



Ministry of Finance and National Planning



Civil Society for Poverty Reduction

REPORT

National Consultative

Workshop on

Civil Society and Aid

Effectiveness¹

Held at Cresta Golf View Hotel
Lusaka, Zambia

18-19 September 2007

¹ Joint facilitation by the Ministry of Finance and National Planning (Mo FNP) and Civil Society for Poverty Reduction (CSPR)

PART I: INTRODUCTION, GOVERNMENT AND COOPERATING PARTNERS PRESENTATIONS

Background

The National Consultative workshop on Civil Society and Aid Effectiveness was held from 18th to 19th September 2007 at the Cresta View Hotel in Lusaka, Zambia. This workshop brought together stakeholders from civil society, government, and the cooperating partners. It aimed at promoting dialogue among the stakeholders in order to address issues pertaining to making Aid more effective in Zambia. It also aimed at filling the gap in civil society participation with regards to the Aid effectiveness agenda of the Paris Declaration.

Official Opening and welcome remarks by Dr James S. Mulungushi, Permanent Secretary, Planning and Economic Management, Ministry of Finance and National Planning

Dr. Mulungushi began his presentation by providing participants with a back ground to the Paris Declaration. Zambia became a signatory to the Paris Declaration during the Paris convention of Ministers in charge of Development Cooperation and heads of bilateral and multilateral development agencies held in March 2005. The Paris Declaration stresses on the need to make aid more effective through cooperative efforts from both the donors and the beneficiaries. There are five guiding principles in the Paris Declaration which are;

- i) National Ownership of development strategies,
- ii) Harmonisation of actions of development partners,
- iii) Alignment of donor assistance to the priorities of the recipient countries,
- iv) Mutual Accountability,
- v) Managing for results.

Specific Indicators, Timetable and Targets as well as Monitoring and Evaluation of commitment were also agreed upon.

Dr Mulungushi stressed that despite the many strengths of the Paris Declaration, it had a weakness of only focusing on the roles of governments. and had overlooked the roles of Civil Society which is a key player in Zambia's development. He cited a number of examples such as the preparation of the Poverty Reduction Strategy Paper (PRSP), the Debt Relief Campaign and most recently the formulation of the Fifth National Development Plan (FNDP). In this context, civil society included Trade Unions, the Church, Non-governmental Organisations, Professional Associations, Community Based Organisations, and Advocacy Groups etc.

Furthermore, Dr. Mulungushi informed the participants that the recognition of the importance of civil society's participation prompted Zambia to become a member of the Advisory Group. Therefore, this national workshop will offer an opportunity to discuss issues of how to make aid more effective in Zambia through dialogue between the civil society and government. Civil society can not be overlooked when matters of aid are being discussed because they are either sources or channels of aid. Civil society just like government should be accountable for the aid they receive.

He concluded by stating that the workshop would be a good platform to discuss issues of how to make aid more effective from different stakeholders' perspectives in order to enrich the Paris Declaration. Therefore, the workshop would be a step in the preparations for the regional consultations to be hosted by Zambia next month (October 2007). The regional meeting would in turn be a step leading to the Third Level Forum in Accra, Ghana in September 2008 to review the implementation of the Paris Declaration. Dr Mulungushi ended by advising civil society to focus on pertinent issues constructively.

Ms Mulima Akapelwa from CSPP: Expectations, Objectives

In her presentation, Ms Akapelwa observed that the workshop came at a time when civil society was being involved in the aid architecture in order to consolidate how to make aid more effective. Based on this premise, she outlined the following as the key expectations and objectives for civil society's engagements with Government on the issue of Aid Effectiveness in Zambia:

a. Objectives

- Initiate dialogue between civil society and government on aid effectiveness.
- Identify issues of immediate concern.
- Identify concerns and look at the way forward.

b. Expected Outcomes

- -Better understanding and recognition of civil society's in aid architecture.
- -Improved understanding of the Paris Declaration by civil society.
- -Improved cooperation between donors, civil society and government.

The facilitator urged the workshop participants to focus on strengthening aid effectiveness in order to make it more effective in poverty reduction.

Dr AC Chuma, UNDP Resident Coordinator: The Paris Declaration from a Donor's Perspective.

Dr Chuma was representing the Cooperating Partners' Group in Zambia. The group comprises of 16 development counterparts and this group included the bilateral donors, international financial institutions and the United Nations system working in Zambia. Dr Chuma began his presentation by informing the participants that, from the cooperating partners' perspective, the Paris Declaration was embedded in the Millennium Development Goals and therefore, it focused on how to improve financial management for desired developmental outcomes.

Furthermore, Dr. Chuma elaborated the five principles of the Paris Declaration in the following way:

- 1) **National Ownership:** This first principle anticipated that countries would exercise effective leadership over their development policies and strategies, and coordinate development efforts. For example, Zambia had its fifth National Development Plan that was introduced after 18 months of broad-based consultation. This formed the point of departure for all cooperating partners that supported the Paris agenda.
- 2) **Alignment:** The principle of alignment is paramount to improving national ownership. There were three aspects of alignment: alignment to national development strategies, alignment to national institutions and alignment to national procedures.
- 3) **Harmonisation:** This principle assisted donor to harmonise their actions, make their systems transparent and collectively effective. At present, donors collectively supported Zambia's Fifth National Development Plan by implementing the Joint Assistance Strategy for Zambia (JASZ).
- 4) **Managing for results:** This principle aimed at promoting effective management of resources. He added that improving decision-making for results is an integral part of aid effectiveness. In practice this meant that the results that the partnerships intended to achieve would be stated clearly in all dialogue around development cooperation. This was the reason why every chapter of the FNDP contained a results framework and every programme of support to sectors and themes within the Plan likewise have similar arrangements.

- 5) Mutual accountability: This is aimed at ensuring that both donors and partners were accountable for development results.

Dr. Chuma explained that, from the donor perspective, there were three reasons why the Paris Declaration was so important.

- 1) The Paris Declaration went beyond previous agreements and laid down a practical, action-oriented roadmap to improve the quality of aid and its impact on development.
- 2) It contained twelve indicators to monitor progress in achieving results. These were developed in order to facilitate tracking and encourage progress towards the broader set of partnership commitments. Targets for the year 2010 had been set for eleven of the indicators.
- 3) The Paris Declaration created stronger mechanisms for accountability. It recognised that for aid to become truly effective, stronger and more balanced accountability mechanisms were required at international, national and local levels.

Dr. Chuma also reiterated the observation that it was unfair that the Paris agenda has largely been the domain of governments and international organisations. The focal point for all of this was the Development Assistance Committee of the Organisation of Economic Cooperation and Development (DAC and OECD). He also observed that civil society organisations that had been involved in DAC processes before, during and after Paris have tended to be networks and umbrella organisations. These organisations mainly operated at international level. As regards the situation of Zambia, Dr. Chuma concluded that direct engagement of Zambia's civil society has been altogether absent.

As regards the role of the Advisory Group on Civil Society, Dr Chuma informed the workshop participants that the Advisory Group which is chaired by CIDA/Canada on behalf of DAC had identified three outcomes. Dr. Chum pointed out that these three outcomes, would be of interest to a consultation forum such as the one organised by CSPR and the Government of Zambia, through the MOFNP. The three issues were:

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1. Recognition and voice: This entailed better understanding and recognition of the roles of Civil Society Organisations (CSOs) as development actors and as part of the international aid architecture, and engagement of CSOs in general discussions of aid effectiveness.
2. Applying and enriching the international aid effectiveness aid agenda: This envisaged improved understanding of the applicability and limitations of the Paris Declaration for addressing issues of aid effectiveness that are of importance to CSOs, including how CSOs could better contribute to aid effectiveness.
3. Lessons of good practice: The key interest as regard this issue was on how best the various Paris Declaration stakeholders could deepen their understanding of civil society interface with matters related to aid effectiveness? The beneficiaries of such learning could be civil society actors themselves, donors and developing country governments.

Ms Kazembe, Acting Chief Economist from the Ministry of Finance and National Planning: Implementation of the Paris Declaration

Ms Kazembe began her presentation by informing the participants that, government and the representatives of seven like-minded donors signed an agreement on the harmonisation of donor practices in Zambia on 19th March 2003. This agreement contained an action Framework which served as a guideline for successful implementation of the HIP in Zambia. The HIP framework stipulated key issues, policy decisions and prioritised actions and timeframe. In that agreement government and like-minded donors agreed;

- To meet regularly to monitor and follow-up implementation of these actions.

- To actively pursue engagements of other donors in various actions and initiatives emerging from the harmonisation process, such as FNDP monitoring, DBS and PFMR (PEMFA)

Furthermore, Ms Kazembe explained that the framework was aimed at enhancing Aid Effectiveness in achieving poverty reduction and the MDGs by increasing donor co-ordination and harmonisation with GRZ procedures. It follows on from the Monterrey Consensus, the Rome declaration on harmonisation, and the work of OECD/DAC and the SPA. It also builds on positive experiences of harmonisation at the sector level in health and education.

This action framework led to the signing of the Paris Declaration in March 2005. The Declaration established global commitments for donor and partner countries to support more effective aid in a context of;

- Significant scaling up of aid,
- Specifies indicators, timetable and targets as well as,
- Monitoring and Evaluation of commitments.

Ms. Kazembe also explained that these commitments were based on a recognition of and intention to address limitations in recipient country ownership, administrative capacity and accountability, and insufficient coordination of aid effort by donors.

In conclusion, Ms. Kazembe informed the participants that two rounds of monitoring would be undertaken to review progress in implementing the Paris Declaration before the PD forum meeting in 2008 which is scheduled to be held in a developing country, namely Ghana.

Ms Kazembe informed that participants that according to OECD Survey on PD for 2005 preliminary results indicated that for Zambia challenges and priority actions have been scored as moderate with indicators of work in progress having been low (at time of survey-2006). In presenting these results towards the achievement of the PD Principles in Zambia,, Ms Kazembe focused on the following issues:

- Government had shown significant progress by developing and implementing the FNDP, which has been highly consultative
- The FNDP had prioritised development strategies which are result oriented and are guided by MTEF (consistent with PD)
- The government in collaboration with CSO and Private Sector had been working on an aid policy.

Alignment

- Both government and donors had developed the Joint Assistance Strategy for Zambia (JASZ) to support the FNDP.
- Strengthened country systems provided coordinated TA to improve country systems.
- Strengthened PFM Capacity e.g. implementation of PEMFA and taken leadership of these Reforms.
- Strengthened procurement systems-under PEMFA.

Harmonisation

- Rationalising division of labour in the context of the JAS for Zambia.
- Provision of donors' comparative advantage by deciding on who leads in various sectors and achieve complementarily at country and sector level.

Managing for Results

- Government was in the process of putting in place a consistent and realistic monitoring evaluation system under the FNDP. Government also planned to build statistical capacity for regular data collection and treatment.
- PAF has been developed.

Mutual Accountability

- A framework had been developed for monitoring mutual accountability within the JASZ.
- Discussing dialogue mechanism to discuss aid effectiveness, progress and development.

Finally, Ms Kazembe shared the following as the major challenges faced by the Government of Zambia in implementing the PD Principles:

-Ownership: Prioritising and implementing at sector level.

-Alignment: Insufficient country accountability.

-Harmonisation: Maintaining momentum of existing processes e.g. JASZ.

-Managing for results: Lack of linkages among the different strategies and intended results and capacity for data collection.

-Mutual accountability: Maintaining momentum of existing processes e.g. WHIP and JASZ.

PLENARY SESSION

The following were some of the major questions and comments that followed the presentation session:

Comment: The Paris Declaration is still high level between government and the donors. It is suggested that it should be moved to UN level which is more accommodating to civil society.

Responsorial Comment: The UN set its agenda in development through the Millennium Development Goals (MDGs). It goes without saying that it is also concerned about the issue of making aid more effective. The Paris Declaration principles are common sense to any development agency of which the UN is part of. The Paris Declaration does not address the issue of aid effectiveness and gender which is vital in the development process.

Question: What is the institutional space for civil society participation to foster ownership and mutual accountability?

Response: Civil society has actively participated in the workshops that government has held in 5 provinces so far. Another meeting will be held in Lusaka.

Question: How does government hold donors accountable to their commitments?

Question: What measures have been put in place in to track donor funding to enhance accountability?

Response: The government should strengthen the role of civil society in monitoring the process of aid usage. There is debate on law or legislation on CSO participation.

Question: Has any consideration been made to establish an independent monitoring board facilitated by donors and the government such as in Tanzania

Response: Zambia had an independent monitoring board facilitated by civil society. It developed its monitoring tools. However, the monitoring board's operations had to be suspended based on mutual agreement between government and civil society. This was to give way for the reconciliation of the monitoring tools and system. It is not really necessary for Zambia to have an independent monitoring board because every Zambian is supposed to participate in the monitoring process.

Mr Akapelwa from the Ministry of Finance and National Planning: Advisory Group on Civil Society and Aid Effectiveness

Mr. Akapelwa's presentation centrally focused on informing the participants of the role, activities and issues addressed by the Advisory Group (AG). He began his presentation by explaining to the participants that the Advisory Group (AG) was formed to advise the working forum as well as to increase the participation of civil society. This was because it had been recognised that the Paris Declaration had a weakness because it focuses on the government and the cooperating partners. Following this introduction, Mr Akapelwa focused his presentation on the following:

a. Mandate of the AG

-To look into the role of CSOs as development actors and specifically in terms of promoting accountability and demand for results.

-To advise WP-EFF and HLF steering committee on matters relating to the inclusion of CSOs in AE agenda.

-To facilitate a Multi stakeholder process aiming at understanding the role of CSOs in the PD.

-Identifying principles and considerations that can be accepted internationally.

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Understanding how CSOs want to deepen the Ad Effectiveness agenda.

b. Composition of the AG

The AG comprised of 12 members: 6 governments and 6 CSOs (Reality of Aid, Third World Network Africa, AFRODAD, CONCORD, Action Aid International and the Canadian Council on International Cooperation).

c. Focus of the AG

The AG aims at bring out key discussions from civil society. One key observation relating to this issue was that civil society was not involved in the ownership and alignment process of the Paris Declaration.

PLENARY SESSION

The following were some of the major questions and comments that followed the presentation session:

Comment: Only a few participants of the workshop were aware of the existence and purpose of the AG

Question: Why can't the government strengthen civil society's participation in the AG by involving regional CSOs?

Response: CSOs organisations can meet and form coalitions before the October regional meeting to strengthen their participation.

Comment: There seems to be a gap with regards to the involvement of institutions of research and higher learning.

Response: The institutions are presented by the respective boards.

Question: What issues has Zambia taken to the AG?

Response: The composition of the AG tries to balance the conscience between the CSOs and the government by having equal numbers of members from each respective group. Government is part of the AG because it recognises the important role played by CSOs in national development. Zambia agreed to the two principles of the Advisory Group

- i) Accountability and results,
- ii) Predictability of funding and capacity.

PART II: CIVIL SOCIETY PRESENTATIONS

1. Foreign Aid and Its Effectiveness in Zambia: Ms Tina Nanyangwe (JCTR)

Ms Nanyangwe began her presentation by informing the participants that such a workshop offered a good platform to engage in critical issues surrounding the whole issue of aid effectiveness. She stressed the importance of analysing and finding solutions to the puzzle that shaped Zambia's experience as an aid recipient country. She argued that one clear revelation in the case of Zambia is that increases in aid volume did not match with development outcomes. This was evidenced by the soaring poverty levels since Zambia's independence in 1964. Zambia's debt burden had also been sky rocketing resulting in less expenditure in social services such as education and health. Therefore, it could be concluded that Aid had not been effective because it had mostly been tied. Such aid regimes implied that donors dictated the use of aid which in most cases might not reflect Zambia's development priorities. In addition, the flows of aid had been unpredictable thus hampering national development plans.

Furthermore, Ms Nanyangwe outlined the following as the key factors in blocking the effective utilisation of Aid in Zambia

- Lack of transparency and accountability,
- The famous three "misses" of public resources
 - Misallocation
 - Misappropriation
 - Misuse

- Lack of participation and dialogue: Civil society and parliamentarians are usually left out of the aid processes.

Ms. Nanyangwe concluded her presentation by posing a challenge to all the participants. She wondered whether based on this experience, Zambia should consider alternatives to aid. Some alternative included issues such as trade bearing in mind that the country is blessed with resources.

PLENARY

The following were some of the major questions and comments that followed the presentation session:

Question: It is important for Zambia to learn from best practices e.g. from other countries. Is it possible to identify countries that are gradually reducing their dependence on Aid and find out the reasons behind that change, including the strategies employed to fill-up the gap that arises in a situation where Aid dependence is reduced?

Responsorial Comment: In the Zambian context, it might be a challenge to think of alternatives at this juncture because of the poverty burden would still be high even if debt had to be removed completely. Zambia will still lack the resources to reach the MDGs without aid.

Comment: It is important to also analyse the concern on “tied aid” from various angles. What are the specific ties attached to aid? It is also important to look at the context and situation when this tied aid is offered. For instance, Zambia might receive tied aid from India in form of medical support. India might be able to provide greatly needed medical supplies at a better price in comparison to other offers. Therefore, the Indian government might provide a loan with a condition that all the required drugs be purchased from there. So in some cases, certain conditions surrounding tied aid might be in line with the development needs of the recipient.

Comment: It is important for CSO and government to schedule such consultative meetings frequently. Therefore, such a Forum should not be taken as a one-off event.

Comment: Challenges of effective aid usage- lack of capacity in the government departments partly due to the red tape (bureaucracy)

Comment: Government is open to CSO participation. The government is in the process of developing an Aid policy to make aid more effective through increased transparency and mutual accountability.

Comment: Dissemination of important documentation to all stakeholders is important.

2. The Paris Declaration and Aid effectiveness: Civil Society involvement in assessing / monitoring donors and government actions: Savior Mwambwa (CSPR)

Mr. Mwambwa began his presentation with the observation that there was very low presentation of civil society at the formulation stage of the Paris declaration discussions. For instance, stakeholders configurations at the signing of the Paris Declaration in 2005 were as follows:

- 35 donor countries
- 26 multilateral donor agencies
- 56 countries that receive aid
- 14 Civil Society Organisations-acting as observers

Mr. Mwambwa also argued that there is also a bias in the monitoring/assessing of the Paris Declaration which is mostly done by the donors. Most assessments of Aid effectiveness were in form of Project evaluation, Individual donor evaluations, bilateral donor evaluation and Intergovernmental assessments. In these processes, different stakeholders have their own views on what constitutes effectiveness when it comes to evaluating projects. For instance the IMF might focus on results while the CSO's focus might be on good governance. Mr Mwambwa noted that only a few of the aid assessments done involve the recipient governments and to a lesser extent CSOs. Members of Parliament also need to be actively involved in the assessment processes. It was important to note that governments' endorsements to aid agreements did not necessary imply that they have ownership of the process.

Finally Mr. Mwambwa stressed that there were also multi processes and lots of information involved in assessments which needs to be well triangulated for easy understanding. He pressed donors need to engage other stakeholders especially the recipients.

PART III: PANEL DISCUSSION

This session was an opportunity for the participants to engage with representatives from the three key stakeholders in the Paris Declaration Process. These included representatives from government, civil society, and the cooperating partners.

1. Existing and Possible Opportunities for Civil society to effectively Engage in the PD Process: Respondent: Government Representatives (Ms C. Kazembe and Mr. Akapelwa)

- 1) Mutual Accountability: there is a need for independent monitoring and demand for results. The civil society should question the cooperating partners as well as government's actions or performance on aid effectiveness. It is important that aid flow is predictable and timely for development projects.
- 2) Some aid is still tied so it would be ideal to untie it to make it more flexible. This would enable the recipient countries to invest it in priority areas. This would build a sense of national ownership of the development process. Scaling up of aid should translate in to required development.
- 3) Several surveys have been done but the problem lies in the flow of information which is crucial in facilitating discussions on the way forward. Why can't government and civil society assess the donors in order to make use of good practice?
- 4) The AG forms an important platform which encourages civil society participation in discussing issues pertaining to aid and how to make it effective. There are no restrictions on the issues discussed but guidelines are provided.

2. Factors Influencing the Flow of Aid to Zambia: Respondent: Cooperating Partner Representative (Dr. A. Chuma)

- 1) Civil society is likely to influence the donor community better than government.
- 2) Accountability: Need for effective system that would facilitate accountability from and by all stakeholders
- 3) Legitimacy- why is it that Zambia is holding this dialogue between civil society and government two years after it signed the Paris Declaration? Why was this not done earlier on?
- 4) Politics of the Paris Declaration- there is more fine print that goes beyond the five principles such as issues of untying aid.
- 5) The term "space" for civil society within the PD process implies that civil society should make positive contributions by attending meetings and through Advisory boards. Government is ready to dialogue with civil society.

3. Missing Factors to Enable Effective Civil Society Participation in the PD Process: Respondent: Civil Society (Mr. Saviour Mwambwa)

- 1) Limitations of the Paris Declaration Operating Structure: the Advisory Group is chaired by a donor and the donor community view Accra as a platform for med-term evaluation instead of dealing with challenges.
- 2) Participation of civil society is low partly due to awareness. Civil society should focus on understanding the link between aid and development, such as making aid effective.
- 3) Government should not provide space to civil society just as an obligation. It is imperative that civil society plays an active role through dialogue with government and other stakeholders.
- 4) Independent processes: there should be common frameworks between civil society, government, and cooperating partners. This will help to prevent frictions and enhance the understanding of each other's roles.

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- 5) Civil society is a watchdog for both government and the cooperating partners thus making it hard to critique them.
- 6) It is important for civil society to emulate some of the initiatives embarked upon by the cooperating partners at national levels. Donors in Zambia have established informal working networks. It would be ideal to have informal structures of interaction between government and civil society.
- 7) It is important to ensure that the PD is guided by a framework that strongly focuses on outcome based results.
- 8) It is important to note that not all cooperating partners are signatory to mutual accountability. This has implications for the overall development targets set by development partners, the government of Zambia and civil society

PLENARY

The following were some of the major questions and comments that followed the presentation session:

Question: Does government have critical best practices to show to Zambia?

Response: The meeting at hand was in itself an example of good practice in that the government was sitting with civil society to discuss issues. Similar dialogue is carried out in the areas of health and education. Another example is the implementation of the SWAPs. The process of improving information dissemination is still in progress. In addition dialogue mechanisms developed by the cooperating partners could also be taken as a good practice. For instance different groups of donors focus on different sectors to fund. This implies that there is division of labour as donors are now able to fund specific sectors based on their expertise and capacities. This has reduced transaction costs. Civil society was not involved in this division of labour which was mostly between government and cooperating partners. There was a suggestion that perhaps civil society could begin to think of aligning themselves to such sectoral arrangements in order to maximise and enhance their opportunities of participation.

Question: Is it not imperative that Zambia forms an independent monitoring board?

Response: Independent monitoring should not be done exclusively by civil society. It requires resources and information. It is a very expensive exercise so it should be a joint venture between government, civil society and the cooperating partners.

Comment: Lack of adequate and timely access to relevant information for monitoring of development programmes continues to be one of the biggest challenges in Zambia. In most cases civil society has been conducting monitoring activities based on inadequate information. It has been observed that bilateral donors have not been very willing to share information with civil society.

Comment: There should be increased budget support and sector support. The participation of civil society and Members of Parliament in these processes is very important. Space for civil society should not be a zero sum game but a positive one by both parties

Responsorial Comment: Direct budget support to Ministry of Education in 2003 was not effective because the cooperating partners wanted a different system.

Comment: Civil society and government does not seem to agree on space. Government might say that there is space for civil society but civil society might not be invited if they are considered to be rowdy. The inputs that are put forward are sometimes not considered. They are just used for minute taking.

Question: Was civil society and private sector involved in the drafting of the aid policy?

Response: There was a lot of consultation with civil society. It was even sent to other stakeholders for review..

Question: Why has government had a draft aid policy since March 2006?

Response: After the elections in 2006, the incoming MPs wanted to review the aid policy thus delaying its finalisation.

Key Recommendation arising from the Panel Deliberations: It was suggested that the government would make a brief presentation on the draft aid policy because most participants had not seen it and thus were interested in knowing more about it.

DAY TWO

The Draft Aid Policy: Mr Akapelwa: (MOFNP)

Mr. Akapelwa began his presentation by cautioning the participants against circulating the aid policy as it was still in draft form. Mr. Akapelwa gave a brief background to the Aid Policy document emphasising the following four issues:

1. Some principles in the aid policy derive from the Paris Declaration.
2. The policy stresses on the need for development assistance to further social justice.
3. It is aimed at better aid management by promoting transparency through stakeholder collaboration.
4. The aid policy also stipulates that the government of Zambia prefers grants to loans in order to lower the debt burden. Loans with low interested rates and longer repayment periods would be preferred.

Furthermore, Mr. Akapelwa highlighted the basic notions guiding the framework of the Aid Policy in Zambia. These notions included:

1. More grants than loans,
2. Importance of ownership of funds to facilitate development
3. Aid should be along the line of need (demand) not supply: government will accept aid based on its development projects. The government would not just accept aid because it is offered but would request for it as need arose so that aid is demand-driven rather than supply-driven..
4. Deliberate efforts will have to be made to manage aid better.

PLENARY

The following were some of the major questions and comments that followed the presentation session:

Question: Is the notion of grants or loans realistically feasible for Zambia?

Response: Grants should be the rule; loans will only be obtained after parliamentary and civil society consultations. Concessional loans would be preferred. Loans obtained would mostly be for infrastructural development such as building of schools, roads etc.

Question: Is it also possible for Zambia to reduce its levels of external assistance. How can Zambia be able to achieve the MDGs without aid?

Response: Maybe what must be emphasised should be the reduction in ineffective aid e.g. from IMF and the World Bank. However, one needs to be cautious as IMF and the World Bank cannot be easily side-lined as they usually play the role of gate keepers and are able to send indications to other donors concerning which countries to fund or not. In essence, their monitoring results are used by other donors to assess aid eligibility and its flow.

Question: Is it government's intention to reduce external aid?

Response: Not until there is infrastructure in the country to develop the available national resources. It was noted that, Thirty percent (30%) of the 2007 K12 trillion budget was from donors. There was emphasis that Zambia needed to learn from countries like Kenya which only gets five percent 5% of donor funds towards its budget because they have had a low debt burden. They even refer to their aid policy as the external resources policy because they also consider the private sector funds.

Question: Has the role of Parliament and civil society been included in the contracting process of debt?

Response: It is a recommendation in the constitution. Currently the role of the MPs is just to rubber stamp when donor funds come to the fore in parliament.

Question: What is Zambia's current debt burden?

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Response: US\$7 billion has been written off. The current debt burden is about US\$750 million, most of which is from commercial debt.

Question: How are the donors assisting in the whole process of strengthening civil society stakeholder involvement?

Response: Through dialogue between the donors and civil society. More information is now available e.g. the yellow book

Comment: There are three major factors to consider when addressing the issue of civil society effective participation in the Aid processes. These include:

1. Issues of representation- arrangement on who represents who on what on even on the civil society side becomes difficult to harmonise
2. Practicality: it's not easy to accomplish through a secretariat.
3. Topicality: civil society representation is better in some areas than others. Cooperating partners has a part to play in strengthening civil society participation.

Comment: There is need for civil society and government to link without the donors in order to build mutual relationships not just when they are meetings and workshops. Try to meet informally.

Comment: The Government of Zambia must be applauded on making civil society part of the planning process in designing the national Monitoring and Evaluation system. Government should provide leadership in the M&E. The M&E system should have a tripartite system. In addition, the UNDP assisted in the data capture and information sharing

PARTIV: GROUP WORK

Group 1: Civil Society / Government / Donor Dialogue Mechanisms

Identified Existing Opportunities: Mechanisms in place include;

- Consultative group -GRZ, Cooperative Partners, CSOs and the Private sector.
- SAGs- chaired by the Permanent Secretary.
- Frequency issues? How do you dialogue in the absence of meetings?
Attendance is not normally poor due to late notification etc.
- No feedback vis a vis minutes, actions (technical committee- Government/donors).
- PDDCS
- DDCS
- APRM

Suggest potential opportunities/processes CSOs dialogue with GRZ and Donors.

Actions to improve Dialogue: The question of centralisation – need to revise the central government

- Revitalise and review Terms of Reference (TORs).
- Tripartite meetings need to be held regularly and reinforced.
- CSO participation is in three levels;
 1. Formulation of plans.
 2. Resource mobilization(no clear CS role)
 3. Implementation (no clear CS role)

Opportunities for civil society participation

No coordinated dialogue model. However, there is need for a new model for M and E.

Government – Information

Donor-Resource

CS-Objectivity

Identified Challenges for civil society participation

Lack of joint platform for dialogue.

Lack of information

No focal person at MoFNP
Lack of organised CSO representative

Recommendations for Overcoming these Challenges

Policy dialogue (mini CG)

Need to establish a platform where CSO can effectively network, dialogue and strategise amongst themselves on Aid Effectiveness and other related issues – to consolidate CSO positions on such matters

Expand scope for dialogue (including MPs)

Group 2: Civil Society Monitoring

Identified Existing Monitoring Mechanisms

CSOs' involvement in SAGs

- Extent of participation of CSOs in SAGs is limited e.g. CSOs not part of the technical committee of SAGs.
- Limited time given to CSOs for consultation prior to SAG meetings.
- Need for intermediate indicators to be used in monitoring.
- More time should be allocated to the quarterly SAG meetings.
- CSOs have limited access to information that is vital to effective monitoring.
- More involvement of CSOs in generating data for ZDAD.
- Limited disclosure of information on aid received through CSOs and through GRZ.
- GRZ feels that CS are not well organised for enhancement of dialogue.

Recommendations to enhance the Effectiveness of CSO monitoring

1. Need for CSOs' participation at all stages of monitoring.
2. Strengthening of existing thematic groups among CSOs.
3. Need for GRZ to consider all partners on equal standing regarding information sharing.
4. Need for unity of purpose between GRZ and CSOs.
5. Strengthening existing structures of dialogue e.g. SAGs
6. Change of attitude and mindset regarding interaction between GRZ and civil society.
7. Need for intermediate indicators for effective monitoring (issue that can be discussed adequately at SAG meeting).

Group 3: Civil Society Coordination/Participation

a. Suggestions on ensuring that CSO participation in the aid is effectiveness

Effective information dissemination is important. Participation by CSOs at four levels

1. Policy level
2. Resource mobilisation level
3. Implementation
4. Monitoring and Evaluation.

b. Coordination

1. Identify lead networks with comparative advantage to participate in donor-government lead sectors.
2. Need to revive consultative group.
3. Government to provide leadership in programs where CSOs can participate.

*Conclusion on group work: The actual issues discussed in the group work should be taken up as well as though that have emerged from the two days of dialogue

PART V: WAY FORWARD AND CLOSING OF THE WORKSHOP

1. Circulation of the Workshop Report: The report on the proceedings of the workshop will be circulated to all the participants and other relevant stakeholders within the a week.
2. Follow-up of Workshop Issues: The inputs from this meeting will formulate the basis of the civil society paper for the regional meeting. This paper will reflect civil society's views and position on the subject of Aid and Development in Zambia
3. Work Plan on the Civil Society Paper on Aid and Development in Zambia: A smaller working group will be formed to work on this issue. This task of immediate urgency since the regional meeting is less than a month away. Civil society should aim at presenting a concrete proposal for advocacy that should be tabled at the regional meeting and hopefully at the higher level meeting in Accra, Ghana 2008.
4. Modalities on improving information dissemination
 - Use email to quicken the reporting process of the workshop.
 - Share the document with other civil society members who were not present at the workshop.
 - Keep in mind the regional meeting to be able to track the proceedings.
 - There has been a lot of information on the topics discussed; it is therefore our duty to make sure that we collect the information from relevant personal and organisations.

CONCLUSION

A lot of issues concerning aid effectiveness were discussed by representatives from civil society, government, and the cooperating partners. This dialogue formed a crucial platform to foster coordinated efforts from the three quarters of development stakeholders to ensure that aid becomes more effective. It is also important to note that the workshop signified the recognised valuable role played by civil society in managing and accounting for the aid.

FINAL EVENT: EVENING COCTAIL

The Cocktail was hosted by the Ministry of Finance and National Planning (MOFNP). This event presented an opportunity for civil society, government and cooperating partners to get to know each other through informal interactions.