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Ministère des Affaires étrangères
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Direction de la coopération
au développement et
de l'action humanitaire

Mid-term review of the Indicative Cooperation Programme (ICP III) in Senegal

Executive Summary

November 2016

Observations, findings and recommendations expressed in this document only reflect the evaluator points of view and not necessarily those of the Ministry of Foreign and European Affairs.



EXECUTIVE SUMMARY

The mid-term review of the Indicative Cooperation Programme (Programme Indicatif de Coopération) between the Republic of Senegal and the Grand Duchy of Luxembourg – 2012-2016 (abbreviated to PIC III) comprises, firstly, a political and strategic analysis of the commitments undertaken by the two governments and, secondly, a mid-term evaluation of the 5 components¹ of the bilateral segment of the PIC. To undertake this mid-term review and the evaluation, the Luxembourg Ministry of Foreign and European Affairs, in conjunction with the Senegalese Ministry of Economy, Finance and Plan and LuxDev, hired the company ARTEMIS at the end of a tender process. ARTEMIS mobilised a team of 10 evaluators² to carry out this work.

The official kick-off of the mid-term review took place on 3 May 2016 in a meeting which brought together the key players of the PIC III for Senegal, Luxembourg and the Technical and Financial Partners (TFP). The work schedule relating to the mid-term evaluations and review were desynchronised to allow for the review to be based on the consolidated mid-term evaluations. The information gathering phase took place from 4 May to 27 July 2016, with meetings in Dakar and more than 3 weeks spent in the operational concentration zones. For the evaluations, a first analysis level was shared with the sectoral players during “on-the-spot” feedback meetings (27 June - 1 July 2016). The evaluation reports were then presented and discussed during final restitution meetings (5 - 6 October 2016). Following these meetings, a first analysis level of the review was shared with the key players. The provisional version of this mid-term review report was presented and discussed during the final restitution meeting on 14 November 2016. The final version of the review report was then produced on the basis of the observations gathered in the final restitution meeting and over the course of the two weeks following that meeting.

The overall objective of the PIC III is to contribute to the reduction of poverty and to sustainable development. Over recent years, the principal socio-economic indicators have shown various improvements in Senegal, as well as highlighting a number of areas for improvement. The poverty measurement indicators confirm that Senegal is among the poorest countries. The situation, however, is improving, with incidences of monetary poverty falling from 42.50% in 2014 to 34.6% in 2015. For health, despite the improvements, maternal mortality rates remain high. In terms of employment, youth employment rates remain low. The targets for water and sanitation have been met, with the exception of sanitation in rural areas. The decentralisation process has encountered some delays. The consideration of gender in public policies and development programmes is increasingly effective, although still with some challenges to overcome (e.g. sustainability of gender units). Great efforts have been deployed in terms of the environment and climate change, but the implementation of the environment policy has also faced numerous challenges. Senegal has embarked upon a budgetary and financial reform process within the context of transposing the relevant WAEMU directives. The implementation of these reforms is already at a well advanced stage.

The allocation of the PIC III budget is as follows: 84% to the bilateral segment, 13% to the multilateral segment, 3% to cooperation with CSOs (integrated into the bilateral segment) and to the studies fund. For the bilateral segment, the cumulative financial implementation rate was 61% at the end of September 2016. For the multilateral segment, this implementation rate was 95.93% (excluding extension) and 79.29% (including extension).

In its initial years, the PIC was a laboratory in which the partners defined, tested and adjusted, in real-time, an innovative implementation modality: “budgetised aid”. The time needed to render the modality operational, and the fact that the modality is based on national procedures and systems, resulted in a number of delays in the implementation of the bilateral segment. The review confirms that 2016 is a pivotal year, with the passage to full national execution and the stabilisation of the modality. For Luxembourg funds implemented via the Investment Consolidated Budget (abbreviated to BCI), as a

¹ The 5 components of the bilateral segment are: SEN/027 – Basic Health Programme II, SEN/028 – Vocational training and insertion, SEN/029 – Territorial development, decentralisation and good local governance, SEN/030 Volume 1 – Programme support to national execution and SEN/030/Volume 2 – Water and sanitation.

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2014-2016 multiannual cumulative total, the commitment rate is 58.2% and the disbursement rate 39.9% at the end of September 2016. These same rates were 38.8% and 28.9% in June 2016.

A significant lag between the identification, formulation and implementation phases is noted. This lag is essentially but not exclusively due to the emphasis on institutional strengthening and the definition of the “budgetised aid” modality, which had not been sufficiently anticipated at the time of the identification.

At the mid-term point, the performance of the bilateral segment of the PIC III in terms of the OECD DAC criteria is generally positive for the relevance, efficacy and efficiency criteria. In terms of sustainability, even if efforts are made and their effects are perceptible, there remains a number of points to be considered. The concentration of efforts on the implementation of the “budgetised aid” modality, the strengthening of capacities principally with a focus at central level, and delays in the de-concentration of the modality, have resulted in a delay in the deployment of the interventions and limited the mid-term impact potential of the PIC III in the concentration zones. The review of the multilateral cooperation interventions confirms generally positive results in the health sector and rather more mitigated results for professional insertion and decentralisation.

Overall, interventions within the scope of the PIC III are aligned with the Plan Sénégal Emergent (abbreviated to PSE) and the sectoral policies. Thanks to the use of the “budgetised aid” method, 47% of the bilateral segment budget, which is one third of the PIC III budget, is implemented via national procedures and systems. The strengthening of capacities is central to the implementation of the PIC III. The capacity building strategy was defined on the basis of organisational analysis carried out in 2013-2014, i.e. before the identification and formulation phases. Based on these analysis, risk mitigation and capacity building plans were defined.

The implementation of the “budgetised aid” modality and the capacity building activities had a notable effect on the governance capacities of the sectoral ministries. While the decision-making process falls to the ministries, it can be, at an operational level, that certain actions are sometimes still carried out by technical assistance. This is generally explained by the lack of resources of the ministries and the absorption limits of the national players. However, the substantial technical support mechanism put in place to support the implementation of the bilateral segment and to support general coordination is considered appropriate, in view of the innovative approach of this PIC III.

Within the scope of the PIC III, coordination with the interventions of other TFPs took concrete form at the time of implementation, with the exception of political dialogue with Belgium aimed at setting up delegated cooperation in the sector of vocational training and water. This delegated cooperation proved more conclusive for vocational training. The work underway for joint programming at a European Union level is encouraging.

In relation to the integration of transversal subjects, a lot of work has been done at a strategic level (with the institutionalisation of gender in accordance with the national strategy recommendations, the consolidation of the strategic frameworks for the environment). The expertise deployed within the scope of the PIC III for these subjects have arrived or will arrive late.

At the strategic level, the monitoring and evaluation of the PIC takes place in meetings of the Partnership Commission and the Steering Committee. Discussions during these strategic meetings are often based on operational matters or obstacles. There is no results framework for the PIC on which to base the strategic steering process.

The review identified three best practices on which to capitalise:

- The “budgetised aid” modality. After budgetary support, “budgetised aid” is certainly the method that is the best aligned in view of the constraints of non-fungibility and traceability imposed on Luxembourg funds. The effectiveness of the modality is to a large part attributable to a successful combination of the implementation of the modality and a coherent capacity strengthening strategy.
- The capacity building strategy is based on an organisational analysis, which resulted in a risk mitigation and capacity building plan focused on the key roles of the ministries for the management of the public expenditure chain and programmes.
- The integration of the bilateral and multilateral segments and the special case of the vocational training and insertion programme (SEN/028), where the United Nations agencies find themselves responsible for achieving a bilateral programme result, and where the interventions of the two segments are complementary and present a potential multiplied effect.



The review formulated 8 recommendations aimed at informing the reflection of the governments in the finalisation of the PIC III and the preparation of the next PIC.

R1 linked to the major challenges of the future of cooperation about which governments are invited to discuss and reach an agreement. In its section 6, the report aims to inform this dialogue with the information gathered during the review work:

- Perspectives for “budgetised aid”: the need to consolidate it, render the de-concentration of the modality operational and convince other TFPs to join Luxembourg in adopting this modality;
- Determine the choice of the 2, or even 3, concentration sectors based on the priorities and needs of the sectors and Luxembourg’s comparative advantage;
- Institutional anchoring of the sectoral components: consider positioning at the level of the General Secretariat of sectoral ministries;
- Capacity building strategy: move towards a greater ownership of the capacity building strategy at the level of the sectoral ministers and the Ministry of the Economy, Finance and Plan, in terms of its definition, implementation, monitoring and evaluation;
- Reconsider the combination of an intervention aimed at a local impact for vulnerable populations with an approach aimed at institutional strengthening and the capacity building of the players;
- Reconsider the technical assistance mechanism based on the capacities of the Ministry of the Economy, Finance and Plan and the sectoral ministries, the expertise needs expressed by these ministries and the desired degree of institutionalisation of the capacity building strategy;
- Identify the complementary points and multiplier effects between the bilateral and multilateral segments;
- Determine the role of the CSOs and the pertinence of their positioning within the context of a bilateral cooperation framework.

R2 linked specifically to the consolidation of the “budgetised aid” modality. Strengthen political support for the operationalisation of the “budgetised aid” modality in order to identify and remove the obstacles which are slowing down contracting procedures and render the de-concentration of the modality effective.

R3 linked to the strengthening of results-based management. Within the scope of the PIC III. Define a results framework on which to base the strategic steering of the PIC. Take into account the observations deriving from the evaluation of the PAEX (national implementation support programme) on appraisal of the level of quality of the statistical indicators, develop methodological notes. **Within the scope of the next PIC.** Specify the expected results in terms of the sectoral policies and in terms of expectations regarding institutional strengthening.

R4 linked to the alignment and integration of the segments or interventions not identified during the identification phase. Define an arbitration mechanism based on objective criteria to reach an agreement on the integration or not of interventions which would arise during the implementation phase.

R5 linked to the harmonisation and division of the work. Continue efforts within the context of joint programming undertaken with the European Union. From the start of the identification phase, approach other cooperation entities, such as the American and Canadian one, major players in health and vocational training.

R6 linked to establishing the coherence of the identification and formulation phases. Actively involve the principal players from the identification phase, based on the latest organisational analysis of the concentration ministries. For the formulation, favour a co-formulation between the players of the bilateral and multilateral segments.

R7 linked to the integration of the transversal subjects within the context of the 2030 Agenda. Pursue the “pincer” approach, which consists in combining support at the strategic and institutional level for the integration of these subjects in the development policies, on the one hand, and, in parallel, strengthen their integration at an operational level.



R8 linked to the complementarity of PIC and non-PIC interventions. Implement an information and experience exchange mechanism between the various Luxembourg players or those supported by Luxembourg.