is that the way that Danida funds the judiciary separately is not a problem as Danida is still seen as operating in a similar way to the other donors. e.g. not like USAID which creates what it calls 'islands of excellence' and then moves on every 3 years. However, it is important for the judiciary to be linked to other agencies in the legal sector; in the long term funding through JLOS is the right way forward as support to judiciary needs to be integrated with other components of justice, law and order:

- There is "*no point in the courts working more efficiently if the police and the prisons don't. When the courts sentence someone, he needs to be sent to a prison that works properly.*" (ND)

D.29 There is also a non-Danida perception that Danida's project support to the judiciary is a problem:

- "*The judiciary doesn't fully declare what they are receiving from Danida. They need to keep us well-informed about what's being funded in order to avoid duplication and to rationalise allocation of funds. For example, they asked for two courts to be funded out of JLOS. Further enquiry showed that Danida was funding six courts and some other things. On balance it made more sense for Danida to fund all the courts and for JLOS to fund the other things. The judiciary needs to sit and plan with the other institutions in the sector but separate/project finding is a disincentive for them to do this as it means that they have to reveal their other resources.*" (ND)

D.30 Non-Danida informants revealed anxiety over Danida's exit from project support to the judiciary. On the one hand, there is apprehension over funding and competition for resources among the different JLOS agencies. On the other hand, there are doubts about whether Danida is serious about moving to JLOS:

- *"It is perceived that the exit for Danida will be a problem – the judiciary are worried about Danida going to JLOS."* (ND)
- *"We have yet to see a real commitment from Danida that they are serious about the transition to JLOS."* (ND)

D.31 Turning to perceptions on **HUGGO**, Danida's perception of the impact of HUGGO is that it has come to play a crucial role in governance, e.g. during elections. There is a general non-Danida perception that HUGGO has been a positive development:

- "*Before HUGGO, UHRC was handled by the* [programme officer] *in the RDE. The support from HUGGO is more professional and consistent.* [The programme officer] *had to handle a lot of different issues.*" Danida involvement is now less "*political*" because HUGGO is more distant from the RDE. HUGGO is "*more concerned with the optics of the programme*" i.e. how it works. (ND)

D.32 There is also a non-Danida perception that the separation (between the diplomatic and the development side) appears in some circumstances to give HUGGO more scope to act. By contrast, given the organisational arrangements in DFID and between DFID and the British High Commission, it was said to be "*inconceivable*" that a DFID Adviser or Programme Officer could be as engaged in the peace process in West Nile as the HUGGO adviser was able to be.

[9] Danida's support to the Judiciary dates from 1989. Full scale assistance was initiated in 1996 through the Strengthening the Judiciary Project (SJP): 1st phase 1996–1999, 2nd phase 1999–2005 (reformulated as Access to Justice Programme (AJP)). Under this phase of the SJP/ATJ, Danida continued to fund the judiciary as before, and added budget lines for the newly formed JLOS and for a Legal Aid Basket Fund for NGOs.

(However, there was also a caution that it is possible that HUGGO is being over-stretched through being involved in West Nile, Acholi and Karamoja.)

D.33 On the other hand non-Danida informants also thought the organisational separation between HUGGO and the RDE seemed to make the inevitable tensions between the diplomatic side and the development side of donor representation (given the political nature of work on conflict) particularly evident. These tensions have sometimes been apparent to other donors in the donor working groups.

D.34 The **UHRC** perception is that Danida's support has been successful: Danida is considered to be very much more engaged in the UHRC's work than GOU. There are specific successes mentioned that Danida is given the credit for:

- "*Without Danida's support we couldn't do what we do.*" The outreach that UHRC was able to do: "*this was very important to us because we were stuck in Kampala"*. The 2004–2009 corporate plan, which guides the UHRC work "*has provided a framework for* [UHRC] *to achieve results in a coherent way*". (ND)

D.35 There is a non-Danida perception that Danida is responsible for convincing the other donors that the time was right for a basket fund. Danida is the largest agency in the basket fund and has always been the lead agency and while there was discussion that this role might be taken by donors in rotation, this did not go anywhere. It is perceived that Danida drives the basket fund; while UHRC meets with other donors all the negotiations are with Danida. The result is that the Adviser is seen as being very prominent and highly visible over issues of accountability, over programmes and over policy and management of the operations of the basket fund:

- "*It's a delicate balance.* [Danida] *are paying the piper. They try not to be too obvious about it but it's in everybody's mind.*" (ND)

D.36 The basket fund management involves detailed discussion by donors and UHRC on priorities for funding. There is a perception held by UHRC that earmarked funding means that activities and programmes tend to be driven by donor interests. Reported examples of donors influencing operations through the basket fund are:

- Donors want to see/be able to report on tangible measurable results. So they put a lot of emphasis on Tribunal work and "reducing the case-load" but seem unwilling to fund the logistic support that facilitates this.
- E.g. donors will pay for only two vehicles a year (because it would look bad in Denmark if a lot of money were being spent on cars) even though tribunal work requires a lot of travel. This policy also doesn't recognise the under-funding by government. GOU provides UGS 40 million for capital costs which hardly pays for one vehicle.
- There are differences between donors and the UHRC on the relative priority of rights education and case handling – donors can use their funding to influence which receives priority.
- The basket fund doesn't fund salaries, which means that in 2005–2006 donors paid for a consultant to do a piece of work that could have been done by a staff person if they had agreed to pay for cover so that he could be released for the work. From the perspective of the UHRC this was a more expensive and less effective way of getting the work done.
- In summer 2005 the donors commissioned a review of the Civil Military Cooperation Centres. UHRC were asked to comment on the Terms of Reference but were never consulted about whether the review was needed or who the consultants should be. The review raised expectations in the police, army and civil society that they would have more

funding for their activities. As a result of the review's recommendations, the budget allocation to that programme increased threefold in the course of one year but with no increase to the basket fund from donors. It meant that funding for the regional offices was reduced.

D.37 Given the prominence of Danida as the lead agency of the basket fund, such debates are often perceived as being between UHRC and Danida, rather than UHRC and the basket fund of donors. Some comments which reflect this are:

- We meet with the donors twice a year in the review meetings and it might be helpful to create more opportunities for UHRC staff and donors to meet. This might avoid a lot of the grumbling that goes on within UHRC about the way that Danida handles things. Other UHRC staff may misunderstand Danida and its role.

D.38 There is a non-Danida perception that Danida tends to take the role of lead agency in basket fund arrangements more than the other donors because of its higher level of staffing. As a result because Danida usually takes the lead agency role, it tends to get more of the problems e.g. Danida had to ask the hard questions of government over the financial management problems in the UHRC and over the difficulties around the Leadership Code with the IGG.

D.39 In the UHRC case, despite the concerns about the detailed management of the basket fund, the UHRC give positive feedback on their view of Danida as a donor:

- "*There has never been an issue that we were not able to resolve with Danida staff. We were always able to find a compromise*." "*We never felt that they were people who wanted to put their foot on the brake even though sometimes you have to write a lot of words to get round their bureaucracy.*" (ND)

D.40 There are very positive perceptions of Danida's contribution to the **NGO and CSO sector**. Danida is perceived to have made a unique and important contribution to the development of civil society and the people in HUGGO are considered to be among the best people to have worked in the sector, who really understand it, and who can identify and respond to the real needs. A specific example given was Danida's influence and support in pushing DENIVA (Development Network of Indigenous Voluntary Associations) and the NGO Forum to develop a Code of Conduct (over the last 8 months – in 2006). The fact that Danida brought the two umbrella organisations to work on this together is perceived to have positive implications beyond the formulation of the Code itself:

- "*They don't just give you the cash; they really participate alongside you*." The relationship with Danida is "*really refreshing*", and is one that we expect to consolidate over the long term. (ND)
- "*Danida has very competent Anti Corruption staff. We would consult them on any issue of strategic focusing. We regard them as our biggest support and so would go to them first with any new ideas.*" (ND)

D.41 A non-Danida perception is that Danida is moving in a more consistent manner in its support to civil society through HUGGO and the Human Rights and Democratisation Programme (HRDP).

D.42 However, there is some criticism of Danida's support for district networks:

- Danida is perceived to have been very strong on providing physical infrastructure for district networks – this is "*putting the cart before the horse*". Our approach has been very

different. Our intention is to establish clear goals for the networks before looking at physical infrastructure. "*Danida seems to have an assumption that, if you have the physical and human infrastructure in place, the programmes will automatically follow.*" (ND)

- Danida's early support to district networks resulted initially in a de-linkage of them from the national level (i.e. the NGO Forum) that was not helpful when it came to lobbying and advocacy. Many of the problems experienced in the districts can only be solved at national level. "*What was striking about the way that Danida worked with the district networks, was that it by-passed the national structure to which they were linked. They didn't adequately recognise the dynamics of the national-local connection.*" (ND)
- HUGGO has by-passed ACCU and gone straight to the regional networks (in providing training).
- HUGGO employs civil society activists who want to implement themselves rather than facilitating others to implement. "*Even the Ambassador is an anti-corruption activist.*" (ND)

D.43 There is also a criticism by non-Danida informants of the relative inflexibility of Danida funding in contrast with DFID which provides three year core funding that gives a lot of flexibility in how the funds are spent. The perception is that a basket fund arrangement would provide greater flexibility with multi-donor assessments of whether the NGO has achieved results in relation to "the bigger picture" of developing civil society:

- "[re funding from DFID] *We are not rigidly tied to what was in the original proposal or to outputs. This means that as they present themselves we can take up positive opportunities where we feel we have a comparative advantage, and report back to DFID after the event. For example, we have taken up opportunities relating to poverty analysis and policy inputs at national and international levels.*" (ND)

D.44 There are differing views on whether Danida intervenes too much in the agenda of NGOs. On the positive side:

- One observer comments on a HUGGO-sponsored initiative for NGO certification and perceives that the initiative was at Danida's instigation which "*in view of what is happening in Ugandan civil society is no bad thing*". The view is that Danida went about it in a good way: they brought the NGOs together, floated the idea and then left them to follow through. In fact, given the weak nature of the Ugandan NGOs, this perception is that Danida should push a little harder and be less hands-off about the initiative. (ND)
- Another positive example is HUGGO's programme for support to district NGO networks, where HUGGO has pushed the idea and then taken a back seat. An NGO steering committee has been set up without Danida representation.

However, there is also the perception that Danida do "try to shape the agenda":

- For example they funded a supplement for the newspaper [but] newspapers reach a very limited number of people; radio would have been better. Danida "*hatched the idea of a supplement and sent it to* [anti corruption NGO] *to do*". (ND)

D.45 Perceptions on the NGO Framework Agreements are few as they have been introduced too recently to say how they will work out; so far the non-Danida perception is that there have been "*no problems*".

D.46 The quarterly meetings between RDE and **Danish NGOs** are reported by some non-Danida informants to be a slightly faltering process. Views on the reason for this are that the

NGOs have very different focus/approaches. They are now beginning to see whether there are possibilities for common strategies. HUGGO's participation is viewed as useful because they work with civil society:

- The quarterly meeting is "*a non-event with low interest in the RDE. Danida/MFA in Copenhagen would like us to work more closely with the RDE but there is no common thematic or geographic focus within the NGO group so it's difficult to see how*". (ND)

D.47 Turning to the issue of **corruption**, there is a Danida view that at the beginning of the evaluation period, when Danida started the Uganda programme, corruption was "*not such a salient issue then*". (D) Nevertheless the same informant cites several corruption episodes from this period. Another informant stresses that corruption has been a key concern of Danida since the 1990s:

- "*We all knew corruption was there, so we strengthened the Ugandan audit office and the judiciary. A number of activities were introduced to try and combat corruption.*" (D)

D.48 The perception of Danida informants is that corruption is today very much a topical issue:

- "*Ugandan government systems are well elaborated. … Ministry of Finance can be relied upon…Everything is in place on paper, but corruption is over-riding. Corruption has not decreased.*" "*The President intervenes and that is difficult. He cuts across economic policy, strategy, systems. .. Ministers retain their posts despite corruption. Society accepts that.*" (D)
- Corruption is "*not decreasing*". Government is not genuinely cooperating. Ministers sacked today (from Global Fund scandal) will be back in office in a year or two. "*Those who have been fighting in the bush can do what they want.*" (D)

D.49 Overall the Danida informants believe Danida is helping the fight against corruption. The dominant view is that Danida's consistently strict line on accountability (consistent both throughout the evaluation time period and across sectors) is a positive thing. At the same time Danida informants consider this strictness to be in proportion and they also highlight the importance of Danida's flexibility in some areas:

- "*True, we were very strict on accountability, and fortunately we had one of the best auditors, so we could detect anomalies very quickly and take the necessary measures."*
- Danida is described as "*rigorous, bureaucratic and robust*".
- Danida's approach to corruption is described as a "*zero tolerance strategy*".
- "*Maybe we could have been stricter, but there was the worry that we would have been hurting the poor because of the foolish actions of one official.*"
- *"… think we have struck a good balance."*

D.50 Almost all the non-Danida informants see Danida as being strict on accountability, more so than other donors. Danida is perceived to be a very actively involved donor and much more hands-on than others. Their strictness means that they are perceived to require refund of any embezzlement:

- Civil society's impression of Danida is "*characterised by fear of their stringent demands – if you get funding from Danida, they want a receipt even for one shilling"*. (ND)
- Council officials know that they can "*play with*" anybody else but "*not with Danida*". Danida requires paper and physical accountability. No further payments are made until you can show physically that the work has been done. (ND)

- "*People remember the corruption scandals in Rakai and the fact that Danida stopped their support.*" (ND)
- Danida's "*technical advisers"* were "v*ery strict"*, particularly about "*financial accountability"*. If documents were not properly completed, they were sure to be sent back. (ND)

D.51 There are differing perceptions held by the non-Danida informants on the pros and cons of this strict approach to accountability. Some informants see this strictness as resulting in inflexibility and ineffective bureaucratic procedures:

- Danida and RDE are not that flexible: "*They invest so much to stop their shilling getting lost.*" (ND – central government)
- With respect to the UHRC, a perception is that Danida had more stringent rules than the other donors. Discussions "*of the rules and regulations always seemed to dog the relationship, always seemed to be the most important issue*". It was very difficult to implement programmes within Danida's framework of rules: "*we had to account for activity within seven days of the activity having taken place"*, "*we were not permitted to make payments above a certain amount without referring to Danida. The thresholds were different from those in government so it became very cumbersome trying to reconcile both"*, *"reporting was quarterly but meaningful progress can't be made within 3 months, especially when the funds only arrive in the second month so that you only have a month of activity before the quarter ends"*, *"because of this, disbursement delays were a problem*". (ND – central government) (On the positive side this informant also highlighted that there were very frequent meetings with Danida and this was a useful forum to discuss and try to resolve misunderstandings.)
- *"Denmark is very strict on accountability – complete zero tolerance about anything to do with mismanagement of funds. … We were forced* [by Danida] *to carry out an undemocratic decision* [to sack an officer accused of corruption] *because beggars don't have choice, because we wanted the money to be released. Two other people went to court at the same time and we had to pay them a lot of money in compensation. Not good to force an organisation to sack somebody.*" (ND – local government)
- *"No funds are made available before accounts are handed in. Danida also 'interferes' – they try to determine how things should be done. This leads to project delays." (ND – CSO)*
- Problems encountered with Danida support include: frequent and multiple queries on the accounts and requirement to account for actuals ("*which I* [ND informant] *don't think is sensible*"); insistence on using a particular procurement agent, which is perceived as unwarranted and not a requirement of other donors. (ND – CSO)

D.52 The view of a very senior government official is that Danida is over-concerned with corruption and unrealistic in their expectations: "*I'm not saying that it is not important, but I'm saying that we need to look at corruption in a holistic way. Partly it is the culture; people have to find a way of living given the low salaries in the public sector. But also partly weakness. It will take us a long time to beat corruption – to build institutions for fighting corruption as well as for proper leadership. … That's why I think the support Danida gives to accountability is a better way of fighting corruption rather than just preaching about it.*" (ND)

D.53 However, there is an equally strong perception, that Danida's strictness is a good thing as it helps strengthen accountability. Also, there is a belief that in practice Danida is easy to deal with when one complies with their regulations. Finally, it is thought that transparency is needed considering that Danida's funding comes from Danish taxpayers.

- The Danida approach "*is a very big help. …* [In cases where we are weak] *it's a help to be able to say 'there's a donor agreement, so we can't compromise.'"* (ND – central government)
- Because of emphasis on accountability, the oldest vehicle in [district] is one provided under a Danida funded education project. "*If this becomes a culture it will be very useful.*" (ND – local government)
- "*Generally speaking I think Danida have helped the country – and* [we] *really value Danida's support. Maybe they also have a point. African countries have never been very accountable – why should we get money from their taxpayers to mismanage or steal it. The country will eventually become corruption-free."* (ND – local government)
- "[The fact that Danida stopped their support in Rakai following corruption scandals] *was noted with interest and pleasure by* [NGOs and Churches] *– they are used to seeing people get away with it."* (ND – NGO)
- "*Civil society's fears are really based on a fear of the unknown – if you comply with Danida's requirements, you don't have any problems.*" (ND – NGO)
- Danida and the Danish public need to see very strong accountability. Informant can understand the worries that "*our money is going into countries where corruption and human rights abuses are rife*". … This is perceived as reflecting the high taxes and accountability and the very democratic and consultative processes in Denmark. (ND)

D.54 On **technical assistance and capacity building**, there is a perception from non-Danida informants that Danida could be more effective in building the capacity of NGOs:

- *"Danida needs to think about how to work more strategically and flexibly, and about how not to create dependency through their funding."* (ND – NGO)
- "*Danida needs to pay more attention to institutional strengthening of NGOs.*" Most NGOs are involved in service delivery and have limited involvement in advocacy. There is a need to strengthen the capacity of those doing advocacy. (ND – NGO)

D.55 On **sustainability**, there are some criticisms from non-Danida informants on experiences of unsuccessful exits by Danida:

- *"For … Danida not to have formally handed over to us – we felt it was a big failure. Very different from example of the Adventist Development and Relief Agency supported projects in Eastern Uganda – when they left there was a proper handover with notes and everyone was fully briefed. Here they just literally fell into it and* [we] *felt that it was a big hole, a big blow to the process."* (ND)

Another sustainability issue is that Danida is perceived as having encouraged NGO development to be led by funding.

D.56 On **learning and adjustment**, there is a non-Danida perception that Danida is a "*learning organisation*". One example, which also relates to sustainability, is Danida's support to the district networks. It is perceived that Danida "*burnt their fingers*" on the district networks:

- "*They saw that networks were being formed just to access Danida funding. Or networks that had failed to get funding would realign themselves just in order to do so. This also meant that if Danida's funding stopped, the network would go back to what it was before or even worse. Danida came to realise that their approach was counter-productive. The design of the programme has now improved, though it is still somewhat infrastructure-heavy*." (ND – NGO)

2E. Perceptions on Danida's support to Health

Summary of Danida's interventions in the Health sector 1987–2005

E.1 Danida support to the health sector can be seen in three main phases:

- Early support (1987–1992) was focused on essential drug supplies and their management. Drug kits were provided for government and faith-based health facilities. Smaller projects started to rehabilitate services in Mukono district and provide training in environmental health linked to water and sanitation programmes.
- Through the 90s, provision of drug supplies continued and were accompanied by efforts to strengthen the institutional capacity of the National Medical Stores (NMS) and establish a National Drug Authority (NDA). In addition there was further support to projects in Mukono district, in training and in environmental health, as well as support to central Ministry of Health (MOH) departments to develop health management information systems (HMIS) and planning capacity. These were brought together in Danida's Health Sector Programme Support (HSPS1) which ran from 1996–2002, and also included support for three remote northern districts.
- From 2003 the second Danish Health Sector Programme Support (HSPS 2) was more closely linked to sector wide processes and to the Government's Health Sector Strategic Plan (HSSP). It included funding for district health services through the PAF; contributing to funding medicines through the medicines credit lines (also PAF); support to central functions of MOH and 17 northern districts; and enhancing nurse training schools in northern districts. HSPS3 started in July 2005 and covers similar areas, in support of the Government's second HSSP.

E.2 In parallel, Danish support for HIV/AIDS has involved funding for NGOs: the largest recipient was The AIDS Support Organisation (TASO), which has been funded by Danida jointly with other donors since 1993; Straight Talk Foundation (since 2000), which provides information and education aimed at young people; and Hospice Africa which offers palliative care and training, funded since 2003.

E.3 For the scope and content of this support in the wider context of official development assistance and government's health development policy, see Thematic Paper 3: Health and HIV/AIDS.

Informants

E.4 The perceptions of Danida's health component of the Danida Uganda country programme are taken from a limited group of informants:

- 9 *Danida* informants gave perceptions; of these, 3 were from MFA Copenhagen, 4 from RDE Kampala and 2 were Danida project/programme officers. The Danida group consisted of 5 men and 4 women.
- 20 *non-Danida* informants gave perceptions; of these, 8 were from central government, 1 from the semi-autonomous public sector, 8 donors and 3 Ugandan NGOs. The non-Danida group consisted of 13 men and 7 women.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case; where relevant the sub-category of informant is highlighted. The informants may have

changed category during the evaluation period and the category used here is the most appropriate given the experience of the informant that shapes the perception. The group of informants have experience that among them spans the period of Danida's programme in Uganda under evaluation.

Perceptions

E.5 Danida informants have the overall perception that Danida has been an important donor to the Ugandan health sector and has in general been successful in its health interventions. Non-Danida perceptions, from both government and donor informants, also consider Danida's contribution to the health sector to be important:

- "[Danida has] *done a pretty good job in health.*" (D)
- "*We learnt a lot in Uganda and are applying the lessons in Kenya now in current design stage.*" (D)
- *"Danish aid has been substantial and much appreciated.*" (ND)
- "*Danida is one of the core partners in health.*" (ND)
- *"Danida is among the best.*" It brings in "*substantive support that is visible.*" (ND)
- "*Danida are the best donors we have.*" (ND)
- "*People take Danida more seriously. MOH looks at Danida with respect.*" (ND)
- *"I've never heard any complaints. It's appreciated, and well established relationships.*" Danida is active, provides "*good argumentation*" in the AIDS development partners group. It's an "*easy party to deal with*". (ND)

E.6 Non-Danida informants also highlight the practical nature of Danida's support to the health sector:

- "*Their support is visible at district and facility level – the drugs are there.*" (ND)
- *"I see Danida is there on the ground in the districts. It's visible."* (ND)

E.7 There is a non-Danida perception that Danida has a **comparative advantage** due to their experience and knowledge in the drug sector:

- "*The Danish really know the drug sector and have done good work, this is a real comparative advantage, it would be a loss if they were replaced by another donor as part of UJAS. If they are going to go they should phase out slowly. Technical competence is key for the sector.*" (ND – donor)
- *"Pharmaceuticals is their outstanding area, others do not have this knowledge, in other technical areas they are comparable to other donors.*" (ND – government)

E.8 Danida is joining the UJAS process and this means Danida will cut down to three sector, withdrawing from areas where it lacks comparative advantage. "*The big issue at present is whether health will be dropped.*" Danida informants seem on the whole to be strongly against this given "*Danida's long and substantial support to the sector*". "*We've done a pretty good job in health ... would find it very hard to withdraw from there.*" Non-Danida informants think highly of the Danish support: "*both financial and their voice to help tackle problems that arise*". (ND) A minority view is that there would be "*shambles immediately*" without Danish support. (ND) In general the perception is that the NDA is sustainable, and some see the NMS as close to sustainable. In addition, the Medicines Credit Line is regarded as a sustainable mechanism in the budget.

E.9 There is a large amount of positive feedback from non-Danida informants on Danida's **approach** in the health sector. Informants generally believe that Danida does not have an agenda to push in health and highlighted this as a very important strength (and in direct contrast to some other donors):

- "*Danida has been supportive rather than driving the agenda in health. They are happy to work on HSSP priorities rather than their own priorities.*" (ND)
- "*Very good dialogue and openness* [between Danida and MOH]." (ND)
- "*They work with Government within the system, unlike the US."* (ND)
- "*They are making an effort to respond to the need that has been defined – the gap.*" (ND)

E.10 Other strengths of Danida's approach were also highlighted by non-Danida informants. These strengths include: predictable funding, adherence to the work programme, good collaboration between Danida and MOH, with Danida subscribing to national policies and systems and transparent use of funds:

- "*Danida funding is highly predictable, unlike others. Once promised, you know funds will be there on time, and they adhere to the work programme."* (ND – central government)
- "*Funds are available in a timely way when needed.*" (ND – central government)
- "*Danida has been a dependable partner to GOU [in health] compared to others. … They are more open in voicing their concerns."* (ND – donor)
- "*Danida are very transparent about their expenditure*" showing how their funds are spent including for technical assistance in contrast to other donors. (ND – donor)

E.11 There are mixed views on whether Danida's strategy is flexible and responsive to MOH needs, from both Danida and non-Danida informants. On the positive side, a perception is that Danida is very flexible with MOH allocating funds within the Danida components, with the option of reprogramming the funds annually. In addition there are significant unallocated funds that can be used for emerging issues. Early flexibility is perceived when in the late 1980s GOU asked them to broaden their support to the rest of the system, starting with support to the health management information system (HMIS). They agreed to this: "*At that time they were the broadest-minded donor*". (ND)

- "*Danida* [has been] *keen to ensure MOH had access to some funds it can use flexibly to develop systems that support district health service delivery. … No other donor is supporting in this flexible way.*" (D)
- "*Their flexibility. For MOH central funding, we propose which activities in the MOH work plan they should fund and they agree. We can amend it if necessary and reallocate the funds.*" (ND)
- "*Danida has been innovative and addressed needs that arise, they are more flexible than others*." (ND)

E.12 However, the components of the programme are largely fixed and some informants perceive this as making the programme too inflexible (i.e. there is flexibility within components but no flexibility in the choice of components). Other Danida and a minority of non-Danida informants feel that HSPS3 is too rigidly designed with very specific areas of support and a lot of long term TA. There is also a view that the programme has reduced scope for flexibility, innovation or responsiveness, with the evidence being that the original amounts of committed funding for the programme are not always disbursed in full:

- "*More flexibility would enable Danida to respond to emerging issues and gaps.*" (D) "[Danida's] *only let down is that they are very conservative. They act five years too late. Their decisions at the time of investment are good, but once they agree on a programme they 'switch off" and don't react to changes in context. … They lack the flexibility to adjust to changing circumstances. They only adjust at the end of the programme.*" Technical assistance tends to follow the programme document that "*seems to be set in stone. … They tend to be last to make a decision. … In implementation they need to be more flexible and allow for the participation of other partners especially other donors.*" (ND)

E.13 There are also some mixed views on Danida's use of government systems and processes. There is a non-Danida perception that Danida has worked closely with government systems, which has been useful as it has pushed GOU to recognise the problems and strengthen its own financial systems:

- "*It forces you to develop systems that work.*" (ND)
- "*.. good that Danida use government processes for planning use of funds for districts and MOH …* [gives] *support for integrated work plans.*" (ND)

E.14 However, there is a view that there remains (in 2006) a weakness in the Danida programme due to the existence of parallel systems for much of the HSPS funding (e.g. for managing funds, procurement and accounting).

E.15 In Phase 1 of HSPS, Danida did not initially put funds into budget support in the same way as others, especially for district support; therefore Danida's participation in pooled funding was limited. Both Danida and non-Danida informants cite concerns over corruption as being behind the initial cautious approach. Danida informants also cited Danida's concerns over the sector ceiling in the PAF and the low level of unearmarked funding available to sector ministries. A Danida perception is that the allocation of some funds for use in MOH centrally ensures that MOH had access to funds it could use flexibly to develop specific components of the health system to support district health service delivery:

- "*The SWAp was hotting up and Danida felt left out at the SWAp table.*" (D)
- Phase 1 of HSPS wasn't a "*genuine SWAp*" for Danida, and original Phase 2 plans were similarly unsatisfactory; the health sector during the 1990s was "*typically fragmented*". (D)
- *"We realised that putting more into the PAF will only release more GOU funds for other sectors, not assure more for health.*" (D)

E.16 Danida is perceived by all to have become influential in the development of the SWAp and active in bringing other donors on board. A Danida perception is that Danida's weight and influence in this process was based on Danida's experience in Tanzania and Danida's role in drug supply and in the districts. Within Danida there are varying perceptions on the drive to SWAps. One is that "*to certain people …* [moving to SWAps] *was a religion, an ideology*". (D) Another perception is that Danida had a tepid approach to SWAps until the arrival of new pro-SWAp personnel:

- They were instrumental in encouraging development of the SWAp, they "*seemed to be the driving force behind the sector approach*". (ND – NGO)
- Danida (with DFID and the Irish) helped to negotiate the SWAp in health – Danida was "*very helpful in this*". (ND)

E.17 The results of the SWAp development are seen as good. Danida informants perceive that the experience with donor cooperation has been "*positive*" and "*a dramatic move*". The perception is that HSPS 2 and 3 mainstreamed the Danish support successfully with the programme overseen within SWAp processes. Non-Danida informants also perceive that once the SWAp was set up, the donors worked well and closely together. Danida is considered "*a good and constructive partner, a very positive partner* [and reliable]".

E.18 There is a non-Danida perception that today the SWAp is not working as well as it used to. The reasons for this are seen to be:

- Lack of trust by donors.
- Demands by donors for information and micro-management of the sector: "*they are asking for too many details of what is being done by the MOH*". (ND)
- New expat donor staff who do not know the history and ways of working that have evolved, or who may want to change things.
- Impact of the major global programmes (President's Emergency Plan for AIDS Relief (PEPFAR), Global Fund to fight AIDS, Tuberculosis, and Malaria, Global Alliance for Vaccines and Immunisation) which have emerged and were superimposed on sector plans and budgets and, to some extent, have bypassed sector processes.
- There is also a perception that corruption within the sector has increased since the move to the SWAp.

E.19 The Danida perception of the **impact** of Danida's programme in the health sector is that overall it has been good, although recognising that different components of the programme have had varying degrees of success. Non-Danida informants have a similar perception: they are highly appreciative of Danida's support in the health sector, extremely complimentary about the successful impact in some components but aware of the difficulties in implementation of other parts of Danida's health programme. This is not generally seen as Danida's fault, for example, drug procurement and management and the NMS is an extremely challenging area, and there is also the behaviour of other donors that have made it difficult to run NMS.

E.20 Perceptions on specific parts of Danida's health programme were recorded. These components are:

- Early drugs support
- NDA / NMS / medicines credit line
- Support to northern districts
- HIV/AIDS.

E.21 Non-Danida informants remember the **early Danish support for drugs** as having been very important. The drug kits are perceived to have been a good solution to the shortage and lack of management system for drugs:

- "[Danida early drugs support] *provided much needed drugs at a time when little was available, and facilities could count on getting count on getting* [the drugs from Danida] *reliably*". (ND)
- At the beginning of the programme: "*Danida and DRC* [Danish Red Cross] *support was an injection of life*". It enabled quality of health services through provision of essential drugs. "*Restoring functionality to NMS was crucial.*" (ND)

E.22 In total, the non-Danida consensus is that Danida's support has been successful in the area of drugs, both funding for supplies and TA. Danida is perceived to have helped put in place the national drug policy and authority, to have encouraged reform without being too pushy:

- "*This was helpful as there were lots of delays in government.*" (ND)
- "*There is more recognition now of the importance of drugs and logistics. Danida has helped raise the issue and sustained support in this area even when it was not in fashion.*" (ND)
- Danida support "*revived pharmaceuticals and accounting for them*". (ND)

E.23 The majority of non-Danida informants highlight the **National Drug Authority** (NDA) as a success story. The NDA was started from scratch fully funded by Danida for salaries etc, and with TA. It is also seen as a model for successful capacity building, as it is now self-funding and there is no perceived decline in performance since the end of Danida support. The Ugandan NDA is visited by other African countries as a model:

- "*The NDA works well.*" (ND)
- The NDA is "*a very big success story, it's a credible organisation*". (ND)
- The support to the NDA "*seems to have been successful. It is now self funding*". (ND)

E.24 In contrast, non-Danida informants have mixed perceptions of the progress made with **National Medical Stores** (NMS). There is recognition of Danida's efforts in supporting NMS. However, the perceptions of impact range from the view that it has been a "*fantastic achievement*" to "[Danida] *could have done better.*" There is some consensus that NMS is a difficult challenge, the problems cannot be blamed on Danida and Danida's persistence (in the face of political interference and massive fraud problems) is commendable:

- "*The achievement is fantastic. … NMS has matured into a competent semi-private organisation, with this institutional capacity spearheaded by Danida support.*" (ND)
- "*Without them, NMS would have collapsed years ago.*" (ND)
- "*Danida has persisted, despite the problems. They really tried. … Any other partner would have jumped ship long ago.*" (ND)
- "*In NMS,* [Danida] *could have done better. They ran a separate project with its own office and stores. They implemented the Danish support as a separate operation. They did not engage in the major debates when World Bank wanted to sell off NMS until very late. Danida could have helped more in dealing with this but instead focussed on their separate stream of work and did not take into account other donor*s." (ND)

E.25 Danida informants are also cognizant of the ongoing challenges of supporting the NMS. Perceptions range from calling NMS "*a nightmare*" to the belief that the NMS is still delivering, although Danida's objective of building up an independent well-run body has not been achieved. The 2005 performance is perceived as having been particularly bad, with districts facing stock-outs of drugs. This is perceived to be due to poor management of NMS, political interference and the loss of trained personnel to other programmes (i.e. PEPFAR):

- Danida has had a "*successful experience and long involvement*" in drugs, NMS, HIV, but NMS has been "*a nightmare*". (D)
- "*We've done a lot of work with NMS; not sure that we've succeeded in making NMS an independent well-run body, but they are delivering, though still dependent on a lot of outside help.*" (D)

E.26 Non-Danida informants perceive the **Medicines Credit Line** to be a useful innovation. There are differing opinions on whether it is good or bad that other donors are not involved. A Danida perception is that extra donor funds are not needed as the basic supplies are fully funded and, in addition, Danida's strategy was to get the credit line set up and working before involving others, rather than pushing others to join in too early. However, there is non-Danida disappointment that other donors do not join in this system.

E.27 There are mixed perceptions of Danida's **support to northern districts**. On the one hand there is a non-Danida view that Danida was willing to support the whole country including insecure areas before others became concerned about this: "*other partners talk about the north but what are they doing?*" (ND)

E.28 However, other perceptions (both from Danida and non-Danida informants) is that Danida's desire to provide visible support and to be on the ground to see what is happening in practice results in duplication of effort and a lack of coordination, given that many other donors are also getting involved in supporting the north. There is a view that Danida's support to northern districts has become less justifiable over time: "[as] *the budget system started to work well then it was less justified*". (ND) There is a Danida perspective that as Danida's support to northern districts is in parallel to PAF funding rather than via increased PAF this is perceived to complicate accountability, as the support is managed from MOH but MOH has no remit to fund districts and districts are not accountable to MOH:

- *"Danida and the Irish liked to have their districts where they could see on the ground what was happening."* (ND)
- "*They want to have the Danida flag flying.*" (ND) For example, in the SWAp they wanted to have their own districts where no one else was involved. Initially they insisted on having their own TAs at district level, who were not well integrated in the district. Compare to the Irish and British who do not have a separate Irish or DFID health programme any more. (ND)
- The way funds have been used is not impressive and is likely to involve duplication as several donors provide extra funds to these districts (in addition to PAF) and they each do their own reporting and accounting – so there is scope for duplication and misuse as well as waste of money on parallel audits. (D)
- Recently working in the northern districts has become "*a coordination nightmare*" as so many partners are getting involved. (D)

E.29 However, this risk of duplication is a recent issue, and several respondents appreciated that Danida had started to work in the north "*before it became fashionable*", in recognition of and responding to the poverty and special needs of the districts. There is also a non-Danida perception that Danida's support to northern districts has supported district development and ownership as they support activities that the district identifies within their district plans. Non-Danida informants also highlighted that a strength of Danida is that it looks broader than the health department to work with others in the district administration.

E.30 The Danida strategy is that unless there is capacity in the health sector, there cannot be an effective response to **HIV/AIDS**, and that Danida's comparative advantage and strategy is in building the health system. Danida informants report that in the design of phase 2 and 3 of HSPS, Danida was criticised as not supporting responses to HIV/AIDS but that today Danida's position on this issue is better acknowledged. Non-Danida perceptions agree that the Danish strategy to support health systems rather than to have a separate AIDS programme makes sense as there is already plenty of other funding for AIDS, and not enough for the health system nor for other

diseases which are important causes of disease and death. One non-Danida informant also felt that Danida's work on HIV/AIDS had influenced GOU's multi-sectoral approach, especially the experience in Rakai which was the first district to be hit by the HIV/AIDS pandemic.

E.31 Danida's support to TASO is perceived by Danida to have been a risk but one that paid off:

- "*One risk I am glad we took was to support TASO; they were actually working with people who had AIDS, who were shunned by others. In truth, we knew very little about TASO when we decided to support it, but it turned out to have been a very good thing to do*." (D)

E.32 Non-Danida informants agree that Danida made a positive contribution by encouraging donors to harmonise so TASO only had one set of procedures for planning and reporting, with a shared 'basket' budget funded by several key donors.

- "*It worked really well. … helped the NGOs manage delays in funding from donors that earmarked funds … the flexible donor funds could fill gaps.*" (ND) Reportedly this model has been applied with other NGOs since then.

E.33 TASO reports a good relationship with Danida and perceives them to be "*really good partners*". The following reasons were given:

- They support basket funding and advocated for others to use harmonised procedures.
- In general they encourage TASO to develop realistic plans and not to take on too much.
- No pressure from Danida on prevention versus treatment (compared to the PEPFAR funding from the US which set a ratio for how much should be spent on prevention vs. treatment).

E.34 One negative non-Danida perception was that Danida should have "*a more holistic approach*" to HIV, and that rather than just supporting TASO and other NGOs, Danida should help address issues such as equity in access.

E.35 On **corruption**, Danida's perception is that their intervention in the health sector has been dogged by corruption problems (including early 1990s drugs theft, 1995 NMS corruption and other episodes such as ghost attendances at workshops etc). Non-Danida views on the appropriateness and effectiveness of Danida's response to corruption are varied. One perception is that Danida's response to corruption has been appropriate and effective: if Danida identified a problem they asked GOU to deal with it; only if GOU did not react did Danida then cut off funds. However some other perceptions are critical of Danida:

- In one case, Danida is reported to have reacted to corruption concerns by withdrawing the support abruptly so no drug kits arrived and then it took more than a year to resume drug delivery. The perception is that this response was "*too harsh in its impact on basic services*" and "*could have been handled better*". (ND)
- Another example highlighted by non-Danida informants was when the Danish auditors found gross misuse of funds (70% of funds were not accounted for properly or misused during HSPS1). It is perceived that the Danish had the right to be strict about their funds and that the lead TA at the time was in the right but "*handled it poorly*", asking for people to be suspended and arrested etc. Several non-Danida informants reported there was some bitterness left over from this episode which marred relations with Government.

A Danida perception on responses to corruption issues in health is: "*what else could we do once corruption was exposed?*" (D)

E.36 On **technical assistance**, there is a Danida perception that one advantage of Danida is that they can provide long term TAs who know more about what is going on, and Danida informants view this as responding to a need in GOU. It is perceived that the TA had a conflicting role in reporting to Danida as well as to the MOH and thus the roles were separated: 1) the role of the person based in the Embassy is as programme officer to speak on behalf of Danida, engage in dialogue, influence policy, and 2) the role of the TA in MOH is to support MOH. There is a Danida perception that this is an effective structure:

- "*The senior TA used in Uganda have been good and experienced."* (D)
- "*Danida had not planned for the TA to NMS in their programme but was asked to provide* [a TA]." (D)

E.37 In general the non-Danida informants believe that the quality of the TAs is good and has built up capacity within the MOH through support to drugs management and policy: "*Technical assistance has been useful, good quality.* [The TAs] *advise and help to solve problems*." (ND – public sector agency)

E.38 Danida's short-term consultancy is also perceived as being beneficial: "*They have good quality consultants who come now and then who are really knowledgeable about drug issues in developing countries.*" (ND – donor)

E.39 There were some personality issues with one TA, and a non-Danida informant considered that the technical assistance quality has not been good: "[Danida has] *very good people for programme design, but then tend to leave implementation in the hands of not such good TA.*" (ND)

E.40 There is non-Danida criticism of the lack of clarity in TA roles – that "*the lead TA to the MOH had two hats – both managing the Danish funds and technical advice*" and this was always problematic and difficult for the TA when accountability problems arose: "*it would have been better to separate the roles*". This lack of clarity is perceived to have been compounded by a lack of physical integration into the MOH: "*Danish advisers had their own set of offices within MOH, it would have been better if they were integrated within the relevant MOH departments, so they could become more part of MOH. … Their TA did not work with us as part of our team – they want to have their own enclave*." (ND) It also depends on personalities (there was a particular issue with one TA who was very blunt when faced with corruption).

E.41 Other non-Danida comments on the TAs were:

- There is also a view that as the Danish have TAs in the MOH ("*ears on the ground*"), they could do more to feedback to other donors.
- TAs in the selected districts in HSPS 1 were perceived not to have worked too well as their role and responsibility with regard to district authorities was unclear. Danida is perceived to have learnt from this experience: this strategy was not repeated and funds now support parts of an integrated district plan.

2F. Perceptions on Danida's support to Private Sector Development

Summary of Danida's interventions in the Private Sector 1987–2005

F.1 A number of Danida interventions throughout the evaluation period have had implications for the private sector, but the main intervention with an explicitly private sector focus has been the Private Sector Development (PSD) programme. This is a supplement to the country programme, and has financed partnerships between Danish and Ugandan firms since 1999. For the scope and content of this support in the wider context of official development assistance and government's health development policy, see Thematic Paper 9: Private Sector Development.

Informants

F.2 The perceptions of Danida's private sector component of the Danida Uganda country programme are drawn from a group of 12 informants:

- 8 *Danida* informants gave perceptions; 2 of them were from MFA Copenhagen, 4 from RDE Kampala and 2 project/programme officers. The Danida group consisted of 5 men and 3 women
- 4 *non-Danida* informants gave perceptions: 2 from central government agencies, 1 donor informant and 1 businessman. The non-Danida group consists of 3 men and a woman.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case; where relevant the sub-category of informant is highlighted. The group of informants on this topic was very limited.

Perceptions

F.3 Danida informants saw the Private Sector Development (PSD) Programme as "*designed to fit into Government's private sector development programme as a whole. It fits in Uganda's private sector competitiveness project framework*". It is perceived by Danida that within the programme "*most projects are linked to poverty reduction – they are mainly agriculture interventions*". Also, "*social responsibility is a programme requirement that all beneficiaries must meet*". (D) Danida informants welcomed initiatives from Danish companies however this rarely happens in practice: "*we would be very happy if Danish companies came to us looking to start a partnership, however this very rarely happens. People in Denmark are not very aware of Uganda, and companies are not thinking about linking up with a Ugandan company"*. (D) Danida informants stressed that it was very important to note that Danida is providing finance to support the partnership, and not just supporting the individual companies. The Danida perception is that one of the most important aspects of the PSD Programme is the "*spill-over effect*" in promoting commercialism of Ugandan enterprises.

F.4 Danida informants reported that while a sector approach would have its benefits (reported by a Danida informant as recommended by the 2001 evaluation of Danida's PSD programme), Danida's individual business approach is judged to be appropriate: it has "*a commercial focus. Many other donors use business development programmes, but we see PSD as a way to strengthen the private sector in a different way, and that the two programmes can supplement each other*". (D)

F.5 There is a non-Danida perception that Danida concentrates on the upper side of private sector development i.e. large and licensed firms. Another non-Danida perception is that Danida does not work as closely as it could do with the Uganda Investment Authority (UIA) and that all Danida businesses should register with UIA. Danida's approach is contrasted with some other countries which are perceived to work closely with the UIA to attract foreign investment to Uganda. However, on this point a Danida perception is that registration with UIA is irrelevant as in the PSD Programme Danish firms are in partnership with existing businesses.

F.6 In terms of **structure**, in 2004 a programme coordination unit for the private sector programme was approved (rented premises with Danish Senior Adviser and Financial Controller). A Danida perception is that it isn't necessary to be "*afraid of coordination units. If everything is going to the ministry, it isn't realistic… Government ownership is one thing, but letting go all Denmark's responsibilities is another*". (D)

F.7 In terms of **impact,** both Danida and non-Danida informants perceive that the PSD programme has been generally successful, with a contribution to export growth and benefiting individual beneficiaries:

- *"There are strengths and weaknesses of our programme, we are very aware of this, if we don't strike up a partnership between the two companies then we have nothing.*" (D)
- "*We have around 40 contacts, and our activities will not have much effect on GDP, but if we continue with the programme companies will learn from each other, other farmers will learn from the one or two that we have worked with.*" (D)
- *"The PSD has assisted in product range diversification. Local firms have streamlined their operations as a result of the PSD Programme. … If poverty reduction is understood in terms of making commodities available on the market, then the PSD Programme made significant contribution to poverty reduction. … Without the PSD Programme most of the enterprises could have gone under or would not have attained the level of growth they attained".*
- *"I benefited immensely. I am now able to export to the Democratic Republic of Zaire. … without the support of development partners* [such as Denmark], *Uganda's private sector would not have reached where it is today.*" (ND)

F.8 The agriculture sector and the private sector are linked. Past interventions in this sector are perceived by non-Danida informants to have had an important impact on the private sector. For example: the Dairy Master Plan Study (1991–1993) is perceived to be "*a very good piece of work which led* to *the transformation of the industry"* which Uganda has "*tried to implement as far as possible*". The Agriculture ASPS II programme has an important private sector element. This is believed to be an important strength by Danida and non-Danida informants. There is non-Danida approval of the Danish strategy of using existing private sector structures and influencing change through them, in comparison to other donors:

- "*Our strength is that we contribute to the government's programme as well as the private sector. That buys us a seat at the policy table. We support NAADS and NARS, but we are also in direct day-to-day contact with farmers' organisations and agri-business."* (D)
- *"Unlike the USAID APEP* [Agricultural Productivity Enhancement Programme], *which is exclusively based in the private sector and works with large corporations, we have a foot in the public sector and another in the small-scale private sector, which is the strength of our programme."* (D)

- "*We find Danida money much better compared to USAID money because we agree on how to spend it. ... USAID tells you how to spend the money and does not use existing public sector institutions preferring to work with the private sector directly. On the other hand, Danida made significant change by using existing structures and influencing them to change. Danida caused liberalisation in the* [dairy] *industry and attracted more players.*" (ND)

F.9 However, to date the agriculture programme's impact is perceived by Danida informants to have been limited: "*One has to acknowledge, however, that USAID is largely responsible for the significant improvements in export crop production: vanilla, coffee, maize, cut flowers*". (D)

F.10 Danida and non-Danida informants perceive that private sector development has been encouraged through some of Danida's interventions in other sectors. For example:

- Danida capacity-building effort in the water and sanitation sector is perceived to have had a beneficial impact on the private sector capacity: when the policy of privatisation was launched, the first private sector contractors, consultants and hydrogeologists were mainly those who had worked under the Rural Water and Sanitation project (RUWASA).
- Denmark gave support to Entebbe airport and "*industries have grown up around the airport including flowers*". (D)

2G. Perceptions on Danida's support to Roads

Summary of Danida's interventions in the Roads Sector 1987–2005

G.1 Danish support to the transport sector comprised interventions in the roads sector covering the Northern Uganda Reconstruction Programme (NURP), the road sector of the Rakai District Development Programme (RDDP) and the Road Sector Programme Support (RSPS) phases 1 and 2.[10] Since 1996, Danish support to the road sector has been in support of the GOU Roads Sector Development Programme (RSDP). Before then, the interventions were within the context of NURP and the RDDP. The key GOU implementation partner has been the Ministry of Works, Housing and Communication (MOWHC). Following the transfer of the Housing and Communications portfolios in June 2006, the ministry is now known as the Ministry of Works and Transport (MOWT). For the scope and content of this support in the wider context of official development assistance and government's water and sanitation development policy, see Thematic Paper 2: Infrastructure (Transport, Energy, Water and Sanitation).

Informants

G.2 The perceptions of the roads component of the Danida Uganda country programme are taken from a group of 31 informants:

- 7 *Danida* informants gave perceptions, of which 3 are from MFA Copenhagen, 3 from RDE, Kampala and 1 Danida project/programme officer. The Danida group consisted of 5 men and 2 women.
- There were 13 interviews with 24 *non-Danida* informants, of which 5 were from central government, 18 from local government and 1 other donor informant. The non-Danida group consisted of 20 men and 4 women.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case; where relevant the sub-category of informant is highlighted. The informants may have changed category during the evaluation period and the category used here is the most appropriate given the experience of the informant that shapes the perception. The group of informants have experience that among them spans the period of Danida's programme in Uganda under evaluation.

Perceptions

G.3 Non-Danida informants' **overall perception** of Danida's support to Uganda's roads network is that it is one of the significant and visible components of the Danida Uganda country programme:

- "*The other thing that people know Danida for … is for their road building.*" (ND) Danida is considered to be a "*huge*" donor in Uganda "*because of its involvement in roads, health, water*". (ND)
- "*Danida has made a unique and significant contribution is supporting and improving labour intensive road technologies.*" (ND)

[10] Other interventions in the transport sector were the rehabilitation of Entebbe International Airport, rehabilitation of Port Bell Ferry Terminal and rehabilitation of Railway Wagons. Perceptions on these other interventions are not included in this summary, which covers support to 'roads' only.

G.4 There is a Danida perception that Danida has been at the forefront of promoting basket funding through the RSPS and harmonisation with other donors through the Joint Sector Review. However, both Danida and non-Danida informants consider that Danida has not been able to influence the other donors as much as it would have liked as Danida is not the largest donor to the major roads network. Danida perception is that also due to Danida's small size in the sector:

- Danida is lower in the pecking order of donors in the road sector – in what is termed "*a billionaires' club*". (ND)
- Danida's proposal for the Joint Review has only been "*grudgingly accepted*". (ND)
- MOWHC has been "*very difficult to work with … World Bank and AfDB* [African Development Bank] *have more money*". (D)
- "*Most donors in the* [National Roads] *sector favour project approach and go it alone approach.*" (D)

G.5 Danida's future strategy for the road sector is (as of the evaluation visit June 2006) undecided as the Joint Assistance Strategy which will replace the RSPS has yet to be finalised: "*The Embassy has not yet made up its mind how to proceed*". (D)

G.6 The **impact** of Danida's support to district roads with promotion of labour-intensive road technologies is highlighted by non-Danida informants. This support is perceived as being highly visible and highly appreciated. In Rakai:

- Danida made a difference in Rakai through its support to (among other components) "*infrastructure to enable improvements including roads.*" (ND)
- "*Danida's contributions to health in Rakai have been very great, both directly and indirectly. The road structure makes every health unit accessible. This is one of the most important things.*" (ND)
- *"The entire intervention explains the reduction in poverty and improvement in the livelihoods of the people of Rakai. Construction of roads enabled farmers to register increases in the farm-gate prices of their outputs."* (ND)

In other districts:

- An informant highlighted that the Danida assistance to the district roads was very welcome and it was all the more welcome because it was unexpected: "*When Danida came, we were relieved*." The perception is that the funds came forward from the north – the windfall arose from the reallocation of funds which could not be used due to the war. (ND)
- "*Danida has done a great job. … The district has no revenue for road maintenance and funding from central government is insufficient. … Unfortunately this support is coming to an end in 2007.*" (ND)

G.7 The visibility of district roads means that Danida attracted a lot of criticism for abandoning the Kyegegwa-Kyenjojo road. The road project was not completed because of Danida's concerns about Uganda's involvement in the conflict in Congo.[11] It is said that a GOU

[11] Some Danida informants remember this episode differently but *A Review of the Government's Examination of Denmark's Developmental and Environmental Cooperation with Developing Countries* MFA, 29 January 2002, clearly states:

- Aid work with Uganda will be continued, but on a lower level (DKK 250 million), due to the country's continued military presence in the Democratic Republic of Congo (DRC), and the lack of intervention and prosecution concerning Ugandans involved in illegal exploitation of natural resources in the DRC.
- This reduction (DKK 30 million) will be implemented by *not* carrying out the entire renovation of the stretch of road in the Fort Portal corridor. (Evaluation Team's translation from the Danish.) (MFA Danida, 2002a)

official threatened to put a sign by the road saying "*This road was left unfinished by the Government of Denmark*". (ND)

G.8 Both Danida and non-Danida informants judge Danida's **comparative advantage** to be at the district level and in labour-based methods. Danida informants also highlight Danida's role in successfully mainstreaming cross-cutting issues into the road programme:

- "*On the other hand, we are strong on rural development, and in rural labour-intensive roads; this is something which can really dynamise the rural economy* [because of the injection of income to the work force as well as the benefits of the road per se]." (D)
- "*Danida's track record of planning and implementing civil works at the district level is an important strength.*" (D)
- *"We brought gender issues, environmental screening and social awareness into the roads programme."* (D)

G.9 Danida informants point out that they believe Danida does not have a comparative advantage in major roads, and there is a general perception that capital-intensive projects are "*very difficult*" for Danida, as they require a great deal of management, negotiation, tendering, contracts and large funds:

- "*Roads are probably a little less clear* [whether the Danida intervention was good] – *especially when looking at major tarmac roads (something we are really out of these days). It's hard to see* [major] *roads as a distinctive development; if Denmark hadn't financed them another donor might, or government itself."* (D)

G.10 As in other sectors, Danida informants perceive **corruption** as a persistent risk, and point to examples such as corruption in procurement, ghost workers and theft of assets (fuel). Danida informants confirm Danida's reputation for strict **accountability**. A non-Danida informant highlighted the episode when some road construction equipment provided by Danida was locked up for a year because of problems of accountability.

G.11 The **capacity-building support** to Mount Elgon Training Centre under Component 2 of the RSDP is singled out as a success story by both Danida and non-Danida informants:

- The rehabilitation and expansion of the Mount Elgon Training Centre contributed tremendously to the capacity of the institute and as a result the training exceeded what was planned: "*one of the most unique and successful components* [of the RSDP]". (D)
- "*This provides employment. We like* [their] *work.*" (ND)
- "*Danida has singly handed raised the profile of the institute to a place of repute in labour-based road maintenance training.*" (ND)

G.12 However, Danida informants do not consider the recent capacity-building effort with the Roads Departments to have been successful:

- "*We haven't been very successful in building capacity in the Roads Department in the last couple of years, in part due to delays from the government side.*" (D)

G.13 There is a non-Danida perception that: the hallmark of Danida support is **sustainable** development. For example, "*Danida cannot give money for road rehabilitation unless there is evidence that funds are available for maintenance*". (ND) At the same time Danida informants judge sustainability in the sector as "*uncertain*" as there is a lot of pressure on the budget and the failure or inability of GOU to budget for the maintenance of improved roads persists. (D)

2H. Perceptions on Danida's support to Water and Sanitation

Summary of Danida's interventions in Water and Sanitation 1987–2005

H.1 Danish assistance in the water and sanitation sector has been in three broad areas:

(a) Support to delivery of water and sanitation services to the rural population and rural growth centres. This was initially achieved through projects such as RUWASA (the Rural Water and Sanitation project) and ECWSP (the Eastern Centres Water and Sanitation Project), and currently through the joint funding modalities with other donors.

(b) Assistance to charting the strategic direction of the sector through support to the Water Action Plan and to sector reforms.

(c) Support to capacity and institution building in the sector through provision of technical assistance to the Department of Water Development (DWD), training and provision of logistics. This has taken place across all projects and also as stand-alone support such as the one to the Water Resource Management Department.

H.2 For the scope and content of this support in the wider context of official development assistance and government's water and sanitation development policy, see Thematic Paper 2: Infrastructure (Transport, Energy, Water and Sanitation).

Informants

H.3 The perceptions of Danida's water and sanitation component of the Danida Uganda country programme are drawn from a group of 15 informants:

- 9 *Danida* informants gave perceptions, of which 3 were from MFA Copenhagen, 4 from RDE, Kampala and 2 Danida project/programme officers. The Danida group consisted of 8 men and 1 woman.
- 6 *non-Danida* informants gave perceptions, of which 3 were from central government, 2 from local government and 1 observer. The non-Danida group consisted of 6 men and 0 women.

The perceptions are annotated as being from Danida (D) and non-Danida (ND) informants in each case; where relevant the sub-category of informant is highlighted. The informants may have changed category during the evaluation period and the category used here is the most appropriate given the experience of the informant that shapes the perception. The group of informants have experience that among them spans the period of Danida's programme in Uganda under evaluation.

Perceptions

H.4 Danida informants have the **overall perception** that Danida has been a large and significant donor in the Water and Sanitation sector, with a long involvement in the sector from the late 1980s:

- "*Their contribution was of tremendous importance because our people were suffering a lot from lack of safe water for domestic use.*" (ND)

H.5 Danida informants perceive that Danida's **strategy** was well thought out and RUWASA in particular was appropriately designed for its objectives:

- From the start "*Danida were very thorough and determined to develop an appropriate strategy*".
- In the early 1990s Danida's strategy in water sector development was an example of "*good practice*".
- RUWASA got it right in terms of being demand-based. The dominant view is that Danida "*would do RUWASA the same way again*".

H.6 There are perceptions concerning the strategic shift from projects to joint funding modalities with other donors. Most informants (Danida and non-Danida) consider that Danida was the leading donor pushing for the move away from projects and that lessons and experiences under Danida supported interventions such as RUWASA significantly shaped the design of interventions under the SWAp approach. While Danida was the first to think programme-wise, it did so for its own support (Water Sector Programme Support – WSPS). On the other hand, World Bank thinking was in terms of donors collaborating to support the whole sector jointly. A Danida view is that Danida were persuaded to change strategy by the World Bank who were convinced that programme support was more sustainable (than the project approach).

H.7 There is consensus that in the third phase the Danida programme has improved in terms of harmonisation and alignment. More buy-in to the national programme is perceived and closer cooperation with other bilateral donors is noted. Both Danida and non-Danida informants believe that Danida has a lot of respect for the beneficiary institution and Danida is not seen as imposing its will on the GOU. Danida's use of government systems is highlighted by Danida informants, perceived to be in contrast with other donors who insist on their own procedures (JICA and UNICEF) which sometimes results in increased costs:

- "*Today Danida's funding is the most harmonised and aligned of other bilateral donors.*" (D)
- Danida is seen to "*have helped a lot in terms of harmonisation within the sector*". (ND)
- "*Danida has been listening to us. This makes us feel we own the process.*" (ND)

H.8 Danida's future in the Water and Sanitation sector is undecided. With the move to the Joint Assistance Strategy the new Danida programme will have three pillars (rather than the current 7 sectors). A Danida perception is that it "*… will be tough to scale back* [assistance to the WATSAN sector], *not least because so many people in high positions now have been engaged by, benefited from and learned from RUWASA programmes*". However another Danida informant perception is that no donor has a comparative advantage in the sector as the advantage gained through in-house knowledge built up during a lengthy involvement "*soon evaporates when field teams disperse and knowledgeable advisers move on. There is no clear, long-term comparative advantage for Danida or any other donor*"

H.9 In terms of **impact**, informants concur that Danida's aid to the water and sanitation sector has been successful and has contributed to Uganda's strength today in both rural and urban water supply.

H.10 A local government perception highlights scarcity of funding for the water and sanitation at district level since RUWASA closed. It is thought also that the rapid development of safe water points under RUWASA which took place in the 1990s has resulted in an increasing backlog of maintenance.

H.11 Both Danida and non-Danida informants perceive that the Danida **capacity-building effort** in the water and sanitation sector has been a notable achievement. Danida's capacity building is also perceived to have had a beneficial impact on the private sector capacity: when the policy of privatisation was launched, the first private sector contractors, consultants and hydrogeologists were mainly those who had worked under RUWASA:

- "*A significant and ground breaking work which produced the core specialists in … water and sanitation … in both the private and public sector.*" (D)
- Today "*there is a well-educated stable cadre of GOU people in water operations*". (D)
- The comprehensive capacity building carried out with Danida and with other development partners' support has left behind a capable human resource to manage the sector. (ND)

H.12 The non-Danida perception of the relevance and quality of TAs is that they have been needed and have generally been of good quality. In cases where the specific TAs were not performing, they were replaced. This is also cited as an example of the positive behaviour of Danida in listening and responding to the government's views and needs. One observation was that it is a challenge with TAs that some paid more allegiance to the donor but had a poor relationship with the GOU staff. A Danida informant points out that in the project-mode days, the consultants more or less took charge and that effective technical assistance only started under programme support. A note of caution is also sounded as "*it takes years to change fully from one way of working to the other*". (D) A non-Danida recommendation is that in the future technical assistance should be more targeted and focused.

H.13 There have been cases of fraud, diversion of funds and **corruption**, with Danida informants highlighting that there was "*a corruption problem*" in RUWASA in the 1990s. Danida's response is perceived to have been expensive: the payments to the auditors were more than double the amount that was lost thorough corruption. A Danida view is that cases of corruption have been greatly minimised since this period due to tight systems of control and **accountability**. A non-Danida perception is that there were fewer incidences of corruption and accountability problems during the period of project support, and that the problems under WSPS are attributed to inadequate enforcement, systems and procedures.

H.14 Danida informants perceive that Danida has been successful in installing an appropriate process of **learning and adjustment** in their support to water and sanitation:

- Reviews are "*thoroughly undertaken*" and have "*contributed to improvements in planning, implementation and results. … The project was open to learning and continuous improvement*". (D)
- "*Danida gives room for initiative and adjustment during the process of implementation.*" (D)

Annex 3: Methodology and Informant Analysis

Methodology

1. This Annex explains the methodology adopted for the Perception Study and reflects briefly on the evaluation team's experience in applying it.

2. The Terms of Reference implied that the Perception Study would be treated as a separate stream of work within the study, to be undertaken primarily by local consultants. This was the pattern of the Malawi study discussed below. Mokoro's proposal for the evaluation put forward an alternative approach. It pointed out that many of the key informants for the perception study would need to be interviewed anyway as part of thematic research; it was not realistic to seek a second "perception study" interview. Therefore the whole body of evaluation interviews should be considered as potential inputs to the perception study, and the protocols for conducting, recording and sharing interviews should be adapted accordingly.

3. In applying this approach, the team drew lessons from two previous perception studies in particular. In 2000, a perception study of Danish cooperation with Malawi was conducted by the Malawi Institute of Management (Malawi Institute of Management, 2000). This was based on formal interviews with a range of respondents (89 in all) from central and local government, donors, civil society and the private sector. The interviews included closed questions (mainly asking for ratings of various aspects of Danida performance) as well as more open-ended questions to explore the reasons behind the ratings. Although, the present study adopted a different, and less quantitative, approach, the Malawi study was a helpful guide to issues that were likely to be salient. Those of its findings that are most directly comparable with Uganda are summarised in Annex 1.

4. The perception study within the World Bank Uganda Country Assistance Evaluation (CAE) 2001 (World Bank, 2001b) was based on intensive focus group discussions, which it describes as follows:

> The participatory discussions involved 70 participants in seven focus groups covering the major stakeholders in Uganda – the Government of Uganda (GOU, both core and line ministries), civic leaders, non-governmental organizations (NGOs), the private sector, and donors (both heads of mission and sector specialists). The focus group exercise had the same objective as the CAE: to assess Bank assistance to Uganda since 1986, in the form of policy advice, lending (both project and adjustment support), technical assistance, and aid coordination. The participants were asked to identify both successes and shortfalls in country and Bank performance, future challenges, and lessons learned that might improve future performance.
>
> The focus groups were conducted during four consecutive days in a Kampala hotel (away from Bank or GOU offices) to encourage participation and preserve neutrality. All discussions were tape recorded with respondent permission. On the average, ten participants took part in each interview (the range was four to sixteen). Originally scheduled to last two hours, the interviews spilled into the third (and sometimes the fourth) hour. Participants spoke freely, although two OED staff members were present for most of the interviews. Tapes were transcribed to facilitate report writing.
>
> All data were gathered and reported according to prevailing standards of respondent protection and anonymity. To maintain confidentiality, this report includes agency, but not individual respondent names. In addition, wherever possible, identifying information has been eliminated from direct quotes.
>
> Given the diversity of experience and awareness of Bank assistance among stakeholder groups, the exercise did not rely on a standard protocol but tailored the protocol to specific group interests instead. Nevertheless, most groups touched briefly on most topics.
>
> [The groups were: core government officials; line ministries; civil society; NGOs; private sector; donor heads; and donor sector specialists.]

5. This provided useful evidence of Ugandan perceptions of foreign aid which has informed the present evaluation. However, it was not considered an appropriate model to imitate. It cannot be assumed that Danida has such a high profile as the World Bank, and so it would be difficult to get useful material about perceptions of Danida without embarking on a wider study of perceptions of bilateral and multilateral donors in general (ideally without disclosing any special interest in Danida). But such an approach would be beyond the resources and scope of this evaluation. Moreover, it would be inappropriate for a single donor to launch such a study: if undertaken, it should be a joint, harmonised undertaking among a group of donors.

6. The approach adopted was to solicit informant opinions in the same open-ended way used for the World Bank study, but without bringing informants together for intensive focus-group discussions. The evaluation team was quite large (over a dozen Ugandan and international consultants). To ensure consistency in approach, the perception study was discussed in detail in team workshops at the outset of the study, and there were regular team meetings during the fieldwork. Specific interview questions had to be tailored to the different interests of interviewees, and to the range of issues that were salient across the different sectors and time periods. Within any interview, the interviewer had to judge the most relevant issues to pursue. However, a generic information structure and a checklist of issues were developed (see matrix in Attachment A). The process of developing this structure and checklist helped to ensure that all team members had a similar approach and, as far as possible, covered the most important topics.

7. A very simple standard format for interview notes was also adopted (Attachment B). Interview notes were checked by the team members present at each meeting, and posted on the study web site (password protected so that only team members and quality assurers could view the notes with names of interviewees attached). The interview reports were thus available in full to the team members during the drafting of thematic papers (Volume 4) as well as the main report (Volume 1). Preliminary drafts of the perception findings were kept strictly within the evaluation team, because, to enable cross-checks, they retained the attribution to particular interviews and informants. Attribution was removed as the last stage before wider circulation. However, the quality assurance team had access to the attributed draft version and to the full set of interview notes; they were therefore in a position to verify the fidelity of this report to its sources.

8. The Perception Study does not report informants' opinions in terms of the DAC criteria of relevance, efficiency, effectiveness, sustainability and impact. Informants rarely used these terms in responding to our questions and it would be misleading for us to report their responses as though they had. It would also blur the distinction between the Perception Study – as the voice of stakeholders – and the Thematic Papers and Synthesis Report where the views of the evaluators are expressed. It is interesting to note that, when asked for their opinions on Danida, informants almost always chose to highlight different sorts of issues from those that directly relate to the DAC criteria. It was apparent, for example, that for most informants the quality of partnership with individual Danida staff and with Danida as an organisation was a very important consideration. The Perception Study therefore usefully brings to light new and different aspects of Danida and adds value to the information that was elucidated through the framework of the DAC criteria.

9. The interview notes include a great deal of factual material and additional observations besides the perceptions distilled into the present study. The discipline of writing up and sharing such notes was very valuable in ensuring rigour and in sharing findings across the evaluation team.

Informant Analysis

10. All interview notes were used as the source of perceptions for the perception study. A total of 150 interviews were conducted, involving 186 informants. The interview notes run to over 135,000 words. The informants came from a variety of organisations reflecting both Danida and non-Danida perspectives on Danish aid to Uganda.

11. The informants could not be a scientifically representative sample. However, the evaluation team sought informants with a range of organisational affiliations and with experiences covering the entire evaluation period. Inevitably, some periods and some parts of the programme are quite thinly represented. It should also be noted that very few informants were dispassionate observers: almost all had direct interests (most as dispensers or recipients of Danish aid) that are likely to colour their views. Informants from other donors might be regarded as more detached, but are also interested partners. This is inherent in any canvass of *stakeholder* opinions.

12. The perception summaries by sector in Annex 1 each detail the composition of the informant group for the individual sector. This information is presented in Table 1 below. Totals are not shown, as informants may have provided perceptions for more than sector.

Table 1: Sector Informants

SECTOR	Agriculture	Decentralisation	Gender	Governance	Health	PSD	Roads	WATSAN
INFORMANTS								
Danida	13	12	4	16	9	8	7	9
MFA, Copenhagen		7	1	10	3	2	3	3
RDE, Kampala	6	2	3	4	4	4	3	4
Project/programme officers	7	3		2	2	2	1	2
Non-Danida	17	25	9	36	20	4	24	6
Central gov	3	8	5	8	8	2	5	3
Local gov	3	11		2			18	2
Judiciary				1				
NGO - Danish		1		4				
NGO - Ugandan	3	1	1	10	3			
Donor	1		2	3	8	1	1	
agencies (govt, semi-auto, public)	6	1		5	1			1
Other	1	3	1	3		1		
Danida								
Men	9	8	3	13	5	5	5	8
Women	4	4	1	3	4	3	2	1
Non-Danida								
Men	14	19	2	26	13	3	20	6
Women	3	6	7	10	7	1	4	0
Total men	23	27	5	39	18	8	25	14
Total women	7	10	8	13	11	4	6	1
Total informants	**30**	**37**	**13**	**52**	**29**	**12**	**31**	**15**

Notes

i. When informants have changed categories during the evaluation period, they have been categorised according to their most recent stance vis-à-vis Danida.

ii. Informants may have given perceptions that pertain to more than one sector; therefore to avoid double counting, numbers are not aggregated across sectors.

Attachment A: Information Collection and Perception Study Issues

The matrix in this attachment was originally included in the Evaluation Inception Report to provide guidance to the evaluation team in developing a standard approach to interviews. In practice the evaluation team found that programme documentation, evaluation and review reports, Annual Minutes and other documentary sources were an invaluable resource in answering many of the questions identified in the matrix below. Rather than simply being the framework for an 'interview structure' therefore the matrix provided guidance to the Evaluation Team for structuring information gathered both through reviews of documentary material and through interviews.

The matrix gives a generic structure for information collection, and shows how issues at different stages in the project/programme cycle were related to the main evaluation questions (guided by the DAC evaluation criteria). The final column highlighted aspects that were particularly relevant for the perception study (i.e. where informants' perceptions were an especially valuable form of evidence for the evaluators). This general structure was informally adapted to the particular sectors/programmes that were the focus of enquiry (e.g. agriculture, health, governance, etc), with more specific issues being identified that related to the sector/programme in question. Similarly, the balance of information obtained from documentary sources and through interviews varied by sector and according to the specific issues that were being investigated.

General Introduction for interviews	***Information to provide:*** *Brief background and purpose of the evaluation.* *We aim to obtain the "perception" of respondent(s), from their standpoint. We do not seek an official view.* *The interview will be in confidence and will not be attributed.*
[see Interview Notes format (Attachment 1, above)]	***Information to seek*** *Personal details of interviewee(s) [name, designation, contacts etc]* *Establish interviewee(s) relationship to Danida programmes [when, which programme(s), in what capacity]*

Issue Cluster	***Generic questions***	***Relation to evaluation questions***	***Perception aspects***
Origins and context	How did the programme come about? What were the issues at the time? How did the programme seek to address the issues?	**Relevance** of programme to reduction of poverty Other motivations for programme design Reasons for selection of this type of programme and this location	Quality of partnership: degree of Ugandan ownership in programme selection; degree of coordination, collaboration amongst aid agencies. Danida's positioning (choice of sectors, programmes, approaches) vis-à-vis other donors. Danida role in policy development.

Issue Cluster	***Generic questions***	***Relation to evaluation questions***	***Perception aspects***
Design and implementation	Key features of design and implementation. What alternative options were on hand at the time? Why was a particular design and not another chosen? Issues arising during implementation (including fiduciary safeguards and their wider implications).	*Anticipated* **effectiveness** and **efficiency** in relation to other options, including Effectiveness in achieving local and national development goals Alignment with local and national policies Effectiveness of donors in facilitating programme Alignment of donor policies with each other, government and poverty-related objectives Value for money and utilisation of resources	Views on how the programme was designed & implemented. Degree of ownership in design and implementation. Attention to capacity building and sustainability in design and implementation. Comparison of Danida's approaches, procedures in design and implementation with those of other agencies.
Results	What were the results expected? To what extent were these results achieved? What is the evidence? Which expected results were not achieved and why? What lessons do we learn from this?	*Actual* compared with *anticipated* **effectiveness** and **efficiency** (As above)	Extent to which results (positive or negative) reflected distinctive features of the Danida approach.
Sustainability	Were/are the results of the programme sustained/sustainable?	**Sustainability** in terms of historic and current involvement of development partners financing and contractual "modalities" use of parallel systems strengthened organisational capacity of host organisations role of external advisers and NGOs financial and economic sustainability	Looking back on the objectives, process and results of the programme, perceptions on: 1. Ownership of the programme 2. Institutional capacity to continue 3. Financial sustainability and extent to which this reflects specific strengths/weaknesses of the Danida approach.
Overall reflection, learning, recommendations	Particular good practices? What could have been done better? Implications for future development interventions (including aid).	Review of **relevance**, **effectiveness**, **efficiency** and **sustainability**.	Lessons on strengths and weaknesses of Danida approaches. Implications for future Danish aid (design, comparative advantage for sectors and types of intervention to be supported by Danida).

Attachment B: Format for Interview Records

[date of Interview]: Interviewee(s)

GENERAL Date:	Location of Interview:	Evaluation Team Members Present:
INTERVIEWEE(S) Name: *[gender?] [age? 20s,30s,40s…]*	Designation: *[organisation, job title, etc]*	Contacts: *[phone / e-mail, etc]*
NOTE TAKING Name:	Date completed:	*For admin use only: on website?*

Links to Danish Aid / Uganda

Nature and dates of interviewee involvement in Danida Uganda

Topics

cf. thematic topic checklists, generic perception study checklist (record responses by topic with clear headings, not necessarily in chronological sequence of discussion). Make clear when a direct quote is recorded.

Data/documents provided/recommended

Seek full references for documents not already in study library.

Other proposed follow-up

e.g. other interviewees recommended