

**Training manual on
linking national programmes of action under the
African Peer Review Mechanism with existing
national development strategies
(Final draft)**

Capacity Development Division (CDD)

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Foreword

Chronic underdevelopment in Africa prompted its Heads of State and Government to design the New Partnership for Africa's Development (NEPAD) as a continent-wide development framework that would accelerate social transformation and ensure the continent's full integration into the global arena and stem its marginalization. As a key component of NEPAD, the African Peer Review Mechanism was formulated to foster the adoption of policies, standards and practices that would lead to political stability, high economic growth, sustainable development and accelerated subregional and continental economic integration. The approach adopted to achieve that objective involves the sharing of country experiences and the reinforcement of successful best practices, which includes identifying deficiencies and assessing the need for capacity-building.

The Economic Commission for Africa (ECA), as a designated strategic partner institution, along with the African Union, the African Development Bank and the United Nations Development Programme (UNDP), has provided extensive technical and advisory services to participating countries. However, countries that pioneered the implementation of the African Peer Review Mechanism have identified several challenges related to the preparation and implementation of national programmes of action and their coordination with existing national development strategies. To that end, ECA has been providing support to countries that have completed the Mechanism process to investigate programmatic and budgetary links between the national programmes of action and the existing national development strategies to avoid parallel strategies that may weaken the value added as part of the Mechanism process. In that regard, ECA, in collaboration with UNDP, developed a framework document entitled "Harmonizing APRM-NPoAs and other National Plans into a Common Medium Term Expenditure Framework".

However, the implementation rates of the national programmes of action is low and, in most cases, inadequately reported. As a result, the Capacity Development Division of ECA has prepared the present training manual on linking national programmes of action under the African Peer Review Mechanism with existing national development strategies. The manual is also being converted into an e-learning programme.

The manual has been prepared in close consultation with the African Institute for Economic Development and Planning, which was established to develop capacity across the continent. The manual has been posted on the ECA website for worldwide comments from researchers and users. I would like to thank all involved for their invaluable support and collaborative and cooperative spirit.

United Nations Economic Commission for Africa

Chapter I

Introduction

The present chapter describes the purpose and rationale of the present training manual, along with its scope, target audience and structure, and provides flexibility to readers to select sections of particular interest.

1.1 Purpose

The purpose of the present training manual is to assist those who are involved in the African Peer Review Mechanism process in linking national programmes of action under the Mechanism with existing national development strategies.

Examples of other national development strategies that are being implemented in Africa are poverty reduction strategy papers and national development plans.

1.2 Rationale

As a designated strategic partner institution to the New Partnership for Africa's Development (NEPAD) and the African Peer Review Mechanism, the Economic Commission for Africa (ECA) has, since the launch of the Mechanism in 2003, been providing extensive technical support to the countries that participate in the Mechanism. The aim of the technical assistance is to enable recipient countries to adequately prepare for and effectively participate in the Mechanism process.

The manual will help to enhance the capacity of national experts and stakeholders in the African Peer Review Mechanism process and also boost the online training programme to complement ECA-organized national and regional workshops.

1.3 Scope

The manual covers the contents and the processes of national programmes of action, in particular:

- (a) Designing national programmes of action in a manner that is consistent with poverty reduction strategy papers and national development plans;
- (b) Costing national programmes of action within the context of a medium-term expenditure framework;
- (c) Funding national programmes of action within budgetary provisions;
- (d) Implementing activities under national programmes of action;
- (e) Adopting effective monitoring and accounting frameworks for national programmes of action;
- (f) Adopting reporting mechanisms for national programmes of action;
- (g) Adopting evaluation modalities for national programmes of action.

1.4 Target audience

The training manual targets national experts and stakeholders who are involved in the preparation, costing, implementation, monitoring and reporting on progress made with respect to national programmes of action, including but not limited to the following:

- Technical research institutions
- National commissions or governing councils for the African Peer Review Mechanism
- Ministries of finance or national treasuries
- Ministries of economic planning or national planning commissions or authorities
- Central or national statistical offices
- Other central government ministries, departments and agencies
- Local government authorities, including urban planning authorities
- Development partners
- Civil society organizations
- Private sector institutions that are involved in the African Peer Review Mechanism process

1.5 Structure

The remainder of the manual is structured as follows: in chapter 2, a quick overview of the African Peer Review Mechanism process and the challenges of national programmes of action is presented. Chapter 3 addresses the challenges of linking the contents of national programmes of action with existing national development strategies, whereas chapter 4 deals with the challenges of costing and financing national programmes of action. The challenges of monitoring and evaluation and accounting and reporting modalities are discussed in chapter 5. Key messages are highlighted in conclusion in chapter 6.

Chapter II

African Peer Review Mechanism system

The previous chapter justified the present training manual in terms of capacity-development needs in linking national programmes of action with existing national development strategies. The present chapter discusses the African Peer Review Mechanism both as a tool and a process and highlights the key challenges in relation to national programmes of action.

2.1 Genesis

As a framework for Africa's development, NEPAD is designed to put an end to the continent's chronic underdevelopment, ensure its full integration into the global arena and stem its marginalization. A NEPAD strategic framework document was formally adopted at the thirty-seventh summit of the Heads of State and Government of the African Union, held in Lusaka in July 2001. In 2002, the African Union supplemented NEPAD with the Declaration on Democracy, Political, Economic and Corporate Governance, which set out an action plan and committed participating States and Governments to the establishment of the African Peer Review Mechanism in order to promote adherence to and the fulfillment of the commitment contained in the Declaration.

In recognition of the fact that good governance is imperative for human security and political stability, high economic growth, sustainable development and accelerated subregional and continental economic integration, the sixth Summit of the Heads of State and Government Implementation Committee of NEPAD, held in March 2003 in Abuja adopted a memorandum of understanding on the African Peer Review Mechanism.

The African Peer Review Mechanism, which has become the most innovative aspect of NEPAD, is an instrument for self-assessment to which States members of the African Union have voluntarily acceded. To date, 35 countries have acceded to the Mechanism.¹ The assessments are conducted within the framework of agreed values, codes and standards as contained in the Declaration.

2.2 Principles

A number of essential factors and principles underpin the effectiveness of the African Peer Review Mechanism, including:

- National ownership and leadership by the participating country
- Inclusiveness and broad-based participation
- Accountability
- Technical competence
- Credibility

¹ The countries that have acceded to the Mechanism are Algeria, Angola, Benin, Burkina Faso, Cameroon, Chad, the Congo, Côte d'Ivoire, Djibouti, Egypt, Equatorial Guinea, Ethiopia, Gabon, Ghana, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritania, Mauritius, Mozambique, the Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, the Sudan, Tanzania, Togo, Tunisia, Uganda and Zambia.

- Freedom from manipulation

2.3 Enforcement mechanism

To ensure that those principles are applied in practice, rules and procedures have been developed to guide all stakeholders in conducting the review, including:

- African Peer Review Mechanism base documents
- Guidelines for countries in preparing for and participating in the Mechanism
- Standard questionnaire for Mechanism assessment

The African Peer Review Mechanism has at its epicentre the deepening of democratic practices, strengthening of achievements, dissemination of best practices and rectification of underlying deficiencies in governance and socioeconomic development processes among States members of the African Union. The framework is aimed at encouraging and building transformational leadership through a self-assessment process, constructive peer dialogue and the sharing of information and common experiences. Its objective is to reinforce successful and exemplary practices among African countries.

2.4 Process

Accession to the African Peer Review Mechanism entails a country undertaking to submit to and facilitate periodic peer reviews. It also includes committing to the operationalization of the agreed parameters for good governance across four thematic areas and to the implementation of a national programme of action that results from the following review process:

Stage I: Structures established for managing the peer review process at the national level

The country designates a national focal point and establishes a national commission or governing council for the African Peer Review Mechanism. The country is then required to undertake a comprehensive national self-assessment and submit a country self-assessment report to the African Peer Review Panel. On the basis of the findings in the country self-assessment report, the country prepares a draft national programme of action, which must reflect input by the broad civil society. The national programme of action is then submitted to the Panel as an integral part of the self-assessment report.

As the country prepares its country self-assessment report, including the national programme of action, the continental secretariat for the African Peer Review Mechanism prepares a comprehensive background paper on the country. The preparation of the document draws on up-to-date information from subnational, national, regional and international sources. The background paper serves to cross check the information contained in the country self-assessment report.

Based on the country self-assessment report, the national programme of action and the background paper, the continental secretariat for the African Peer Review Mechanism develops an issues paper that outlines the key issues on which the review process will focus, taking into account the following:

- (a) Critical issues that are addressed in the country self-assessment report that require reinforcement;

- (b) Issues that have been understated or inadequately addressed;
- (c) Previously identified issues in respect to which there continue to be serious problems in the implementation of recommendations;
- (d) Issues that were not raised in the country self-assessment report;
- (e) Areas of discrepancy or divergence.

Stage II: Country review mission fielded under the leadership of the African Peer Review Panel

The country review mission is mandated to carry out the widest possible consultations with all stakeholders in the country undergoing peer review. The main objectives of the country review mission are:

- (a) To learn about governance in the country from the perspectives of various stakeholders;
- (b) To clarify the issues identified in the issues paper and build consensus on how they should be addressed.

Stage III: Country review mission report drafted

The country review report is informed by the country self-assessment report, the national programme of action and the background and issues papers that were prepared by the continental secretariat for the African Peer Review Mechanism, as well as information made available to the country review mission during country consultations. The draft report also:

- (a) Considers the applicable political, economic, corporate governance and socioeconomic development commitments made in the preliminary national programme of action;
- (b) Identifies any remaining weaknesses;
- (c) Recommends further actions to be included in the final national programme of action.

The draft report has to be clear on the specific actions required in instances where unresolved issues are identified. The report is first discussed with the Government concerned to verify the accuracy of the information. The Government is given an opportunity to respond to the findings and to set out its own views on how the shortcomings might be rectified. Those responses are attached to the draft report. Thereafter, the country finalizes its national programme of action, taking into account the conclusions and recommendations contained in the draft report.

Stage IV: Final country review report and final national programme of action are submitted to the African Peer Review Panel

Upon its approval, the country review report is submitted to the African Peer Review Forum for presentation and peer review and, subsequently, for implementation in accordance with the mandate of the Forum. If the country shows a demonstrable will to rectify the identified shortcomings, it will be incumbent on participating Governments to provide assistance to the extent possible and to urge development partners and agencies to provide assistance to that country.

Stage V: Country review report is formally published and presented to various institutions

After the country review report has been considered by the African Peer Review Forum, it is disseminated to regional and subregional structures, namely:

- (a) Regional economic communities to which the country belongs;
- (b) Pan-African Parliament;
- (c) African Commission on Human and Peoples' Rights;
- (d) Peace and Security Council of the African Union;
- (e) Economic, Social and Cultural Council of the African Union.

2.5 National programme of action under the African Peer Review Mechanism

The national programme of action is the key input delivered by the participating country to its peer review process, reflecting upstream governance measures that, if well addressed, would catalyse more effective implementation of the downstream activities that are envisaged.

2.5.1 Primary objective

The primary objective of the national programme of action is to guide and mobilize the efforts of the participating country in implementing the changes necessary to improve its state of governance and accelerate its socioeconomic development. Therefore, it presents and clarifies the country's priorities; the activities undertaken to prepare and participate in the African Peer Review Mechanism process; the nature of national consultations; and the responsibility of various stakeholders in Government, civil society and the private sector regarding the implementation of the national programme of action.

2.5.2 Structure

The national programme of action comprises three main components, the last of which comprises two subcomponents, as outlined below:

Component 1: Thematic areas

The scope of the national programme of action covers the standards, codes and objectives in relation to four substantive thematic areas, namely:

- (a) Democracy and political governance;

- (b) Economic governance and management;
- (c) Corporate governance;
- (d) Socioeconomic development.

Component 2: Cross-cutting issues

The national programme of action should also address cross-cutting issues, which typically include, but are not limited to, the following:

- Ratification and national adaptation of standards and codes
- High population growth rates
- Policy implementation gaps
- Managing political transition
- Land use and management
- Conflict resolution
- Decentralization
- Managing diversity
- Corruption
- Overdependence on foreign aid

Component 3: Log frame

The national programme of action contains a built-in log frame that guides implementation and facilitates the functions of monitoring, accounting, reporting and, ultimately, evaluation.

Subcomponent 3.1: Cost

Estimates of the cost of implementing a national programme of action are presented in detail in the log frame and also summarized by thematic areas in the introductory part of the national programme of action.

It is worth noting that the costs associated with a national programme of action often reflect actions that are required to bolster economic growth. It is expected that partners will come in to close the gap between the resources that are available and those that are needed in order to fill the critical governance gaps.

Subcomponent 3.2: Institutional mechanism

To implement a national programme of action effectively, entities in the country in question, which are featured in the log frame, are called upon to carry out the specific functions indicated below:

(a) The Head of State or Government is responsible for submitting progress reports to the African Peer Review Forum;

(b) The national focal point for the African Peer Review Mechanism is entrusted with the responsibility of providing political oversight;

(c) The national secretariat for the African Peer Review Mechanism is mandated to provide coordination and support services;

(d) The national commission or governing council for the African Peer Review Mechanism is tasked with performing technical oversight and monitoring;

(e) Central government ministries, departments and agencies, along with local governments, are primarily responsible for implementation;

(f) The private sector also plays a service delivery role;

(g) Civil society organizations mainly play advocacy and watchdog roles.

2.5.3 Challenges in the implementation of a national programme of action

During a capacity-building workshop on harmonizing national programmes of action and other national plans into a common medium-term expenditure framework, which had been organized by ECA and UNDP, participants noted that certain salient issues were being ignored in the preparation, implementation and coordination of national programmes of action and existing national development strategies.

Some of the challenges identified by participants in respect of national programmes of action that require technical redress include:

- Weak content coherence
- Costing discrepancies
- Centralization of designing and costing
- Funding gaps
- Low capacity to absorb funds

Quiz - S1

Please read the following statements and indicate whether they are true or false.

S1. NEPAD is to the continent of Africa as a poverty reduction strategy paper is to a country

True **False**

S2. Like a medium-term expenditure framework, the African Peer Review Mechanism is both a tool and a process.

True **False**

S3. A national programme of action is a subset of a poverty reduction strategy paper.

True **False**

S4. The cost of a national programme of action is equal to the budget estimate provided by the country in question.

True **False**

S5. A national governing council implements a national programme of action.

True **False**

S6. Civil society organizations are among the entities that implement a national programme of action.

True **False**

S7. Peer review is the last stage in the African Peer Review Mechanism process.

True **False**

S8. The country review report forms the basis of the peer review.

True **False**

S9. Inclusiveness and broad-based participation is one of the principles of the African Peer Review Mechanism.

True **False**

S10. The risk of a low-income country failing to fully finance its implementation of a national programme of action is remote.

True **False**

Chapter III

Procedure for linking contents

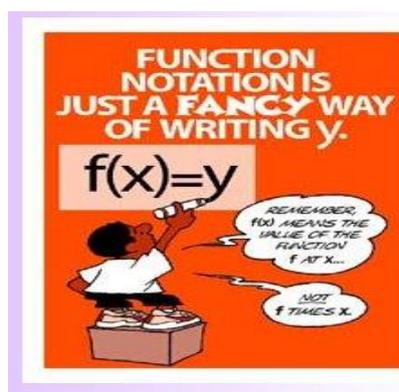
The previous chapter discussed the African Peer Review Mechanism and highlighted emerging challenges in respect of national programmes of action. This chapter describes the procedure for anchoring the contents of a national programme of action in existing national development strategies, specifically the national development plans that are increasingly being adopted by countries in Africa.

3.1 Context

The ultimate strength of the African Peer Review Mechanism process depends on the quality of the policymaking that goes into a national programme of action. However, the experiences of countries that pioneered the African Peer Review Mechanism suggest that the national programme of action is the weakest link in the African Peer Review Mechanism in that it neglects a number of national governance and development challenges.

There are several challenges identified by pioneer countries that are related to the preparation and implementation of a national programme of action and its coordination with national development strategies. To avoid the challenge posed by duplicate or parallel strategies that may weaken the value added by the African Peer Review Mechanism process, ECA collaborated with UNDP to develop a framework document on harmonizing a national programme of action developed under the African Peer Review Mechanism with other national plans into a common medium-term expenditure framework.

Notwithstanding the availability of such a framework document, the implementation rates of national programmes of action is still low and, in most cases, inadequately reported. As a result, the linking of the national programme of action with existing development strategies is desirable in order to ease the implementation of the national programme of action, by taking into account the existing national development strategies of countries that participate in the African Peer Review Mechanism.



Doing so exploits synergies among the existing national development strategies in order to provide a strategic framework to implement specific activities outlined in the national programme of action. It also assists the countries of the African Peer Review Mechanism in streamlining budgeting and financing processes and in ensuring a more targeted use of scarce human and financial resources in cases where some priorities of the African Peer Review Mechanism are already reflected in the national development strategies.

3.2 Linking scenarios

Given that countries have national development plans at various stages in the plan cycle, the process of linking national programmes of action with national development plans can give rise in practice to one of two scenarios: either with a national development plan or without a national development plan.

Scenario 1: The “without” scenario - In cases where a national development plan does not exist, or is perhaps in the formulation stage, there is an excellent opportunity for participating countries to fully integrate the contents of their national programmes of action into national development plans that are emerging or that have yet to emerge. Although this is the desirable scenario on account of its cost-effectiveness, such a situation occurs quite rarely.

Scenario 2: The “with” scenario - This is the default scenario referred to in the present training manual, in which the national development plan serves as an anchor for the national programme of action, in which the activities of the national programme of action are mainstreamed into the existing national development plan. In this scenario, a wide spectrum of resources in terms of expertise, time and funds have to be deployed.

3.3 Methodology

The functional mapping approach used in mathematics has been adopted for the mainstreaming of national programmes of action into national development plans. In this mathematical operation, the latter is treated as the range, while the former is the domain. The national programme of action is thereby clinically mapped onto the national development plan, using either a one-on-one or a many-on-one function or both at all levels. The procedure begins with the linking of goals and ends with the linking of costs. This procedure, schematically presented in table 3.1 below, is dealt with in detail in chapter 4 as a process issue in relation to the linking of costs.

Table 3.1
Mapping matrix

Levels	National programme of action	Functions	National development plan
Goals		→	
Outcomes		→	
Objectives		→	
Outputs		→	
Inputs		→	
Costs		→	

The mathematical operation follows a step-by-step procedure that is iterative by design, as outlined below:

Step 1: Dissect the national development plan while preserving its anatomy on the right-hand side;

Step 2: Similarly, dissect the national programme of action while preserving its anatomy on the left-hand side;

Step 3: Consider goal 1 of the national development plan;

Step 4: Map similar goals of the African Peer Review Mechanism onto goal 1 of the national development plan;

Step 5: Under goal 1 of the national development plan, consider outcome 1 of the national development plan;

Step 6: Map the outcomes of the African Peer Review Mechanism onto outcome 1 of the national development plan;

Step 7: Under outcome 1 of the national development plan, consider objective 1 of the national development plan;

Step 8: Map the objectives of the African Peer Review Mechanism onto objective 1 of the national development plan;

Step 9: Under objective 1 of the national development plan, consider output 1 of the national development plan;

Step 10: Map the outputs of the African Peer Review Mechanism onto output 1 of the national development plan;

Step 11: Under output 1 of the national development plan, consider activity 1 of the national development plan;

Step 12: Map the activities of the African Peer Review Mechanism onto activity 1 of the national development plan;

Step 13: Under activity 1 of the national development plan, consider input 1 of the national development plan;

Step 14: Map the inputs of the African Peer Review Mechanism onto input 1 of the national development plan;

Step 15: Under input 1 of the national development plan, consider cost estimate 1 of the national development plan;

Step 16: Map the cost estimates of the African Peer Review Mechanism onto cost estimate 1 of the national development plan;

Step 17: Repeat the cycle from step 3 until **ALL** goals of the national development plan have been covered.

Step n-4: Identify the goals of the African Peer Review Mechanism that could not be mapped onto any national development plan goals;

Step n-3: Define the parameters of the outlier(s);

Step n-2: Consolidate all parameters of the African Peer Review Mechanism, including cost estimates for the national programme of action;

Step n-1: Review the results critically for corrections and adjustments, if any, and save the file;

Step n: Determine the misfit between the national development plan, the national programme of action and the African Peer Review Mechanism, if applicable.

The strength of the methodology depends on the robustness of the national development plan, on the one hand, and that of the national programme of action, on the other. If the national development plan is formulated in accordance with the technical prescriptions in box 3.1 below, it will adequately anchor the national programme of action. Conversely, if the national development plan is not so formulated, it will weakly anchor the national programme of action and lead to a misfit with the African Peer Review Mechanism. Therefore, countries participating in the Mechanism must get their national development plans right. Equally important, the experts involved must maintain elaborate files on the mapping exercise for ease of reference.

Box 3.1

Development planning process

Development planning is a process that involves the preparation of a document and comprises the same basic steps for all levels of planning.

Step 1: Defining goals and objectives: The goals of the Government, ministry, project or organization form the basis of the overall plan.

Step 2: Undertaking an assessment of the issues facing the sector or organization: This can be done using various tools such as an analysis of strengths, weaknesses, opportunities and threats and stakeholder analysis.

Step 3: Defining strategies and activities: On the basis of the opportunities facing a sector or organization, strategies and specific activities can be defined, ideally through consultation with all relevant stakeholders.

Step 4: Costing and prioritizing strategies and activities: Specific activities are costed and then compared with the funds available. Usually, the cost of the activities planned will exceed the funds available, and the activities will need to be prioritized so that lower priority activities can be scaled down or suspended.

Step 5: Defining indicators for measuring performance in plan implementation: Specific and measurable performance indicators need to be developed for use in measuring performance in plan implementation. These should include output and outcome indicators.

Step 6: Feeding monitoring and evaluation results into the next planning cycle: Systems need to be established to monitor the implementation of the plan, ideally as part of an integrated budget monitoring system. The results of the performance monitoring would then feed into the next budget preparation round.

In theory, a good plan should contain the following elements:

- (a) Situation analysis, presenting a detailed analysis of the economy using actual data;
- (b) A statement of the main goals and objectives;
- (c) Planning and organizing of strategy, along with explaining priorities by sector;
- (d) Major activities that define the critical path of each strategy;
- (e) A public investment programme, with development projects over the plan period listed by sector;
- (f) A mechanism for plan implementation that outlines the required planning machinery.

3.4 Illustrations

3.4.1 Magoro: A hypothetical case

Consider a hypothetical case of a newly independent low-income country, the Republic of Magoro, located in the southern hemisphere, which is implementing a medium-term national development plan for fiscal years 2016-2018. It is noted that Magoro acceded to the African Peer Review Mechanism on 28 June 2015. According to the Mechanism road map, Magoro is scheduled for a peer review on 20 January 2017. For the peer review to take place, the President of Magoro must submit to the African Peer Review Panel a country review report, inclusive of a national programme of action. A flurry of activity takes place in the country in order to reach that milestone.

Consistent with section 3.2 above, the Magoro national development plan presents a simple anatomy of a 1x1x1x1x1x1 model. In a matrix notation, the mathematical model is preserved on the right-hand side of table 3.2 below.

Similarly, the clinical procedure outlined in section 3.2 is applied to determine the architecture of the Magoro national programme of action, including its estimated cost, which is preserved on the left-hand side of table 3.2.

Consistent with the methodology described in section 3.2, the results of the exercise are summarized in table 3.2 below. There is evidence of harmony between the Magoro national programme of action and the Magoro national development plan, both in real and financial terms. The national programme of action turns out to be a subset of the national development plan, with the cost of implementing the programme of action estimated to be \$4.3 billion below that of the national development plan. Thus, the Government of Magoro will not be constrained in implementing the national programme of action by the ceilings in its medium-term expenditure framework.

Table 3.2
Mapping matrix

Levels	National programme of action		National development plan, FY 2016-18
Goals	Improve governance for development	→	Accelerate socioeconomic transformation
Outcomes	Increased per capita income	→	Affluent Magoro society
Objectives	Boost economic growth	→	Enhance foreign exchange earnings
Outputs	Sweet petroleum products exported	→	Natural resources exploited
Activities	Process petroleum into final products		Add value to raw materials
Inputs	<ul style="list-style-type: none"> • Reservoirs • Modern extractive equipment • Engineering experts 	→	Assortment of hi-tech equipment
Costs	\$5.7 billion	→	\$10.0 billion

3.4.2 Uganda: A practical case

At the time Uganda was preparing its national programme of action in 2007, its national development plan was in the formulation stage and its poverty eradication action plan was set

to expire in June 2008. Thus, the country took advantage of the “without” scenario and linked its national programme of action with its national development plan in a cost-effective manner.

Uganda adopted a comprehensive approach in the preparation of its national programme of action, which entailed carrying out the following research activities:

- (a) Desk research (1 unit);
- (b) Expert panel interviews (200 units);
- (c) Focus group discussions (96 units);
- (d) National sample survey involving 1,588 households (1 unit);
- (e) Public hearings (5 units);
- (f) Memoranda by various interest groups (5 units).

The approach generated a total of 307 recommendations to address the governance and development gaps identified in the draft country self-assessment report and the national programme of action.

Subsequently, the African Peer Review Panel reviewed the draft country self-assessment report and national programme of action and generated an additional 156 recommendations, leading to a cumulative total of 463 recommendations.

Thereafter, the set of 463 recommendations was re-prioritized into 200 key recommendations, which were incorporated into the country review report and the national programme of action for implementation over a 3-year period.

Finally, the national commission for the African Peer Review Mechanism prepared a thematic paper on governance, which it submitted to a technical team for its consideration. The team, in turn, was responsible for the formulation of the national development plan. The team used the thematic paper as a tool for linking the national programme of action with the national development plan at all levels (see box 3.2 below), beginning with objectives and ending with costs. Thus, the national programme of action became an integral part of the national development plan.

Box 3.2

Role of the national development plan technical team in the African Peer Review Mechanism process

Pursuant to its terms of reference, the primary responsibility of the national development plan technical team was to prepare the national development plan for Uganda. That entailed the integration of the national programme of action into the national development plan using the following three-step procedure:

Step 1: Mapping the contents of the governance paper onto the draft national development plan;

Step 2: Reviewing the draft national development plan to avoid duplication and material errors;

Step 3: Validating the draft national development plan with African Peer Review Mechanism stakeholders, including the national governing council.

3.4.3 Benin: A practical case

The African Peer Review Mechanism process in Benin was the responsibility of the national commission for the African Peer Review Mechanism. The national commission engaged four technical research institutes to carry out the country self-assessment and to draft the resulting country self-assessment report and national programme of action, which were submitted to the continental secretariat for the African Peer Review Mechanism half a year into the implementation of the country's growth strategy for poverty reduction for the period 2007–2009. The main objectives of the strategy were similar to those of the African Peer Review Mechanism, namely:

- (a) Accelerated growth;
- (b) Development of infrastructure;
- (c) Development of human capital;
- (d) Promotion of good governance;
- (e) Balanced and sustainable development.

In conducting the country assessment, the technical research institutes liaised closely with the Ministry of Long Term Development Planning and Evaluation, which was responsible for the process of designing national poverty reduction strategies and developing a medium-term expenditure framework for Benin. Thus, the initial direction of influence ran from the growth strategy for poverty reduction to the national programme of action, since the technical research institutes clearly took much of the growth strategy for poverty reduction into account in the design of the national programme of action.

In Benin, approximately 81.4 percent of the projects in the resulting national programme of action were already contained in the pre-existing growth strategy for poverty reduction. Therefore, the national programme of action, by design, was strongly linked to the country's growth strategy for poverty reduction over the 3-year period.

Exercise – E1

- Q1. Discuss the “with” and the “without” scenarios in linking national programmes of action with poverty reduction strategy papers in Sub-Saharan Africa.
- Q2. What do you consider are the pros and cons of the functional mapping approach in linking the national programmes of action with poverty reduction strategy papers?

Chapter IV

Procedures of linking costing with financing processes

In the previous chapter, a clinical procedure for harmonizing the contents of the national programme of action and existing national development strategies was described. The present chapter addresses the challenges encountered in costing and financing the national programme of action.

4.1 Context

The countries that pioneered the African Peer Review Mechanism have experienced several pertinent costing and financing challenges. The costing challenges have included costing discrepancies such as under-costing and double-costing. The financing challenges have included funding gaps and managing of constraints on absorptive capacity.

To overcome the costing and financing challenges, the experts and stakeholders responsible for linking the costing and financing processes ought to apply relevant theory to their country-specific situations. It is important to note that one size does not fit all: art, rather than science, is key in this exercise.

As it was the case of linking the contents of the national programme of action, it is also important that the experts and stakeholders document and archive costing and financing processes for ease of reference.

4.2 What are costs?

Costs are the expenses of a producer. Producers use inputs such as raw materials, labor and electricity in their production processes, for which they make monetary payments in exchange. Governments in particular incur costs in the delivery of public goods and services.



4.2.1 How is costing done?

To avoid a potential costing discrepancy caused by double-costing, a costing exercise is conducted on the basis of cost theory, according to which cost is a function of the quantity and price of inputs, represented in functional form as follows:

$$(1) \quad C = c(q, p)$$

Where “C” represents the cost of inputs, “c” represents a function, “q” represents the quantity of inputs and “p” represents the price of inputs.

The cost function in equation 1 above postulates that the cost of an input increases with a rise in either the quantity of an input or the price of an input, or both. Thus there exists a positive relationship between the cost of inputs, on the one hand, and the quantity of inputs and the price of inputs, on the other. That relationship can also be represented using the following mathematical notation:

$$(2) \quad C = q \times p$$

Therefore, the total expenses a firm or Government pays in exchange for factors of production can be derived by the summation of the costs of all inputs in equation 2. That operation is represented by equation 3 below:

$$(3) \quad \sum C_i = \sum (q_i \times p_i)$$

Where the right-hand side of the equation sums the cost of individual inputs and presents the aggregates on the left-hand side as the total cost of producing a particular output or delivering a particular public good or service.

For the sake of simplicity, equation 3 can be re-written in a matrix form as follows:

$$(4) \quad TC = QP$$

Where “TC” is a matrix of the total cost of all inputs, “Q” is a matrix of the quantities of the inputs and “P” is a matrix of prices of the inputs.

In sum, equation 4 shows that total cost of production or delivery of a public good or service is the product of inputs and prices. Economic analysis postulates that an inflationary situation pushes up the total expenses of firms and Governments and, whereas a deflationary situation drives down the total expenses of firms and Governments, all other factors being constant. Similarly, an economic boom increases the total expenses of firms and Governments, whereas an economic slump drives down the total expenses of firms and Governments, all other factors being constants.

In practice, cost accounting techniques are applied in the costing of inputs. To avoid potential costing discrepancies, the following guidelines should be adhered to:

- National programmes of action should be specific, measurable, attainable, realistic and time-bound
- Costing should be centralized under the close supervision of the national governing council
- Costing should be undertaken in a participatory manner, involving key stakeholders
- Cost accountants should take the lead in the costing exercise

- Costing should be based on cost theory in order to avoid double-costing
- Cost accountants should rely on official price lists
- Costing teams should re-prioritize outputs and activities
- Costing teams should introduce inflation and contingencies as adjusters in order to minimize the potential errors of under- and over-costing

4.2.2 Illustrations

4.2.2.1 Magoro: a hypothetical case study

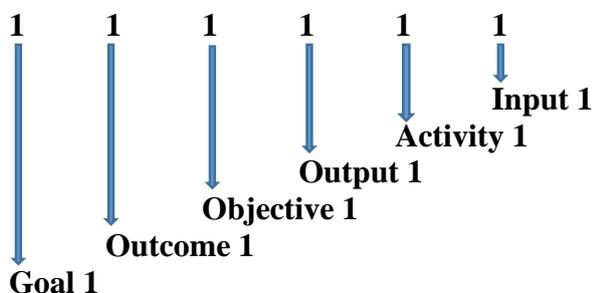
In the hypothetical case of Magoro which was introduced in section 3.3, the Government required three additional inputs under the national programme of action in order to process petroleum into final products, namely:

- Reservoirs
- Modern extractive equipment
- Engineering experts

In costing the inputs, the costing experts entered the inputs into a Microsoft Excel spreadsheet using unique identifiers. The identifiers are codes that have six digits, with each code representing a specific input. The identifiers are derived from national programmes of action and described from right to left as follows:

First position: Input
 Second position: Activity
 Third position: Output
 Fourth position: Objective
 Fifth position: Outcome
 Sixth position: Goal

For instance, the code **111111** in table 4.1 is interpreted as follows:



In essence, reservoirs are the First input under the First activity, under the First output, under the First objective, under the First outcome, under the First goal of the national programme of action.

In practice, the procurement of reservoirs on three occasions, with 8 units procured on each occasion, coded as 111111, at a unit cost of \$40,000, cost a total of \$960,000. The total cost is, however, adjusted for inflation (at 5 per cent) and contingencies (at 7.5 per cent). Thus, the total adjusted cost of the reservoir is estimated at \$1,080,000.

Table 4.1
Cost estimates (in United States dollars)

Code	Description	Quantity	Rate	Frequency	Total	Inflation	Contingency	Total
						5 per cent	7.5 per cent	Adjusted
111111	Reservoirs	8	40,000	3	960,000	48,000	72,000	1,080,000.0
111112	Modern extractive equipment	12	100,000	2	2,400,000	120,000	180,000	2,700,000.0
111113	Engineering experts	6	96,000	3	1,728,000	86,400	129,600	1 944 000
TOTAL					5,088,000.0			5 724 000

Similarly, the procurement on two occasions of modern extractive equipment, with 12 units procured on each occasion, coded as 111112, at a unit cost of 100,000, cost a total of \$2,400,000. The total cost is also adjusted for inflation (at 5 per cent) and contingencies (at 7.5 per cent), leading to the adjusted cost of the modern extractive equipment totalling \$2,700,000.

In a similar vein, the hiring of 6 engineering experts, coded as 111113, at the unit cost of \$96,000 per year, for a period of 3 years, totals \$1,728,000. The total cost is adjusted for inflation (at 5 per cent) and contingency (at 7.5 per cent). Thus, the total adjusted cost of the reservoir is estimated at \$1,944,000.

In sum, therefore, the total cost of all the inputs required to implement the Magoro national programme of action, over the medium-term, is estimated at \$5,724,000. This falls within the cost estimates of the Magoro national development plan.

4.2.2.2 Uganda: a practical case

Prior to linking its national programme of action with its national development plan, Uganda estimated the costs of executing the 200 recommendations identified in the country review report. In doing so, the national commission for the African Peer Review Mechanism led a costing team, which comprised:

- Head of public service and secretary of the cabinet
- Nominees of central government ministries, departments and agencies
- Technical experts from the Bank of Uganda
- Professional cost accountants

The Costing team followed the procedure outline below:

Step 1: Select one thematic area.

Step 2: Under the thematic area in step , select one specific objective.

Step 3: Under the specific objective in step 2, select one required action.

Step 4: Under the required action in step 3, analyze the required action and break it down into tasks that can be achieved within a three-year period.

Step 5: Under the tasks broken down in step 4, ascertain the required inputs.

Step 6: Under the required inputs in step 5, determine the associated costs in local currency.

Box 4.1

Estimate of national programme of action costs in Uganda

In determining costs, the costing team referred to the following resources:

- Public Procurement and Disposal of Assets Budget Guidelines, fiscal year 2008-2009
- Budget Framework Paper, fiscal years 2008-2009 and 2010-2011
- Michael Page international web page, in order to determine market remuneration rates for consultancy services
- In situations where costs would best be ascertained at the implementation stage, nominal figures were provided

Step 7: Repeat step 2 for another specific objective and continue until all four thematic areas have been covered.

Step n-4: Generate the total cost estimates.

Step n-3: Adjust the cost estimates by a factor of 10 per cent, to take inflation into account.

Step n-2: Adjust the cost estimates for contingencies at a rate of 10 per cent.

Step n-1: Generate the adjusted total estimates.

Step n: Convert the adjusted costs from Uganda shillings to United States dollars.

The resultant grand total amount required to implement the national programme of action, over a 3-year period, was estimated at \$4,857.1 million, as summarized in table 3.1 below, and adjusted upwards to take into account both inflation and contingency factors.

Table 4.2

Cost estimates for the Ugandan national programme of action, Years 1–3 (Millions of United States dollars)

Thematic Areas	Total (Est.)	Total (Adj.)
1. Democracy and political governance	89.9	107.9
2. Economic management and governance	324.6	389.5
3. Corporate governance	270.3	324.4
3. Socioeconomic development	3,362.7	4,035.3
Grand total	4,047.5	4,857.1

Thereafter, the cost of the national programme of action was incorporated into the thematic paper on governance for the purpose of integration into the national development plan, as discussed in section 3.3.2 above.

4.2.2.3 Benin: a practical case

For the purpose of costing the national programme of action, technical research institutes drew a distinction between programmes and projects that were compliant with the growth strategy for poverty reduction and those that were not. Thus, technical research institutes did not have to cost the programmes and projects of the national programme of action that were drawn directly from the growth strategy for poverty reduction, estimated at 81.4 per cent of the total, since they had already been costed by technocrats.

To cost the new programmes and projects contained in the national programme of action, which consisted of approximately 18.6 per cent of the total, technical research institutes relied on technical staff from the Department of Strategic Planning in the Ministry of Long – Term Development Planning and Evaluation. The technical staff used tried and tested cost estimation methods to arrive at the estimates.

Consequently, the grand total cost of the national programme of action is estimated at \$2.3 billion over the 3-year period.

4.3 What is financing?

Financing is the act of providing or raising funds for a project to achieve set objectives. In the African Peer Review Mechanism context, therefore, financing refers to mobilization of funds from both domestic and external sources to finance the implementation of the national programme of action.

4.3.1 What are potential sources of funds?

Like the national development plan, the national programme of action also benefits from the same sources of funds, which are mobilized both domestically and internationally, including the following:

- Domestic sources
 - Public sector
 - Tax collections
 - Non-tax receipts
 - Private Sector
 - Public
 - Civil society organizations
- International sources
 - Bilateral development partners

- Multilateral financial development agencies
- Civil society organizations
- Direct investment
- Members of the diaspora
- Public-private partnerships

While foreign aid inflows are often volatile and unpredictable, domestic sources of funds are more reliable and sustainable, at least over the medium-term.



4.3.2 What are the potential uses of funds?

The *Government Finance Statistics Manual* of the International Monetary Fund classifies potential uses of public funds according to the performance of various functions of Government and economic activities. These classifications are presented in table 4.3 below:

Table 4.3
Cross-classification of expenditures

	Compensation of employees	Use of goods and services	Consumption of fixed capital	Interest	Other expenses	Net investment in non-financial assets
General public services						
Defense						
Public order and safety						
Economic affairs						
Environmental protection						
Housing and community amenities						
Health						
Recreation, culture and religion						
Education						
Social protection						

Source: International Monetary Fund (2014): *Government Finance Statistics Manual*.

The entries in the columns represent expenditures by economic activities, while the entries in the rows are the functions of Governments. It is worth noting that:

Total expenditures by economic activities = Total expenditures by functions of Government

It is good public financial management to disburse funds as allocated and apply the budgetary provisions efficiently. Therefore, to improve absorptive capacity and enhance efficiency in the use of available resources to finance the implementation of the national programme of action, the following guidelines ought to be adhered to:

- Budgetary allocations made to finance national programme of action activities should be ring-fenced within the medium-term expenditure framework.
- Activities under the national programme of action should be implemented in accordance with monthly, quarterly and annual workplans.
- Monitoring reports on the implementation of activities under the national programme of action should be prepared periodically.

4.4 Illustrations

4.4.1 Magoro: a hypothetical case

The Magoro national programme of action is a resource-constrained case. Nevertheless, the Government is able to mobilize adequate funds to finance the implementation of the national programme of action. The resource envelope is defined and allocated as summarized in table 4.4 below.

Table 4.4
Magoro – Summary of government operations (*United States dollars*)

Sources of funds	Description	Amount
Domestic	Oil revenue	2,000,000.0
	Non-oil revenue	500,000.0
External	Public-private partnerships	4,500,000.0
	Concessional loans	3,000,000.0
Total resources		10,000,000.0
Use of funds	Description	Amount
Expenses	Non-African Peer Review Mechanism	5,000,000.0
	African Peer Review Mechanism	1,944,000.0
Net investment in non-financial assets	Non-African Peer Review Mechanism	6,000,000.0
	African Peer Review Mechanism	3,780,000.0
Total expenditure		16,724,000.0
Budget balance (+/-)		-6,724,000.0
Financing		6,724,000.0
Domestic		1,520,000.0
External		5,204,000.0

It is evident from the table above that the financing of the national programme of action activities is clearly ring-fenced. In this way, the Government is able to ensure that the allocations to the national programme of action are used to improve the state of governance and accelerate socioeconomic development in Magoro.

4.4.2 Uganda: A Practical Case of Uganda

At the budget approval stage, the national programme of action of Uganda was not resource-constrained. It was envisaged that development partners would close the domestic funding gap. This, however, generated potential risks of a failure to bridge the funding gap, as summarized in table 4.4 below.

Table 4.5
Uganda – Financing of the African Peer Review Mechanism (Millions of United States dollars)

	2008-2009	2009-2010	2010-2011	Total
Total budget Estimates (<i>approximate</i>)	3.39	1.73	1.41	6.53
Expenditure from Consolidated Fund (<i>actual</i>)	1.82	1.11	1.15	4.09

4.4.3 Benin: a practical case

The \$2.3 billion in financing for the national programme of action of Benin came from the following sources:

- Government of Benin: 1 per cent.
- Others: 99 per cent.

The initial phase of \$500,000 was financed as follows:

- Government of Benin: \$50,000
- UNDP: 150,000
- African Development Bank: \$200,000
- African Capacity Building Foundation: \$50,000
- Hans Seidel Fund: \$50,000

Exercises – E2

Q1. The Government of Uganda has hired you as a costing expert to review its National Commission and issue technical advice on the precise amount of the cost estimate for the national programme of action in a prevailing stable macroeconomic environment, with a headline inflation rate of 5 per cent per year and growth in the gross domestic product of 8.6 per cent per year in real terms.

Q2. Discuss the sources of funds for the implementation of the national programme of action in your country.

Chapter V

Procedures for linking monitoring and reporting processes

The previous chapter focused on the challenges of costing and financing national programmes of action. The present chapter is concerned with the implementation and the monitoring, accounting and technical and financial reporting modalities in particular, of the national programme of action.

5.1 Context

Progress in the implementation of a national programme of action, ideally done within a medium-term expenditure framework, can be measured in the context of a national development plan. In a similar vein, it is essential that reporting on progress in the implementation of a national programme of action take place in a national development plan context.

5.2 Monitoring

Monitoring progress in the implementation of the national programme of action is the primary responsibility of the national commission or governing council under the African Peer Review Mechanism. The commission or council is complemented by the network of civil society organizations in the country.



A project monitoring matrix is applied to the national programme of action. The matrix is linked to the national development plan log frame. For the sake of practicality, the scope of monitoring is limited to input, activity and output levels. Beyond that hierarchy, the monitoring team runs risks in respect of attribution, since it becomes rather difficult to attribute the realization of development goals, desired outcomes and set objectives to the national programme of action only. Therefore, it is sufficient to focus on the operational level in order to gauge the contribution of the African Peer Review Mechanism to changes in the state of governance and the acceleration of socioeconomic development. In box 5.1 below, a number of governance and socioeconomic performance indicators have been sorted by thematic areas of the African Peer Review Mechanism.

Box 5.1

Examples of performance indicators

Democracy and political governance

- Outstanding standards and codes ratified (*number*)
- Net migration registered (*number*)
- Proportion of seats held by women in national parliament recorded (*percentage*)
- Female legislators, senior officials and managers in office recorded (*percentage of total*)

Economic governance and management

- Outstanding standards and codes ratified (*number*)
- Revenue mobilized, excluding grants (*percentage of GDP*)
- Net official development assistance received (*percentage of GDP*)
- Rail lines maintained (*total route-km*)
- Access to electricity recorded (*percentage of population*)
- Internet users registered (*per 100 people*)

Corporate governance

- Outstanding standards and codes ratified (*number*)
- Automated teller machines installed (*per 100,000 adults*)
- Domestic credit to private sector issued (*percentage of GDP*)
- Firms using banks to finance working capital recorded (*percentage of firms*)
- Personal remittances received (*current United States dollars*)

Socioeconomic development

- Outstanding standards and codes ratified (*number*)
- Government expenditure per pupil, primary level, incurred (*percentage of GDP per capita*)
- Government expenditure per student, secondary level, incurred (*percentage of GDP per capita*)
- Government expenditure per student, tertiary level, incurred (*percentage of GDP per capita*)
- Hospital beds used (*per 1,000 people*)
- Immunization, measles, recorded (*percentage of children ages 12-23 months*)
- Pregnant women receiving prenatal care recorded (*percentage*)
- Improved sanitation facilities recorded (*percentage of population with access*)
- Improved water source recorded (*percentage of population with access*)

It is important to maintain a record of progress made in achieving the envisaged milestones, making it necessary to prepare a comprehensive log frame that not only provides for performance indicators but also corresponding targets. The recorded data and information will be useful in reporting, accounting and evaluation processes.

5.2.1 Illustrations

5.2.1.1 Magoro: A hypothetical case

Table 5.1 below presents the hypothetical case of the progress monitoring matrix for the national programme of action for Magoro. It provides a framework within which progress made in the implementation of the national programme of action is periodically assessed in the context of the country's national development plan and medium-term expenditure framework.

Table 5.1

Magoro: national programme of action progress monitoring matrix

Objective 1: To boost economic growth to at least 7 per cent per year by fiscal year 2018						
	Planned actions	Indicators	Baseline (2015)	Target (2018)	Actual (2018)	Remarks
Outputs	Sweet petroleum products exported	Barrels of petroleum	150,000	980,000		
Activities	Process raw petroleum into finished products	No. of petroleum products	0	4		
Inputs	<ul style="list-style-type: none"> • Reservoirs • Modern extractive equipment • Engineering experts 	<ul style="list-style-type: none"> • No. of reservoirs • No. of equipment units • No. of experts 	2 0 12	10 12 18		
Costs	\$5.7 billion	\$	0	5.7		

In the table above, it is imperative that progress is measured from the baseline data for fiscal year 2015. A positive change in the indicators that are monitored reflects improvement in the state of governance and the acceleration of socioeconomic development in the economy of Magoro. A negative change indicates a deterioration in governance and socioeconomic development in the economy. The financial aspects of the change are represented by the level of public expenditure, which is ascertained through an elaborate analysis of public outlays.

5.2.1.2 Uganda: A practical case

In Uganda, the parties responsible for implementing, monitoring, reporting and evaluating the national programme of action have been identified under every required action and are indicated in the national programme of action log frame.

Central government ministries, departments and agencies have the primary responsibility for implementing the national programme of action, with the private sector also participating in service delivery. The national governing council, together with civil society actors, monitors the national programme of action. The Head of State is responsible for reporting progress made in respect of the national programme of action, with support from the national secretariat for the African Peer Review Mechanism. Independent institutions are responsible for the evaluation of the national programme of action.

5.3 Accounting

Accounting is used as a tool to provide insight into the financial side of the national programme of action. Therefore, it is important to maintain accurate accounting of the funds spent on activities under the national programme of action, in particular, and the national development plan, in general. That responsibility is vested in the respective implementing entities.



It is noteworthy that, at the national level, the Accountant General is responsible for the consolidation of all the accounts in order to, among other things, illustrate the financial health of the country. At that point, it is possible to extract and generate data on the accounts of activities under the national programme of action.

5.4 Reporting

Reporting assists stakeholders in keeping abreast of progress made in the implementation of the national programme of action. The function of reporting is the responsibility of Heads of State and Government, with technical support from the national commission or governing council.

The technical team gathers information and data on achievements and challenges from various sources, including monitoring reports, financial analysis reports, study reports and public perceptions. The information and data are processed and analyzed to generate results, which are captured in periodic progress reports under the respective thematic areas:

- Democracy and political governance
- Economic governance and management
- Corporate governance
- Socioeconomic development
- Cross-cutting issues

Progress reports are disseminated on a semi-annual and annual basis. Semi-annual progress reports cover the initial year, while annual progress reports cover the remainder of the programme period.

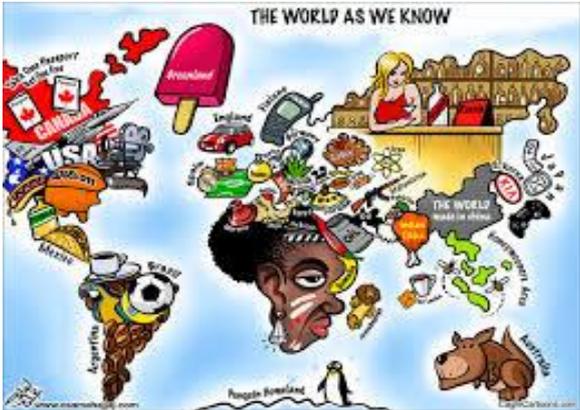


Periodic progress reports reflect the milestones achieved during the implementation of the national development plan as a whole. To generate the report, it is vital to maintain proper documentation at every stage of the linking process, as having a solid paper trail is invaluable at the evaluation stage, which subsequently feeds back into the entire activity of linking the national programme of action with the national development plan.

5.5 Evaluation

The evaluation carried out as part of the African Peer Review Mechanism process may potentially add value to the current development strategy of the continent. The value added may manifest as the ability to improve capacity to identify and collect relevant data and information. Value may also be added through fostering a culture of objective data evaluation, drawing lessons from that information and logically applying lessons learned.

The responsibility of evaluating the national programme of action rests with independent bodies that are outside the national structure of the African Peer Review Mechanism.



The main objective of evaluation is to assess the impact of the national programme of action on the following parameters, among others:

- State of governance
- Extent of socioeconomic transformation
- Strength of governance institutions

Specifically, in carrying out the evaluation exercise, the independent evaluators look for items outlined in the list in box 5.2 below.

Box 5.2
List of ex-post evaluation tasks

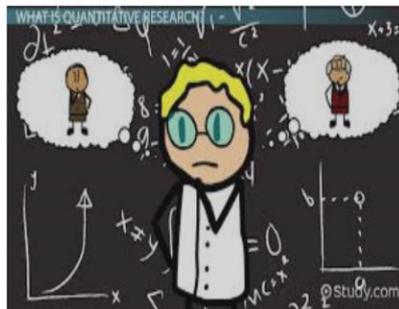
In evaluating the national programme of action, independent evaluators concern themselves with a detailed and comprehensive assessment as to whether:

- Given its objectives and strategies, the national programme of action has been implemented at the cost estimated, to the quality expected and within the timeframe set

- In the area of democracy and political governance, in particular, the national programme of action has increased the breadth and depth of the democratic process
- In the area of economic governance and management, the national programme of action has promoted macroeconomic stability, while promoting African integration
- In the area of corporate governance, the national programme of action has created an enabling environment for entrepreneurship
- In the area of socioeconomic development, the national programme of action has improved development indicators
- Different programmes, strategies or even objectives would have been more appropriate
- There are lessons to be learned
- Any of the lessons could logically be applied elsewhere

Ideally, an independent evaluation should be carried out after the implementation of the national programme of action, over a long-term period. The exercise may be approached in distinct but mutually exclusive ways, including through:

- Review of the relevant literature
- Quantitative research techniques
- Gathering public perceptions



The consultation process should be broad-based and all-inclusive. In box 5.3 below, a list of reference materials is presented for consultation. The information gathered through a literature review should be analyzed in conjunction with primary and secondary data in order to generate an evaluation report on the impact of the national programme of action on governance and socioeconomic development.

Box 5.3

Evaluation exercise: list of reference materials

- Country review report
- National programme of action
- Estimated cost of the national programme of action
- Monitoring and evaluation matrix for the national programme of action
- Semi-annual and annual progress reports on the African Peer Review Mechanism process
- Financial analysis of the implementation of the national programme of action
- National development plan/poverty reduction strategy paper
- Monitoring and evaluation matrix for the national development plan/poverty reduction strategy paper
- Institutional annual workplans
- Institutional and national budgets
- Semi-annual and annual progress reports on the implementation of the national development plan/poverty reduction strategy paper
- Mid-term review of the implementation of the national development plan/poverty reduction strategy paper
- Evaluation report on the implementation of the national development plan/poverty reduction strategy paper
- Semi-annual and annual budget reports
- Periodic budget review reports
- National governing council interview reports
- Civil society reports
- Specific relevant study reports

Quiz – S2

Which of the following statements is true?

S1. It is more prudent to implement the national programme of action within the national development plan and the medium-term expenditure framework.

True False

S2. Improvement in the state of governance can be attributed to the national programme of action alone.

True False

S3. Civil society organizations are not important in monitoring the implementation of the national programme of action.

True False

S4. Heads of Government and State report progress in respect of the national programme of action to their peers.

True False

S5. The African Peer Review Mechanism has strong enforcement mechanisms in place.

True False

S6. The evaluation of the national programme of action is a matter for the Government not for the national commission for the African Peer Review Mechanism.

True False

=====
Score: [../6]
=====

Chapter VI Conclusion

The present chapter summarizes the contents of the manual, highlighting knowledge and skill areas of focus.

It is imperative for all countries that participate in the African Peer Review Mechanism to link their national programmes of action with existing national development strategies. In particular, it is important that the following policy measures be adhered to:

- (1) Participating countries should ensure that national programmes of action contain programmes and projects whose objectives, interventions, and targets are deemed necessary to change the state of governance and accelerate socioeconomic development.
- (2) Central government ministries, departments and agencies, as well as local government authorities, should have ownership of the implementation of and/or oversight over the programmes and projects under the national programme of action.
- (3) The national commission for the Mechanism, together with central government ministries, departments and agencies, as well as local government authorities, should validate all costs associated with national programmes of action.
- (4) Costing teams for the national programme of action should centrally undertake the costing exercise, in close consultation with technocrats in the line ministries and other stakeholders.
- (5) Mechanism-participating countries should synchronize the national plan cycle with the national programme of action cycle to ensure the most efficient use of available resources.
- (6) Participating countries should integrate the national programme of action into the national plan through sector strategic plans.
- (7) Participating countries should code national programme of action activities in the medium-term expenditure framework to facilitate national programme of action expenditure tracking as well as monitoring, reporting, accounting and evaluation of its implementation.
- (8) Governments of participating countries should ensure that they do not leave projects with large disbursement gaps, which are a source of uncertainty for the projects.
- (9) The national commission should develop governance and socioeconomic development performance indicators that are specific, measurable, attainable, realistic and time-bound in order to facilitate the monitoring of national programme of action implementation.
- (10) The national commission should develop an evaluation framework to be used by independent bodies to assess the performance of the national programme of action.

- (11) The national commission should document and archive in both soft and hard copies all the activities carried out to link the national programme of action with the national development plan.

In summary, the linking of the national programme of action with existing national development strategies is both a process issue and a material issue. The exercise begins with the anchoring of the contents of the national programme of action onto the poverty reduction strategy paper or the national development plan, whatever the case may be. If that idea is well – executed, the national programme of action should be treated as a subset of the national development plan. Otherwise, the outliers should be recognized as additional priorities.

The clinical exercise of linking the national programme of action with existing national development strategies should facilitate the processes of costing, financing, implementation, monitoring, reporting, accounting and evaluation of the national programme of action. Thus, it is important for the countries that participate in the African Peer Review Mechanism to get their national development plans right and maintain records of the activities undertaken during the linking processes.

FAQs

Q1. The African Peer Review Mechanism is another club of Heads of State and Government in Africa, isn't it?

- Yes No

Q2. Isn't the African Peer Review Mechanism a donor-driven initiative?

- Yes No

Q3. The African Peer Review Mechanism is not enforceable. Is it still worth acceding to?

- Yes No

Q4. Is a national programme of action another distinct Government programme?

- Yes No

Q5. In what way are national programmes of action similar to national development strategies?

- Long-range perspectives Duplicative by design
 Poverty reduction initiatives None of the above

Q6. What makes the African Peer Review Mechanism appealing to States members of the African Union?

- Voluntary nature Peer review aspect
 African-owned innovation All the above

Q7. Are there any features that distinguish national programmes of action from national development strategies?

- Yes No

Q8. Is the cost of a national programme of action the same thing as the budget of a national programme of action?

- Yes No

Q9. Who finances the African Peer Review Mechanism?

- Governments of countries that participate in the African Peer Review Mechanism
 Private sector
 Development partners, including civil society organizations
 All the above

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Suggested solutions

Quiz - S1

- S1. True
- S2. True
- S3. False
- S4. False
- S5. False
- S6. False
- S7. False
- S8. True
- S9. True
- S10. False

Exercise – E1

A1. Scenario Analysis

Scenario 1: “Without” poverty reduction strategy papers

- 100 per cent integration possible
- Cost-effective

Scenario 2: “With” poverty reduction strategy papers

- Synonymous with attempting to fit square pegs in round holes
- Possibilities of material overlaps and resource gaps
- Time-consuming

In sum, scenario 1, i.e. “without” a poverty reduction strategy paper, is a more desirable situation for the effective linking of national programmes of action with existing national development strategies, such as poverty reduction strategy papers and national development plans.

A2. Critique of the functional mapping approach

Pros

- Simple mathematical procedure involved
- All elements of the range explored

Cons

- Tedious to put into operation

In conclusion, the effectiveness of the mathematical operation depends on the robustness of the domain and, more importantly, the range.

Exercise – E2

A1. Uganda: A technical review of national programme of action cost estimates

Assumptions

- Status quo of a stable macroeconomic situation is maintained over the programme period
- Contingency of 5 per cent per year

On the basis of the above cardinal assumptions, the cost of the national programme of action of Uganda was estimated at approximately \$4,452.3 million, representing a cost savings of \$404.8 million over the plan period.

A2. Country X: Sources of funds

The African Peer Review Mechanism process is financed both internally and externally.

Internal sources of funds are more dependable than external sources.

The above notwithstanding, external sources of funds help to bridge the resource gap in a financially-constrained economy.

Quiz – S2

S1. True

S2. False

S3. False

S4. True

S5. False

S6. False

FAQs

A1. No

A2. No

A3. Yes

A4. Yes

A5. Poverty reduction initiatives

A6. All the above

A7. Yes

A8. No

A9. All the above