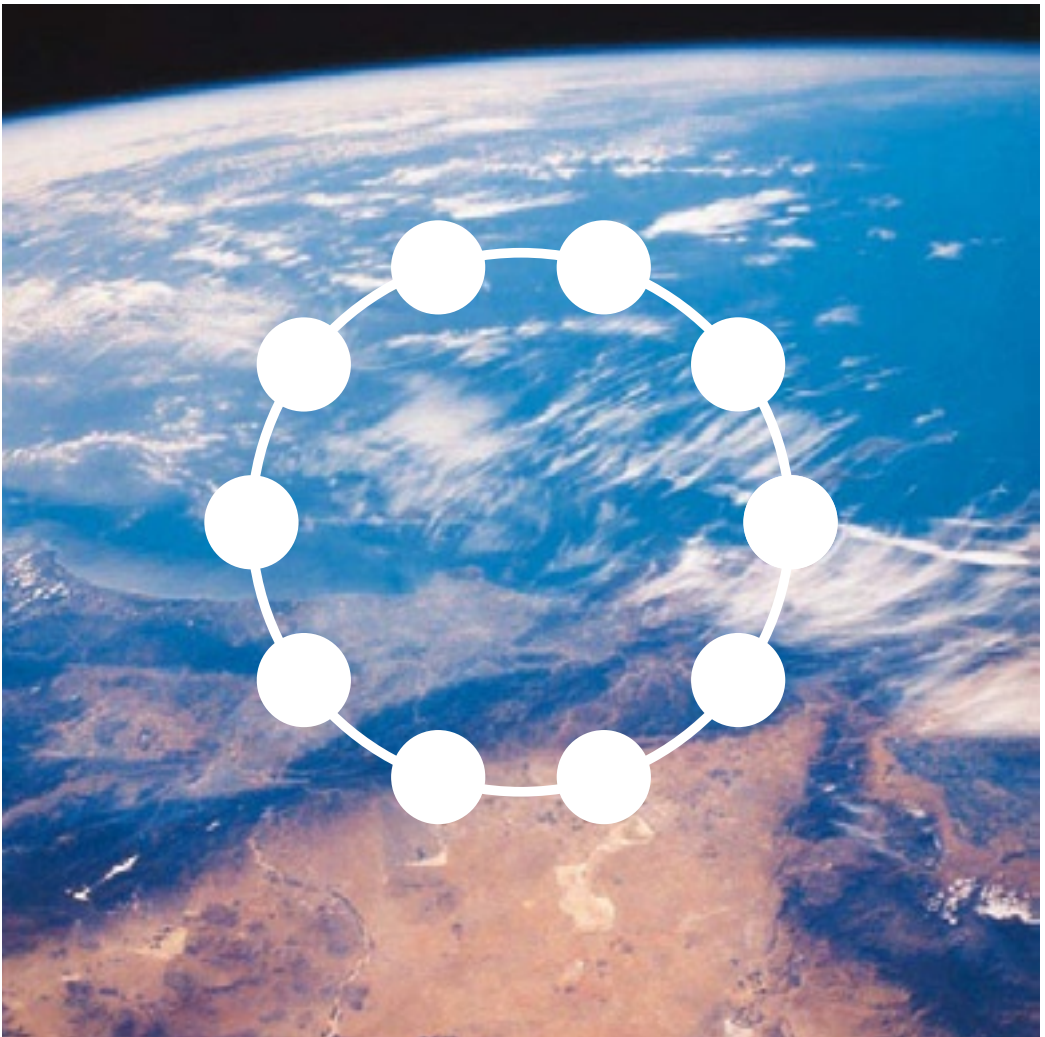


2005



Sida at Work

Manual for the preparation, implementation and follow-up of cooperation strategies



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Introduction

In accordance with decision of the Government dated April 28, 2005, “*Guidelines for cooperation strategies*” specifies the framework within which the Ministry for Foreign Affairs, other ministries, Sida, and other government agencies shall work. The guidelines apply to all strategy processes.

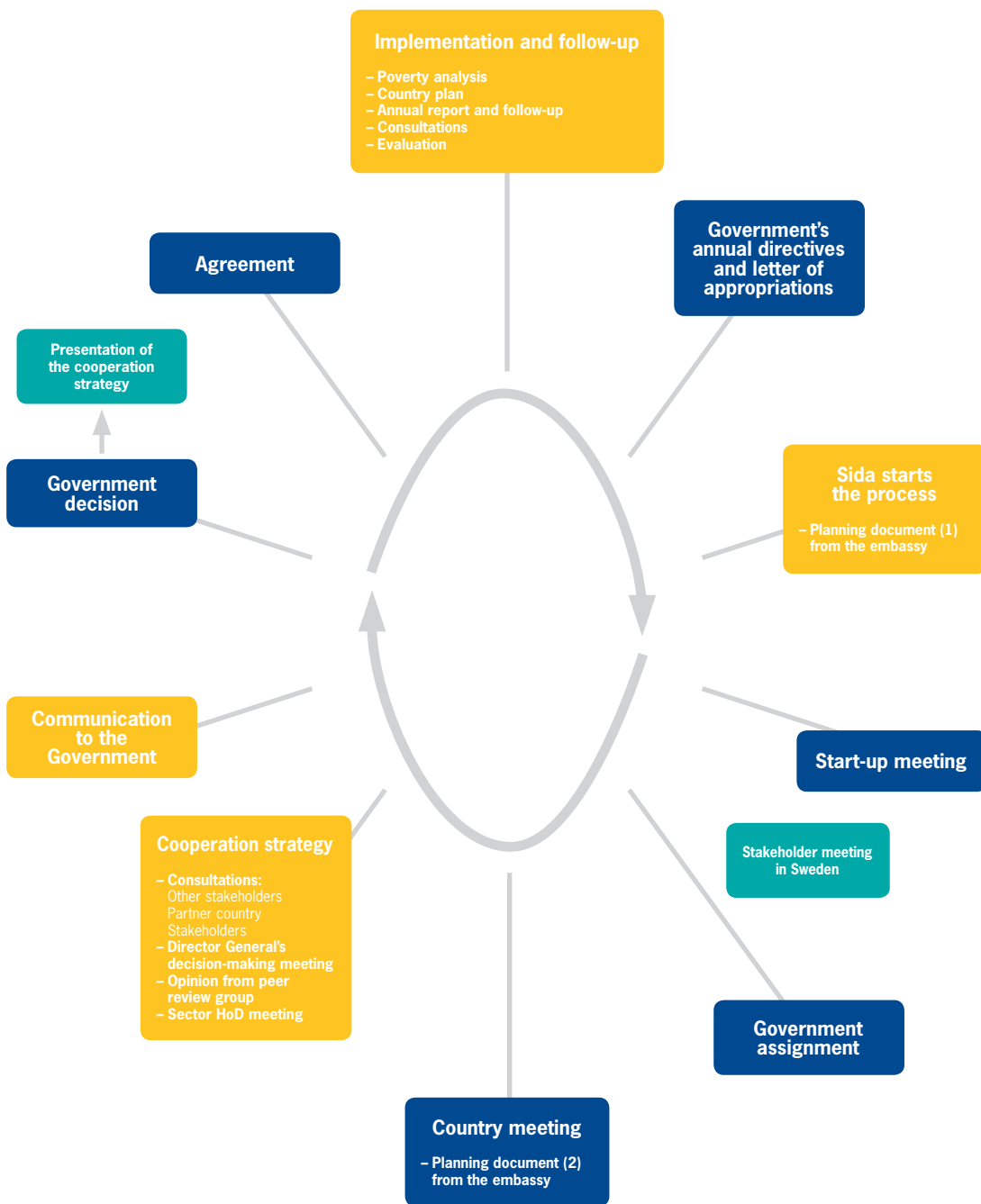
This manual takes up Sida’s contribution to cooperation strategies. The aim of the manual is to provide practical guidance for Sida’s managers and programme officers in the implementation of the guidelines. A corresponding manual for those stages of the process that are specific to the Ministry for Foreign Affairs has been produced by the Ministry.

Swedish programmes of development cooperation vary from country to country and from region to region. The countries in which it will probably be easiest to follow the strategy process defined in the manual are mainly in Africa. In Asia, Latin America and Europe there are many countries where a greater degree of adjustment to the prevailing situation and departures from the process defined in the manual will be necessary. The strategy process will therefore be different where its scope and focus are concerned. Accordingly, the application of this manual must be adapted to the prevailing situation. However, in general it can be said that:

- According to the guidelines, the strategies shall be based on the partner country’s priorities. When these priorities have been expressed in the country’s own strategy for development and poverty reduction, they shall constitute the point of departure for Swedish development cooperation. Accordingly, the Swedish cooperation strategies are to constitute the Swedish approach to the partner countries’ strategies.
- The goal is to contribute to making it possible for poor people to improve their living conditions. Development cooperation shall be permeated by a rights perspective and the perspectives of the poor on development, and take into consideration the eight central elements¹ in the Policy for Global Development.
- Sweden shall promote and support joint strategy work with the partner countries and other donors. The donors shall strive to harmonise the time span of their programmes, to have a common foundation for their analytical work, dialogue and follow-up, and to make good use of a division of work between them.

¹ Democracy and good governance, respect for human rights, equality between women and men, sustainable use of natural resources and protection of the environment, economic growth, social development and security, conflict management and security, and global public goods.

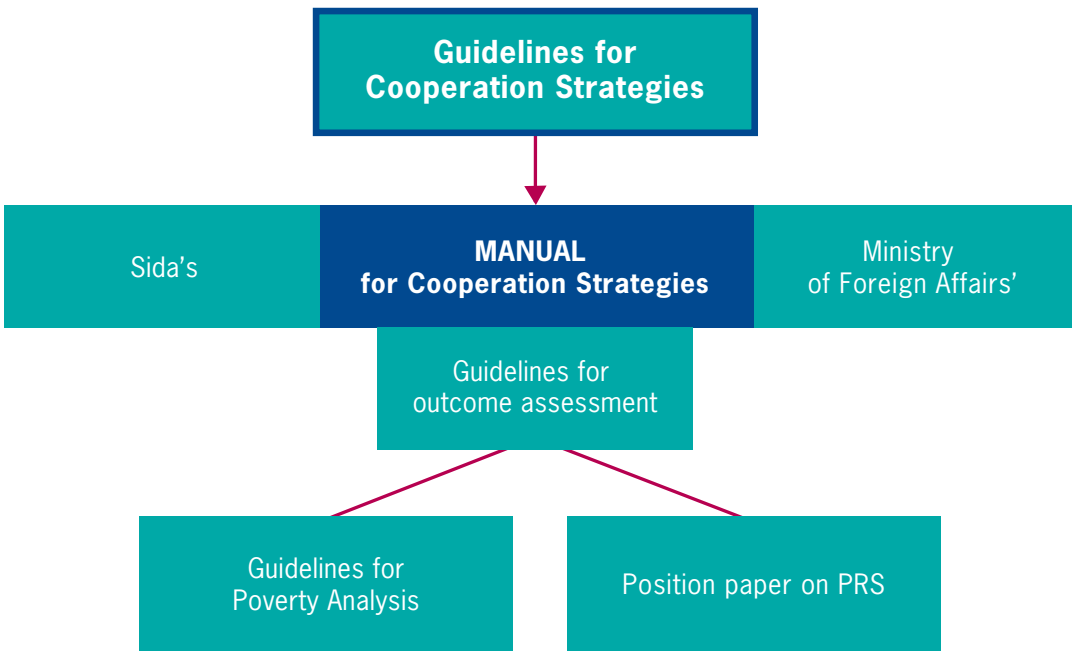
Cooperation strategy process (10 months)²



² At most the process takes ten months between the start-up meeting and the Government's formal decision on the strategy. The amount of time required for each step in the process can vary.

The manual includes every stage in the strategy process – from preparation to follow-up – and answers questions relating to when, how and who. It provides a toolkit of instructions, advice and suggestions on how the work can be done. The manual explains the ways in which the different parts of the strategy process are linked to each other. Sida’s “Guidelines for Poverty Analysis” and “Position Paper on Poverty Reduction Strategies” provide support for the production of material during the process.

Documents that govern and support work on cooperation strategies



Other documents and sources

- Sida’s overarching policies, sector policies and position papers available at:
<http://inside.sida.se>
Choose “Governing Documents”, then “Policies”, then preferred policy category.
- Other countries’ experience:
<http://www.countryanalyticwork.org>

Rapid guide to the strategy process

Government's annual directives and letter of appropriations

- Government's annual directives specify the strategies that shall be prepared and the point in time when Sida's proposals are to be submitted to the Government.
- Information to the partner country that a new strategy shall be prepared.

Preparatory work at Sida

- Start drawing up planning documentation prior to the Ministry's start-up meeting.
- Internal preparatory meeting: form working group and internal consultations on planning documents.
- Consult Director General.

Start-up meeting

- Ministry for Foreign Affairs arranges the start-up meeting in which Sida's regional department participates.

Stakeholder meeting

- Ministry for Foreign Affairs arranges the stakeholder meeting in which Sida's regional department participates.
- This meeting can be arranged in the partner country.

Government assignment

- Government decision on the assignment.
- Regional department decides on Sida's internal working group and division of responsibilities at Sida and between Sida/embassy.
- The embassy prepares detailed planning documents prior to the country meeting.

Country meeting

- The embassy plans and holds the country meeting.
- Parties concerned from Sida participate in the country meeting.
- Conclusions from the country meeting form the framework of the strategy.

Sida's contribution to the cooperation strategy

- The embassy sends its first draft contribution for the cooperation strategy and a draft cooperation agreement to the regional department.
- Consultations with Heads of sector departments concerned.
- Peer review group processes the proposals. Written opinion.
- Presentation to Director General at the decision-making meeting, and possible processing by Sida's board.
- Sida's contribution to the cooperation strategy is sent to the Government. See template.
- Government decision on the cooperation strategy.

Cooperation agreement

- The strategy is discussed with the partner country. A cooperation agreement is concluded.

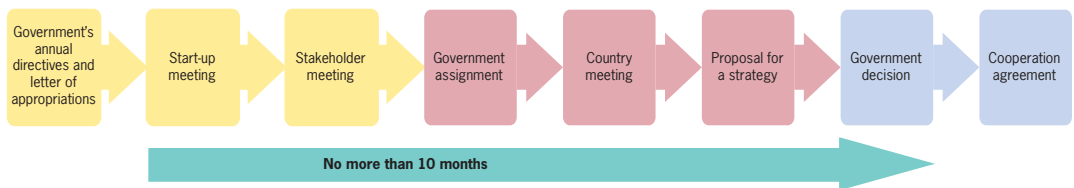
Implementation of the strategy

- The implementation of the strategy commences with an eye to the next strategy process.

I. Preparation of the strategy

Sweden's Policy for Global Development is based on the understanding that our policies – both our national policy and the policies in which we are included in a wider context (e.g. in the EU, UN, WTO) – exert an influence on the development potential of developing countries. The Policy for Global Development therefore lays down that all policy areas are responsible for contributing to the overall goal of the policy – equitable and sustainable global development. Development cooperation is included in the overall goal but is given its own – narrower – goal: to contribute to making it possible for poor people to improve their living conditions. In line with the new policy, the cooperation strategies shall not merely take up the focus of development cooperation with a country but shall also describe the programmes of cooperation that are taking place in other policy areas. During the strategy process, a number of Swedish ministries and government agencies can be active. Coordination shall be given priority by all parties. The Ministry for Foreign Affairs has the overall responsibility for coordination.

According to the Guidelines, the various steps – from the start-up meeting to the Government's decision on a new strategy – should normally be completed within a period not exceeding ten months. The diagram below shows the different steps in the process. However, the process can vary in different countries and regions, depending on the situation in the country/region and Sweden's relations with the country/region. There are strategies for almost fifty countries and regions. The processes are, of necessity, different for different countries.



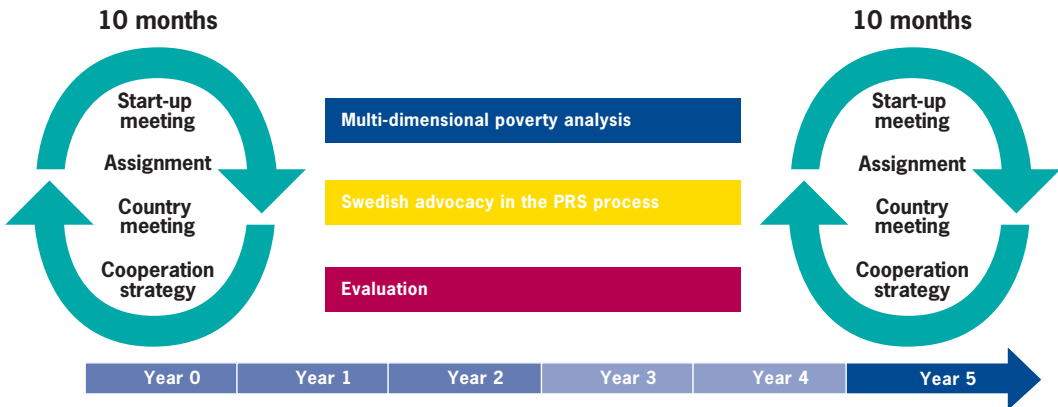
The Guidelines emphasise analysis of the country. At the same time the strategy process is short – no more than ten months. This has the effect that poverty analyses and other analyses and evaluations shall be increasingly regarded as continuous processes during the entire implementation of the strategy. During the preparation of a new cooperation strategy, most of the analytical work will be linked to the analytical work that has already been done by the embassy, by other parts of Sida, by the country or by other donors.

Normally, it will not be necessary to make any further studies/evaluations. Instead, during the strategy process, another form of analytical work will take over. This will be based on previous analyses and is primarily an assessment of the way in which Swedish cooperation should be designed in the medium term. To ensure that the results of the analyses are available at the right point in time, planning is necessary during the implementation phase, see further chapter 2: Implementation and follow-up of cooperation strategies

The guidelines emphasise the importance of good communication with the partner country. The process shall be pursued in an open and inviting manner in relation to those parties in the country that represent broad sections of society.

Normally, the strategy process will be implemented with English as the main language, and Sida has the ambition to make material and draft versions of documents available to the partner country's government and to representatives of the target groups of development cooperation.

Analysis and dialogue



1. Decision on the preparation of a new cooperation strategy

The new cooperation strategy cycle necessitates continuous analytical work at different levels. Long-term planning is necessary throughout the implementation of the cooperation strategy. Therefore, it is of utmost importance that a *plan for the level of ambition and focus of the analytical work* for the strategy period is stipulated in the country plan prior to the year in which a strategy shall be produced in order to prepare a process of adjustment to the requirements for analysis and dialogue that the strategy process involves. This plan shall also contain a specification of the roles and responsibilities of the embassy, regional department and sector departments.

The decision to prepare a new cooperation strategy, or to prolong the existing strategy, is made by the Government in Sida's annual directives. The decision is preceded by consultations between the Ministry for Foreign Affairs, Sida and the embassy.³ The regional department has the main responsibility for the consultations. In the consultations between the Ministry for Foreign Affairs and Sida prior to the Government's decision, the following factors are to be given special attention:

- Conditions and needs for further development cooperation or the phasing out of development cooperation.
- The possibility for harmonisation with the national PRS process and/or processes for joint strategies for development cooperation, or harmonisation with the strategy processes of other donors.
- Assessment of whether the country is in any phase of a conflict or is facing decisive political changes.

³ In this manual, the term "embassy" is used for all the different types of Sida representation in the field.

The embassy monitors these issues regularly and contributes arguments and alternative courses of action.

In connection with the decision in the Government's annual directives, the Director General reaches a decision in respect of the cooperation strategies that shall be presented to Sida's board.

The Government's annual directives are finalised in December each year. Thereafter, the embassy shall inform the partner country on a suitable occasion that a new strategy will be prepared, that the current strategy will be prolonged, or that development cooperation will be phased out.

2. Sida's work prior to the start-up meeting

At an early stage in the process Sida's regional department initiates the establishment of a working group to coordinate further work on the strategy. The regional department and the working group are responsible for planning work on the strategy in consultations with the embassy. A formal decision containing a time schedule, resources, specification of roles (for the regional department, embassy and sector departments) is made by the regional department after it has received the government's decision on the assignment. The participation of the sector departments is guaranteed since, at Sida's internal preparatory meeting, they appoint the members of staff who will represent the departments throughout the entire work on the strategy.

2.1 Planning documentation

Immediately after Sida has received the Government's annual directives, the first brief *planning document 1* shall be produced. The embassy is normally responsible for preparing a draft version of this document. The regional department is responsible for completing the document prior to the start-up meeting in consultation with the internal working group on the cooperation strategy. *No special analyses and studies shall be made prior to the preparation of the planning document.*

The document shall *not exceed six pages* and shall contain:

- Preliminary assessment of the development problems based on available analyses, including the country's strategy for poverty reduction (max 2 pages).⁴
- The most important experience of cooperation, forms of cooperation and channels hitherto (max 1 page).

⁴ The point of departure of the assessment of development problems shall be the rights perspective and the perspectives of the poor. This is described in Sida's Guidelines for Poverty Analysis. Other documentation includes other development plans and strategies, the country's own poverty analysis, and analyses made by the country and others of political, economic, social and environmental conditions, including the human rights situation. Analyses and follow-ups are documented in half-yearly reports, human rights reports, other reports and country plans.

- Key issues and tentative ideas for the further strategy process (max 2–2.5 pages) such as
 - Adjustment to the country’s processes, in particular the PRS process, its strategies for development and poverty reduction
 - Alignment and harmonisation with other bilateral and multilateral donors’ cooperation strategies
 - Need of special studies and analyses during the strategy process
 - Considerations relating to levels of ambition, phasing out and aspects of concentration
 - Constraints and future priorities.
- Brief proposal for the division of work between Sida-Stockholm and the field, and a time schedule and action plan for the further strategy process (max 0.5–1 page).

The planning document shall be available no later than three weeks before the start-up meeting. Constraints, priorities, possibilities for obtaining agreement and consensus, and potential conflicts between goals shall be described in this document in order to obtain early acceptance by the owners of the central elements and sector departments.

In connection with the preparation of the document, the embassy will have informal contacts with relevant ministries (finance, planning, or line ministries) and other parties in the partner country.

2.2 Sida’s internal preparatory meeting

No later than two weeks before the Ministry for Foreign Affairs’ start-up meeting, the regional department convenes an internal meeting with sector departments and other departments and divisions concerned⁵ to give these departments an opportunity to influence the content of the document and to express an opinion on the issues that should be given prominence at the start-up meeting. This meeting also discusses and adopts standpoints on the documentation, strategic issues that should be pursued, and the internal organisation between regional departments and sector departments during the strategy process.

Prior to the Ministry for Foreign Affairs’ start-up meeting, the regional department is responsible for ensuring that consultations are held with the Director General, no later than one week before the meeting. The consultations shall be formal – in the form of a meeting in which the Head of Department/Head of

⁵ For example Division for Legal Services (jur) and Department for Policy and Methodology (POM)

Division/country strategist participate. Exceptions can be made when the Director General considers it appropriate. In such cases consultations take place informally between the head of the regional department and the Director General.

The regional department sends Sida's revised document informally to the Ministry for Foreign Affairs prior to the start-up meeting.

3. The start-up meeting

According to the Guidelines, the Ministry for Foreign Affairs issues invitations to the start-up meeting and is responsible for convening, organising and holding the meeting. The Ministry's Manual for Cooperation Strategies states the following in respect of the meeting:

“The Ministry for Foreign Affairs issues invitations to the start-up meeting, which is convened by the geographical unit concerned. Ministries concerned are responsible for inviting relevant government agencies. Prior to the start-up meeting it is appropriate that the geographical unit informs the political leadership that a process is about to be started and of any strategic issues.

If it is possible that cooperation may be phased out, units at the Ministry that are relevant for broader cooperation will have an even more important role in the strategy process. This should be reflected in the invitations to the meeting.

The start-up meeting should give participants a picture of the situation in the country and identify strategic issues related to the assignment and process issues. Examples of issues that can be discussed at the start-up meeting are given below.

Situation in the country:⁶

- *Review of the current situation in the country (e.g. the political and economic situation and the situation in respect of democracy and human rights).*
- *Short review of the scope of Swedish cooperation with the country.*
- *Trends in development cooperation during the most recent strategy period.*

Identification of strategic issues for the assignment, for example:

- *Is a coordinated strategy process taking place or are there other possibilities to harmonise the strategy work with other donors? What consequences would this have for the Swedish strategy work?*
- *Which policy areas are relevant for cooperation with the country and what possibilities exist for coordination between development cooperation and other policy areas?*

⁶ See Ministry for Foreign Affairs' "Guidelines for Cooperation Strategies".

- *Time schedule for possible phasing out of cooperation.*
- *Whether or not a cooperation agreement shall be concluded.*

Process:

- *Short account of the strategy process and time schedule for work on the strategy, responsibility for different studies, analyses etc.*
- *Who will lead the delegation to the country meeting?*
- *Stakeholder meeting: normally the Ministry for Foreign Affairs holds the stakeholder meeting in Sweden – shall anyone else be given the responsibility for this? Shall a meeting of stakeholders be held in the partner country?*
- *Formation of a possible reference group –who is interested in participating?*

Documentation prior to the start-up meeting

Suitable documentation that can be circulated prior to the start-up meeting can be:

- *Proposal for an agenda.*
- *Current country/cooperation strategy.*
- *Sida’s planning documents (are produced according to Sida’s manual by Sida’s regional department and embassy).*
- *Short memorandum on other policy areas and on our relations with the country.”*

Sida is represented at the start-up meeting by the regional department concerned. Members of Sida’s internal working group can participate if the regional department so decides.

4. Stakeholder meeting

The Ministry is responsible for convening, organising and holding the meeting. The Ministry’s Manual for Cooperation Strategies states the following in respect of the meeting:

“The Policy for Global Development, including development cooperation, requires the broad participation of various stakeholders in Swedish society. This is reflected in the meeting of stakeholders, which is held after the start-up meeting. Normally the Ministry for Foreign Affairs, in collaboration with Sida, convenes the stakeholder meeting. The meeting is held in Stockholm and is chaired by the Ministry’s geographical unit. The Ministry can also delegate the responsibility for arranging the meeting to Sida or to another government agency. This is decided at the start-up meeting. The arranger of the meeting should give minutes of the meeting to the reference group that was formed at the start-up meeting.

Content of the meeting

The stakeholder meeting is opened with brief presentations by the Ministry and/or Sida which provide an overview of the strategy work.

Selected participants with experience of the country or equivalent may be asked to prepare a short introduction for the meeting. The presentations are followed by a discussion. Suggestions for matters to be discussed at the meeting:

- *What issues do you identify as important for the country's development and poverty reduction? What issues are of strategic importance for enabling the rights perspective and the perspectives of the poor to permeate the work?*
- *What sectors are important for Sweden to work in and where can the requisite expertise be found?*
- *What is the situation in the country regarding human rights? Are there problems with corruption, child labour and suchlike?*
- *How has the industrial climate in the country changed during the last five years? What is required in order to create better conditions for trade and investments? How do you regard your future activities in the country?*
- *How has the working climate for NGOs changed during the last five years? How do you regard your future activities in the country?*
- *How can Swedish stakeholders supplement each other's efforts in respect of poverty reduction? Are there any conflicts between goals in the Swedish policy areas?*

The matter of ways in which the stakeholders should be involved in the process in the future should be discussed at the meeting.

Documentation for the stakeholder meeting

Suitable documentation for distribution to those invited prior to the meeting can be the current country/cooperation strategy and possibly some of the documents produced for the start-up meeting.

Stakeholder meeting in the partner country

A stakeholder meeting can also be held in the partner country with Swedish companies and Swedish NGOs and other interested Swedish parties active in the country. This should be decided upon at the start-up meeting and in such cases the embassy will be responsible for the meeting. The arrangement should be the same as the meeting held in Sweden. The embassy writes the minutes, including the points of view presented, which are submitted to the Ministry for Foreign Affairs for onward transmission to the reference group following the work.

Sida is represented in the stakeholder meeting by the regional department concerned. Members of Sida's internal working group should participate.

5. The Government assignment

The Ministry for Foreign Affairs is responsible for preparing a draft government assignment for Sida. The regional department is responsible for any consultations with the Ministry on the draft assignment, in close cooperation with Sida's internal working group and the embassy. The Ministry's Manual for Cooperation Strategies states the following:

“After the start-up meeting and the stakeholder meeting, the geographical unit at the Ministry draws up an assignment for Sida to produce the strategy. The Government approves the assignment. A decision on the assignment should be made as soon as possible after the start-up meeting and the stakeholder meeting in order to give Sida time to produce a proposal for a strategy. The process from the start-up meeting to the Government's decision should not exceed 10 months.

The assignment should be formulated in such a way that it governs Sida's work on producing a cooperation strategy. However, it should not anticipate the analytical work that is an important component of the strategy process. The assignment should be short (preferably one to two pages, and no more than three).

See the template for proposed formulations of assignments (appendix 1 in the Ministry's manual). The assignment must naturally be based on circumstances in the specific country/region. The template can provide a starting point that reflects what should be included in an assignment according to the guidelines, and contribute suggestions for standard formulations in recurrent issues.”

Sida's work on the cooperation strategy process starts in earnest when it has received the Government assignment. If the assignment is not received within one month of the country meeting, the regional department shall raise the matter formally. Sida should not continue its work on the strategy process until the assignment has been received.

6. Formal establishment of Sida's internal working group

After the Government's decision on the assignment has been received, Sida's internal working group is formally established. The regional department can, in addition to the country strategist responsible, also appoint two or more country strategists to participate in the working group. Regional departments, embassies and relevant sector departments shall be included in the working groups in all processes.

The decision to establish a working group is made by the head of the regional department. A template for decisions of this type has been produced (see appendix 3). The decision states the group's assignment, participants, division of responsibilities and communications in the working group, particularly between head office and the embassy, the resources linked to the process, the time schedule and the plan of activities. The decision lays down when the review of the cooperation strategy shall be made, the forms and points in time for decisions, and whether the strategy shall be processed by Sida's board.

The composition of the working group and the division of responsibility between Sida-S and the embassy can vary. Normally, the embassy is given the responsibility for the strategy process and produces draft proposals for the cooperation strategy and an outcome assessment. The embassy should specify at an early stage in the process how and when consultations with – and participation by – the government and other parties in the country, including other donors, shall take place during the strategy process. The objective is to have broad participation and an active dialogue, which is related to the scope of development cooperation in general. The embassy is responsible for ensuring that the work is organised in a way that guarantees the participation of representatives of relevant ministries and other parties, as well as important representatives of civil society. Where minor strategy processes are concerned, the regional department does not need to appoint a working group. Instead it holds continuous consultations with those concerned at Sida.

7. Sida's work between receipt of the assignment and the country meeting

During the period between receipt of the assignment and the country meeting, Sida shall produce the in-depth *planning document 2* for the forthcoming country meeting. It is normally the embassy which is responsible for this. The analytical expertise of the sector departments should be utilised in this work. Furthermore, the document shall be based on the planning document produced for the start-up meeting and be based on existing material and on the regular analyses made by the embassy and others. It shall be in two parts as outlined below:

1) Preliminary draft outcome assessment

- A documented assessment shall be made of overall results and experience, of the country programme as a whole, the dialogue, important areas of cooperation, aid modalities and channels, in accordance with the attached "Guidelines

for Outcome Assessment” (appendix 2). This work can often be coordinated with the production of the annual report. The focus should lie on lessons learned rather than individual projects and programmes, and on experience and conclusions that are judged as being of relevance for the new cooperation strategy (max 6 pages).

2) A forward-looking analysis:⁷

- An assessment of developments in the partner country (max 6 pages). The following documents shall be used in support of this assessment:
 - Background, grounds for assessments, and process for the preparation of cooperation strategies, sections 5.3–5.6.
 - Clarification of the guidelines in respect of assessment and administration of budget support for poverty reduction
 - Guidelines for multi-dimensional poverty analysis at country level
 - Sida’s Position Paper on Poverty Reduction Strategies
- Possibilities, assumptions and obstacles related to further cooperation. Possibilities, conflicts between goals and collaboration between Swedish policy areas (max 3 pages)
- Proposal of issues for special analysis and discussion during the country meeting (max 1 page)

The embassy’s documentation for the country meeting is based on existing material such as the country’s poverty reduction and development strategies and analyses of these strategies, reports presented to and comments made by the committees on the international conventions on human rights, the embassy’s annual reports during the current country strategy period, the embassy’s report on human rights, evaluations made, existing analyses of corruption, and analyses of the country made by other donors. These documents shall be available for the country meeting.

Prior to the country meeting, consultations shall be held between Sida, the Ministry for Foreign Affairs and the embassy, as well as within Sida, on the documentation and the organisation of the country meeting. The regional department is responsible for the consultations within Sida. Therefore, no later than three weeks prior to the country meeting, the embassy shall submit draft documentation and a proposal for the organisation of the country meeting. The embassy is responsible for consultations with the Ministry for Foreign Affairs.

⁷ The analysis shall be based on the country’s strategy for poverty reduction and other development plans, the country’s own poverty analysis, existing analyses of the human rights situation, and political, democratic (including the human rights situation), economic, social and environmental conditions, and any relevant Sida analyses and studies. The point of departure of the assessment is the goal, perspectives and central component elements in the Policy for Global Development.

Consultations shall also be held prior to the country meeting with the reference group (including other ministries and government agencies that are participating in the work on the strategy) that was established at the start-up meeting. The Ministry is responsible for ensuring that these consultations take place.

The partner country shall be kept regularly informed of the purpose and procedure for the country meeting. The embassy is responsible for this.

8. Country meeting

The embassy is responsible for the organisation and implementation of the country meeting and for reports from this meeting. A joint delegation consisting of representatives of the Ministry for Foreign Affairs, Sida and other ministries/government agencies concerned visits the partner country for a country meeting. The leader of the delegation and meeting is determined by the character of the cooperation strategy and the importance of the different policy areas in relations with the country. This decision is made in connection with the start-up meeting. Where Sida is concerned, the head of the regional department and/or head of regional division, the country strategist and possibly representatives of the sector departments participate. The point in time for the country meeting is decided at the start-up meeting. The country meeting has an estimated duration of approximately one week. The entire delegation should participate in both the external and internal parts of the country meeting in order to make as thorough a holistic assessment as possible.

The purpose of the country meeting is *to create, on the basis of a holistic assessment of available analyses of poverty and other analyses, consensus on the role that Sweden shall have and on the main focus of future cooperation.*

The country meeting shall consist of two parts:

- An *external part* during which meetings and seminars are held with representatives of the partner country's government, ministries/agencies involved, NGO:s, trade and industry, universities and other donors. The focus is on the situation in the country, the country's strategies for development and poverty reduction, strategies for regional integration, the country's view of Swedish development cooperation, other donors' analyses of the country, and harmonisation with other donors/partners in cooperation. Field visits shall be made.
- An *internal part* during which the delegation and the embassy make a joint holistic assessment of the situation in the coun-

try in respect of poverty and development strategies and discuss what has emerged with the aim of achieving consensus on Sweden's role and ways in which future cooperation should be designed. The discussion should also include Sweden's comparative advantages, issues in the dialogue that Sweden shall pursue systematically, and the conclusions that shall be drawn on Sweden's role and priorities in the local donor-harmonised processes.

The goal of the internal part of the country meeting is to jointly determine priorities for Sweden's actions in the partner country from a holistic perspective. The idea is that participants at the meeting shall identify the main problems in the country, on the basis of the documentation prepared for the meeting, and try to draw conclusions on cause and effects in respect of poverty. With this as the point of departure, the meeting shall result in proposals and recommendations at a strategic level on what Sweden can do in the field of development cooperation and in other policy areas. The country meeting includes a discussion on whether a cooperation agreement shall be concluded and, if so, on the duration of the agreement.

Division of roles

The embassy is responsible for preparations and the implementation of the country meeting. The leader of the delegation to the country is decided at the start-up meeting.

Representatives of the geographical unit and any other units concerned participate on behalf of the Ministry for Foreign Affairs. When several policy areas are included, time shall be allocated to discuss ways in which possible synergy effects can be achieved and any conflicts between goals can be dealt with.

Consultations with the partner country

Consultations with the partner country are held when the conclusions from the country meeting are available. The embassy is responsible in all cases for contacts with the authorities in the partner country, with other donors in respect of programmes of development cooperation, and with civil society. In cases where cooperation agreements are to be concluded, the planning of negotiations is started during the country meeting. The embassy is responsible for consultations with the partner country and with other stakeholders in the country. (See also section 6: Formal establishment of Sida's internal working group.)

Country meeting in Sweden

For minor strategy processes, short country meetings can be held in Sweden. In special cases they can be replaced by simplified con-

sultations. This is decided at the start-up meeting. The regional department is responsible for the country meetings that are held in Sweden. A representative of the embassy shall participate.

Documentation

The conclusions of the country meeting shall be documented in a special report. The embassy is normally responsible for the report, which shall be designed as an outline for Sida's contribution to the cooperation strategy. The report shall clearly specify concrete courses of action in respect of focus, choice of sectors, concentration, volume of support, delegated partnership, forms of assistance, administrative needs etc resulting from the country meeting. The report shall specify who has made the assessments. The embassy is responsible for the report. When the report has been completed, it is submitted to all members of the reference group, if a group of this type has been established.

Advice for the strategy

Long-term perspective

Existing programmes of cooperation with the country have agreements that extend for various periods of time into the future, which limits the scope for short-term changes. The role of the cooperation strategy is to initiate changes in Swedish development cooperation in the medium term and long term.

Hierarchy of goals

An overall goal will be produced for the strategy. The goal is based on the country's own goal as defined in the country's strategy for development and poverty reduction. The goal shall be specifically associated with the Swedish goal for development cooperation.

The goal is specified in sector goals/operational area goals. These relate in a concrete manner to the main operational areas of Swedish development cooperation. The goals for operational areas shall be specific, possible to follow up, and relate to the partner country's sector goals. The focus of cooperation is defined within the framework of these goals. Changes in cooperation (in terms of concentration, phasing out or development of new areas) are clearly stated, together with time schedules.

During the implementation of a strategy, the sector/operational area goals in the country plan are followed up. Over time, the question of further development of the goals at this level in the country plans may arise. The country plan thus has a strategic role in Sida's work with change at country level.

Dialogue issues

The strategy contains two overlapping parts: the cooperation programme and the dialogue. The dialogue often plays a central role in the relations between the parties in the country and relates for example to the country's PRS process. The Swedish role is to actively promote and support a poverty reduction policy. The goal and central component elements of the Swedish cooperation strategy are given priority in the dialogue. In addition to this, special issues of relevance for the country's development can be given prominence. The dialogue should be conducted with different stakeholders in the partner country. They can include the government, government agencies, civil society, the research world and industry. The dialogue should be conducted in harmonisation with other donors and be adapted to the national processes. It is important to identify major stakeholders, to have a general idea of how the dialogue should be pursued, and to estimate the resources required.

9. Work between the country meeting and the first draft strategy

Sida's further work on its contribution to the cooperation strategy shall be given priority directly after the country meeting. This work should focus on the process and include opportunities for discussion and reflection at Sida-S and with parties in the country. The work should be focused and concentrated in time, and give prominence to:

- Finalising the work on analyses and assessments in accordance with the conclusions of the country meeting, including documentation on general budget support.
- Finalising the outcome assessment and drawing conclusions from this assessment
- Continuing consultations between the embassy and the partner country's donor coordination body, with other donors on development cooperation, and with civil society
- Drawing up Sida's contribution to the cooperation strategy.
- Drawing up a draft cooperation agreement in consultation with the partner country and with the support of the Division for Legal Services (JUR) when mentioned in the assignment
- Assessing the resources required for the implementation of the strategy

The division of work between the embassy, regional department and sector departments shall have been specified in the regional department's decision on the working group for the cooperation strategy.

The first draft version of Sida's contribution to the cooperation strategy, including appendices, shall be produced within one and a half months of the country meeting. "Guidelines for cooperation strategies" contain an illustration of the content of a strategy.

10. From the first draft strategy to Sida's final contribution to a cooperation strategy

The work on Sida's contribution to the strategy is described here. Similar processes can take place in the Government Offices. The Ministry for Foreign Affairs is responsible for ensuring that consultations between different ministries take place during the course of the work. The time schedule for this phase in the process is laid down in Sida's internal working decision, see section 6.

This work shall be finalised no later than three months after the country meeting.

The first draft version of strategy shall be processed in the embassy and be discussed with Sida's working group for the strategy process before the embassy sends it to the regional department.

The regional department convenes a *meeting with the heads of the sector departments concerned*. Documentation in the form of the first draft version is distributed by the regional department in paper form no later than one week prior to the meeting. The regional department revises the material after the meeting.

The revised draft version of Sida's contribution to the cooperation strategy is *processed by the Peer Review Group* (the proposal for the role and mandate of the Peer Review Group). The country strategist coordinates contacts with the chairperson of the group to enable the group to have at least one month's advance notice of the planned review. The review can thus be finalised within one week of the group's receipt of the documentation. The documentation consists of the government assignment, Sida's contribution to the strategy, the report from the country meeting, the outcome assessment and planning documents 1 and 2. *The Review Group presents a written opinion* of an advisory character. The regional department reaches a standpoint on ways in which the group's recommendations can be used in the future work. The standpoint is documented in a short memorandum. Revisions of the draft version of the cooperation strategy are normally made by the regional department in consultation with the embassy.

The strategy is reviewed from the following aspects:

- That the documentation is analytical and makes strategic conclusions possible.
- That the poverty analyses are of good quality and create the requisite conditions for a focus on poverty in development cooperation with the rights perspective and the perspectives of the poor as the point of departure.
- That there is consistency and coherence between the analyses and conclusions.
- The strategy as a management tool and its ability to steer implementation of Swedish development assistance (logical hierarchy of goals)
- That the Government's assignment has been followed.
- That the strategy has considered possibilities of concentrating the Swedish cooperation.
- That undertakings made by Sweden under the international agenda for aid effectiveness are reflected in the proposed focus of development cooperation.

The final draft version of Sida's contribution to the cooperation strategy is presented to the Director General at a meeting attended by the Director General's secretariat, the regional department and the sector

departments concerned. A representative of the embassy can participate in this meeting in special cases. The country strategist (or the embassy) presents the proposed cooperation strategy. At the meeting, a final assessment is made of Sida's contribution to the country strategy and of whether it fulfils the terms of the assignment. The documentation for the meeting consists of the government assignment, Sida's contribution to the strategy, the outcome assessment, the opinion of the Review Group, and the regional department's memorandum. These documents are distributed in paper form by the regional department no later than one week before the meeting.

The regional department is responsible for final revisions to Sida's contribution to the strategy. Thereafter, the Director General makes a formal decision on the contribution and the communication to the Government. The template for Cooperation Strategy communications shall be used. Attachments to the communication are Sida's contribution to the strategy, the outcome assessment, any supplementary documentation in respect of budget support and, where appropriate, a draft cooperation agreement. In some cases Sida's proposal is processed by Sida's board. The country strategist concerned presents the proposal.

11. Translation, printing and distribution

The draft version of the cooperation strategy should be the subject of a dialogue with the partner country and other donors. The documentation for the decision of the Government shall be in Swedish. The regional department concerned is responsible for ensuring that the proposed cooperation strategy is translated into Swedish.

After the Government has reached its decision, the cooperation strategy is translated into English and/or the administrative language of the country. The geographical department at the Ministry for Foreign Affairs is responsible for the translation. The Ministry sends the translated version to the embassy for an examination of facts and language before it is printed. It is the geographical unit at the Ministry for Foreign Affairs that is responsible for printing and distributing the cooperation strategy.

12. Negotiations and cooperation agreement

For countries for which cooperation agreements shall be drawn up, Sida attaches a draft agreement to the proposed strategy sent to the Ministry for Foreign Affairs. Sida's current template

for cooperation agreements shall be used as the point of departure. An adapted agreement shall be produced in each case. The agreement shall be produced in consultations with the partner country. When necessary the Division for Legal Services (JUR) participates in this work.

The draft agreement shall also be attached to the Government's decision on the cooperation strategy. The Government's decision should specify that the Government has decided to conclude a cooperation agreement with country X during the period x - y , which corresponds in essentials to the attached draft agreement. The Government's decision also specifies whether Sida is authorised to conclude the agreement.

The validity of the cooperation agreement is permitted to vary depending on the situation in the country and the degree to which cooperation has a long-term perspective. The ambition should be to have a cooperation agreement that covers as long a period of time as possible.

In connection with the adoption of a new strategy, discussions are held whenever necessary on a new agreement. These take place as a rule in the partner country. The discussions offer an opportunity for dialogue at a high level with the partner country on issues given priority by Sweden in the new cooperation strategy. They end with the conclusion of an agreement. The embassy is responsible for the preparations for the discussions. The embassy informs representatives of the partner country in advance of the Government's decision and the content of the cooperation strategy, and hands over the translated version of the strategy.

In cases where Sida is commissioned to conclude the cooperation agreement, the head of Sida's regional department, in consultations with the Ministry for Foreign Affairs, determines the composition of the delegation and appoints the chairperson. The embassy, in consultations with Sida's regional department and the geographical department at the Ministry for Foreign Affairs, draws up a proposal for the agenda and the Swedish position in different issues.

In addition, the embassy, in consultations with Sida's regional department and the geographical department at the Ministry for Foreign Affairs, produces draft agreed minutes. These should reflect the central component elements of development cooperation in the cooperation strategy, the agreements made by the parties, planned actions, and the standpoints the parties wish to have documented. Normally the agreed minutes should be drawn up as a concentrated version of the cooperation strategy.

13. Launching of the strategy

In connection with the Government's decision, the Ministry for Foreign Affairs arranges a meeting in Sweden to present the cooperation strategy. The aim of this meeting is to inform stakeholders in Sweden of the content of the new strategy. The embassy is responsible for presenting the strategy in the partner country.

II. Implementation and follow-up of the cooperation strategy

The following section is the Sida specification of chapter 8 in the Guidelines: Implementation and follow-up of the cooperation strategy:

Annual controls, follow-up and evaluation

The country plan is the main instrument for Sida's controls of the implementation of cooperation strategies. The country plan is produced in a consultative process during the Swedish autumn. The first draft version is produced by the field for further revision by the regional department in consultation with the sector departments in accordance with Sida's operational planning process. The regional department approves the final version of the plan just before the end of the year. The country plan lays down the operational framework for the implementation of the goals specified in the strategy. The plan steers activities on a one-year basis but has a perspective that covers several years, a rolling three-year perspective. The country plan specifies the use of resources in terms of both volumes of support and programme officer capacity. Embassies with full delegation are normally responsible for the implementation of the country plan with the aid of expertise from the sector departments.

In the first country plan after a Government decision on a cooperation strategy, a plan should be drawn up for the level of ambition and the focus of analytical work for the strategy period. The Swedish role in the PRS process and the forms and content of the dialogue should be defined in the country plan. The roles of the embassy, regional department and sector department are specified.

The plan is followed up each year during its implementation. It is increasingly adapted and made more concrete as a new strategy process draws closer. The normal reports can thus be given a strategic focus on anticipated needs for analysis. This will allow depth in the analysis in advance and will make it possible to complete the strategy process within ten months.

The embassy draws up yearly reports in accordance with Sida's decision on "Country Reports". The yearly country report is submitted in March and the half-yearly report in September. The yearly report is a follow-up of the cooperation strategy and the country plan and assesses whether the goals in the cooperation strategy have been achieved. It shall have specific links to the annual accounts and the reporting requirements specified in the Government's annual directives in order to achieve synergy effects in the reports. The half-yearly report provides a direct input to the work on the country plan for the following year. In

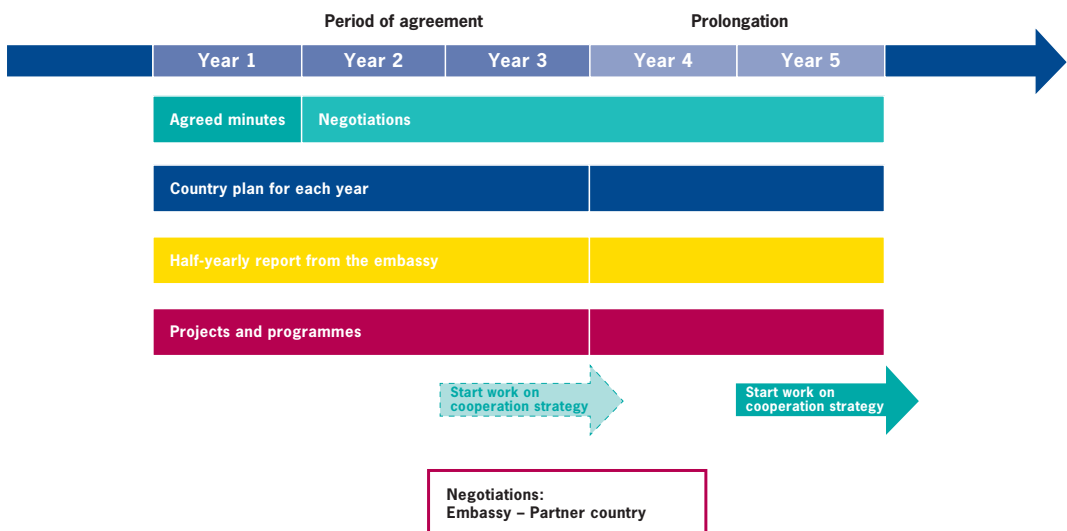
addition to the country report, periodical financial forecasts and follow-ups are made by the embassy. These are submitted to the regional department for aggregation. The regional department is responsible for the financial follow-up of the budget item.

The embassy and the partner country follow up the strategy with the aid of regular reviews. When there is a bilateral cooperation agreement in place, the review often takes place on an annual basis, and assumes the form of a follow-up of the cooperation strategy, the cooperation agreement and the agreed minutes. The review shall be planned on the basis of the partner country's cycle and process for the review and follow-up of its own strategy for poverty reduction. As far as possible, the annual review shall be performed together with other donors. The review is documented, either in the form of bilateral minutes or in the form of minutes from the joint follow-up of the strategy for poverty reduction. Sida's regional department can participate in the review.

In countries that have adopted a strategy for poverty reduction, annual follow-ups are made of the implementation of the strategy. The embassy shall participate in these follow-ups. In cases in which general budget support for poverty reduction is a form of cooperation, the country and donors normally make a joint follow-up of undertakings made.

An evaluation plan is attached as an appendix to the country plan. In the first evaluation plan during the implementation of a strategy, a plan covering several years should be laid down. Thematic evaluations, sector evaluations and country evaluations are important factors for quality assurance during the

Implementation of a cooperation strategy



implementation of the strategy. It is also important to ensure that a reasonable level of knowledge is in place prior to the production of the next strategy.

Evaluations of projects and programmes shall be planned within the framework of the project cycle.

Sida's annual report and accounts shall contain a summary of its work on the implementation of the cooperation strategies, including a report on general budget support for poverty reduction, on the basis of the goals presented in the cooperation strategies. Sida shall also provide an assessment of the results of activities.

In addition, halfway through the strategy period, Sida shall perform a mid-term review of the strategy's implementation thus far. The review shall be presented to the Ministry for Foreign Affairs.

Consultations

Consultations on the cooperation strategies between the Government Offices/Ministry for Foreign Affairs and Sida should, as a rule, take place on a regional basis twice a year. The Government Offices/Ministry for Foreign Affairs should convene the meeting, at least on one of the two occasions, and assume responsibility for inviting relevant ministries. Issues that can be taken up include deviations from expected outcomes, any changes in conditions for cooperation, future volumes of support, and issues for the dialogue and budget support. These consultations give the Government Offices/Ministry for Foreign Affairs and the implementing agencies information for possible decisions on a change in focus of cooperation that can be made necessary by changes in political or economic conditions. If so required, consultations can also be held on other occasions. Sida shall consult the Government Offices/Ministry for Foreign Affairs on changes that influence the fundamental conditions for the strategy or that have a considerable effect on the possibilities of implementing the strategy. Changes after consultations are made within the framework of Sida's responsibilities and powers.

Poverty analysis during the implementation of the country strategy

The work on poverty analysis at country level is a natural component in the regular implementation of a cooperation strategy and culminates in connection with the production of a new cooperation strategy. The analysis shall be based on, and contain linkages to, the partner country's analysis of poverty. The latter

is normally part of the country's production and follow-up of its strategy for poverty reduction or the equivalent. Analyses made by other donors and civil society shall be utilised by Sida. Joint analytical work and a dialogue on the production and implementation of PRS are recommended.

When the partner country draws up a PRS, the embassy has an opportunity to make a coordinated effort with other donors to exert an influence on the country's poverty policy. Good use should be made of this opportunity. When the country implements a PRS, the embassy has an opportunity to participate in the follow-up work in coordination with other donors.

The embassy shall keep itself informed of relevant country and sector studies, Public Expenditure Reviews and other important analyses made by the partner country or other donors. The embassy shall assess the possibility of harmonisation and possible Swedish participation from case to case. The embassy shall assess the need for special studies of issues that have not been covered and take the initiative to ensure that they are implemented whenever appropriate.

Conclusions from the regular analytical work shall be used to check the assumptions on which the cooperation strategy rests. The regular analytical work finally leads into the analytical work that is done prior to the preparation of a new cooperation strategy.

The embassy (or regional department in countries without a field office) is responsible for levels of ambition and the forms of the analytical work. During the year after the Government's decision on the strategy, a plan for analyses shall be produced that covers the entire strategy period. The plan is approved annually within the framework of the country plan and can thus be changed over the years, depending on events in the partner country.

Appendix 1

Joint Assistance Strategies – consequences for the production of Swedish cooperation strategies

Background

In some countries a number of donors and the government of the country jointly produce a strategy for cooperation in the country. Examples of this are to be found in Africa and in Asia. As a result of the efforts to make development cooperation more effective, it is expected that more countries will be affected by these harmonised strategy processes (normally referred to as Joint Assistance Strategies – JAS). The objective of the Joint Assistance Strategies is to improve aid effectiveness. This will partly be achieved by donors – with the aid of internal coordination under the leadership of the partner country – concentrating support to fewer sectors and making increasing use of programme support, and partly by donors making joint analyses and consultations for their strategies. Sweden shall always participate in Joint Assistance Strategies whenever they take place or are expected to be started. The Guidelines for Cooperation Strategies also apply to these types of processes.

Joint Assistance Strategies are relatively new and their content and form vary from country to country. They can be roughly divided in to three main types, with varying degrees of ownership and leadership on the part of the partner country in all three types. A description is provided below of the consequences of the different types of Joint Assistance Strategies for Sweden.

Type one – several donors make a joint analysis but each donor produces its own strategy

As far as possible Sweden will cooperate with other donors in the work of producing a Swedish cooperation strategy. The outcome of this work for Sweden is a Swedish cooperation strategy, based on a joint analysis, which shall be approved by the Swedish Government.

In order for Swedish development cooperation to be phased into a joint process with other donors, some strategies may need to be extended or shortened during a transitional period. This is stipulated in the Government's annual directives or through a separate decision of the Government. The Government's assignment to Sida to produce a proposal for a Swedish cooperation strategy shall take into account the fact that joint analytical work

is taking place, and can specify the analyses that are regarded as indispensable where Sweden is concerned.

Type two – a code of conduct is produced

It is natural that Sweden should participate in the work of producing a code of conduct that regulates ways in which donors and the government of the country shall enhance aid effectiveness. The outcome of the work for Sweden is a satisfactory code of conduct and possibly an amended Swedish cooperation strategy which shall be approved by the Government.

Sida does not need to be commissioned by the Government to participate in this work. If the code of conduct leads to a need to change existing Swedish cooperation strategies (for example, since it lays down the number of sectors each donor shall be active in), or if the code of conduct is legally binding, a decision of the Government is required before Sweden can sign it. Sida may also need to submit a communication to the Government on amendments to an existing strategy.

Type three – a more or less joint strategy is produced by several donors together

Sweden shall participate in the production of joint strategies where this takes place. Where Sweden is concerned, the outcomes of the joint strategy process are a satisfactory joint strategy and an amended – or completely new – Swedish cooperation strategy (which can constitute the Swedish position vis-à-vis the joint product).

In order for Swedish development cooperation to be phased into a joint strategy process, some strategies may need to be extended or shortened during a transitional period. This is specified in the Government's annual directives or in a separate decision of the Government. When joint assistance processes are initiated in countries for which there are country or cooperation strategies, the embassy, in consultations with Sida and the Government Offices/Ministry for Foreign Affairs, shall produce a memorandum as a basis for its participation in this process. This memorandum shall contain an account of Swedish standpoints that shall be given careful consideration in the work of producing a joint strategy.

If it is foreseen (in the memorandum) that amendments must be made to an existing country or cooperation strategy in order to adapt it to the joint assistance strategy, or if a completely new Swedish cooperation strategy must be produced, Sida shall be commissioned by the Government to participate in this process. The embassy's memorandum would then be included as an appendix in the Government assignment. The assignment shall specify that Sida shall phase in cooperation in the joint assist-

ance strategy process and that there is flexibility on the Swedish side as to the point in time when the new strategy must be completed. It shall also give an indication of the planned scope of Swedish cooperation, and specify the maximum number of sectors, according to the DAC definition, in which Sweden shall be active. Moreover, the assignment shall instruct Sida to submit a communication on the progress of the work when something concrete starts to take shape. This provides the Government with the possibility of giving Sida a new, more specific assignment for its participation in the joint process. If Sida considers it necessary, it can consult the Government Offices during the course of this work.

Throughout the period when a joint strategy is being produced – as well as the Swedish standpoint in respect of the strategy – the current strategy will remain in force. Participation in a joint strategy process means that it must be possible to perform the strategy work in a flexible manner. It should normally be possible to hold stages in the process such as the start-up meeting, the stakeholder meeting and the country meetings, if in a somewhat different form than that stated in the guidelines. If the joint process does not generate joint analyses that can be regarded as corresponding to the requirements contained in the guidelines, for example in respect of outcome analysis or poverty analysis, a Swedish analysis shall always be produced. A Swedish cooperation strategy shall always be produced and approved by the Government. It can constitute a Swedish position vis-à-vis the joint strategy and shall include issues that are not taken up in the joint strategy (for example other policy areas, the activities of other Swedish organisations in the country, volumes, selection of sectors).

Appendix 2

Guidelines for outcome assessment

The focus of cooperation strategies shall be guided by experience gained from cooperation during the most recent strategy period.⁸ These guidelines give prominence to the overall assessment of experience, outcomes and effects. The vision is to make an assessment that combines three levels: micro, meso and macro (contribution, sector and strategic goals).

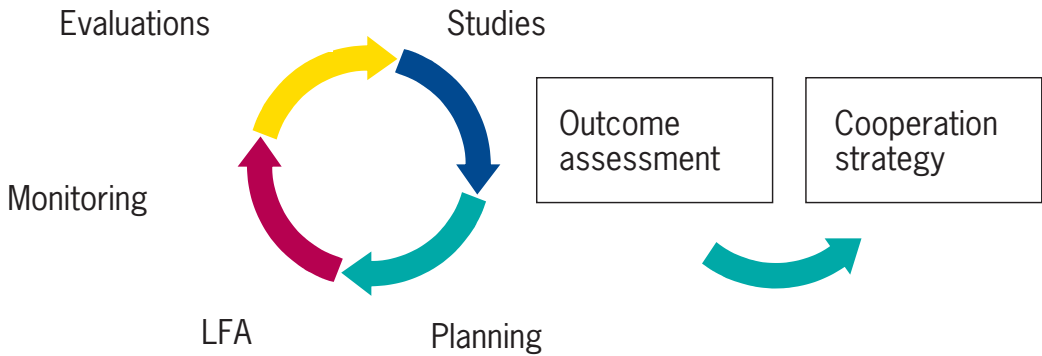
It should be emphasised that the guidelines have a high level of ambition. The guidelines must be adapted to the prevailing situation in each individual cooperation strategy at the start of the strategy process. In many cases the level of ambition will be lower. It should also be emphasised that cooperation strategies are not used as a direct internal management instrument for certain forms of support (such as support via Swedish NGOs). Where programme support is concerned, the monitoring frameworks with results indicators, established in this context, make outcome assessment possible.

An outcome assessment shall assess experience gained and outcomes of Swedish development cooperation in a country. It shall contain conclusions on the types of cooperation that are efficient; the channels that function best; weaknesses; and experience gained by other donors. The aim of an outcome assessment is that its conclusions shall form a basis for decisions on the next strategy period so that cooperation is steered by results.

The outcome assessment is based on the regular planning, monitoring and evaluation activities that take place during the implementation of the cooperation strategy. This forms the foundation for assessment and analysis, but may sometimes need to be supplemented by further studies. The ambition should be to take advantage, as far as possible, of the partner country's follow-up of its poverty strategy and the Millennium Development Goals, and the evaluations and studies of other parties involved. If possible, the outcome assessment should be made together with other partners in cooperation.

⁸ Sida has reviewed performance analyses on three occasions: Sida Studies in Evaluation 96/2, 98/2 and 04/02.

The diagram below shows the relationship between the regular work and outcome assessment. The follow-ups and evaluations made during the implementation of the strategy form the main foundation of the outcome assessment that provides input for the new strategy.



An outcome assessment consists of three parts:

1) *A general assessment and analysis* that takes up

- The overall outcomes and experience of development cooperation in relation to the overarching goal of making it possible for poor people to improve their living conditions, and the specific goals of the most recent strategy
- Ownership on the part of the partner country
- The implementing capacity of the public administration
- Procurement issues
- Systems and capacity for public sector financial management and for dealing with risks of corruption
- The channels for cooperation that function best (government counterparts, central/regional/local level, NGO:s etc)
- The forms of cooperation that are assessed as suitable (programme support/project support)
- Harmonisation and alignment
- The experience of other donors

2) *An assessment and analysis of the most important areas for cooperation*, that is based on programme and project documents, assessment memoranda, regular monitoring and follow-up (for example Sida's rating system – SiRS), audits and evaluations.

3) Conclusions from these two sections are summarised in a section in the cooperation strategy under the heading: *“Conclusions from previous cooperation”*

General assessment/analysis + assessment and analysis
of the most important areas for cooperation

Outcome assessment

One document

Conclusions from the outcome assessment
included in the cooperation strategy

An assessment should be made of the timing of the various steps. Normally, a first brief draft version (max half a page) of the general outcome assessment is produced as an input for the start-up meeting, i.e. before the real work on the outcome assessment of the most important areas for cooperation has been started. This supplements the planning documents that are also produced for the start-up meeting.

The assessment shall be based, as far as possible, on existing yearly and half-yearly reports, evaluations and studies. The annual follow-ups of the poverty reduction strategy (PRS) and the Millennium Development Goals made by the country shall be utilised, as well as the reports of other donors and other parties involved. Prior to the country meeting, the general outcome assessment should be finalised and supplemented with a review of the most important areas of cooperation.

1) The general outcome assessment

The general outcome assessment takes an overall look at Swedish development cooperation, based on the overarching goal of *contributing to an environment supportive of poor people's own efforts to improve their quality of life* and the specific goals of the most recent cooperation strategy. Is the programme permeated by the perspectives of the poor and a rights perspective? In what ways are the central component elements reflected in cooperation? Is this relevant in relation to the partner country's PRS and other development strategies? What is the situation with regard to effectiveness, feasibility and sustainability? How are the outcomes related to the goals established in the cooperation strategy? What effects and trends can be seen and what effects and trends cannot be seen? Why is the situation as it is?

Accordingly, the general outcome assessment shall reflect the contributions in a wider context in which the partner country's

policies and strategies in the area and the contributions of other donors shall be taken into consideration. In other words, it shall not be restricted to a narrow account of whether the goals established for Swedish support have been achieved or not.

In the planning phase of the cooperation strategy, it is important to discuss the information that is needed in order to produce the general outcome assessment. Good planning is necessary. The first country plan in the strategy cycle should be used to establish an adequate level of ambition for monitoring and evaluation. One issue to be decided is whether there is a need for a special evaluation of the cooperation strategy. Conclusions from an evaluation of this type should be presented in a document for the country meeting.

2) Outcome assessment of the most important areas of cooperation

The outcome assessment of the most important areas of cooperation shall present experience gained in respect of *planned and achieved results, goals and effects*. This assessment of experience should be supplemented with a report on the results achieved in a few selected programmes and/or contributions, which contributes to explaining the assessment. The report shall be presented in tabular form and answer the question: “What has been achieved during the period?” The *rating* made in *Sida Rating System (SiRS)* provides important information for this report.

An outcome assessment of the most important areas of cooperation shall answer the questions “why ?” and “what will the consequences be?” Here there shall be a presentation of conclusions, based on goal fulfilment, *effects* of the programme/contributions, use of resources, and a comparison between achieved and planned results. The assessment should contain the following headings:

Basic facts

A short and concise presentation of the area of cooperation. What projects and programmes are included? How long have they been running? Who are the stakeholders?

Relevance and effectiveness

This section should also be short, but it should provide a clear picture of relevance and effectiveness in relation to the country's needs and its own strategies, and in relation to Sida's use of resources. The role of the programme/contributions for cooperation shall be defined. It should also be made clear whether the analysis of relevance and effectiveness that was made in the planning stage is still valid, both in relation to Swedish policies (Policy for Global Development, Perspectives on Poverty) and the goals of the partner country. If the picture has changed consider-

ably, this should be specified. This also includes changes in the composition of donors and the framework for cooperation during the period.

Assessment of outcomes

What has – or has not – been achieved in relation to plans? Is there a difference between planned and actual results and, if so, why? An analysis of feasibility, including the implementing capacity of the partner in cooperation, should be provided here. What factors – inside or outside the area of cooperation – have influenced the results?

Assessment of goal fulfilment, effects and sustainability

It is often not possible to assess long-term goal fulfilment, effects and sustainability until after the programme/contributions have been implemented. Therefore, it is important to give prominence to both short-term and long-term goal fulfilment (if there are any indications of the latter). In order to assess goal fulfilment, studies sometimes need to be made, and they should be planned in good time. The evaluations and studies made by other parties should be utilised as far as possible. In this respect, it is not sufficient to say that the “the result is good”. The analysis must be broken down into effects and what they have led to for the target group. Reporting effects is difficult and it is only in exceptional cases that it has proved possible to use the outcome analyses as advanced assessments of effects. This shall be taken into consideration when the level of ambition for the work is determined. A specification of references to sources is particularly important in this section.

Where other effects than those that can be related to the goal of the programme/contributions are concerned, an assessment should be included that makes linkages to the perspectives and the central components in the Policy for Global Development. It can be difficult to do this comprehensively; sometimes it is not even relevant. It is also important to refrain from imputing other goals to the programme/contributions than those that were explicitly established when the decision was taken to approve the programme/contributions.

On the basis of the assessment of outcomes in the most important areas of cooperation and the selective outcome report, conclusions should be presented in respect of the future for the area of cooperation. Should cooperation be terminated, expanded or reduced, and why? This section should include a description of sustainability, based on a financial and an institutional perspective. What assessment is made for the future in respect of the overall problems that have arisen during the course of the programme/contributions?

3) Conclusions from previous cooperation

On the basis of the general outcome assessment and the assessment of the most important areas of cooperation, conclusions are produced that are included in brief in the cooperation strat-

egy under the heading “*Conclusions from cooperation hitherto*”. The conclusions that the outcome assessment shall result in are:

- A brief assessment of the outcomes of development cooperation during the most recent strategy period, and their relevance in relation to the development and poverty reduction strategies of the partner country.
- Attempts to answer the question “in what way should the outcomes and the lessons learned during the strategy period influence goals, focus, content etc of cooperation with the country from both a general and a specific (area of cooperation) perspective?”
- Factors/outcomes/conclusions of importance for the selection of future areas of development cooperation, or alternatively phasing-out/exit strategy?
- Factors that should be taken into consideration in the design, implementation and selection of forms of cooperation and partner in cooperation?

References to sources

References to sources of information are important throughout the outcome assessment. All information provided in the assessment shall be based on existing documents. In the analysis section, references to documentation, evaluations and the like shall be provided in the form of footnotes.

It is important to remember that references to sources are not merely a matter of form, they support the entire documentation. They show that the outcome assessment is not a “general impression” but consists of conclusions based on existing material.

General advice and suggestions

It is easy for an author of an outcome assessment to end up in a “defensive” position and adopt an excessively positive attitude in the assessment. Evaluations have shown that earlier outcome analyses tend to give an excessively positive picture which sometimes borders on a lack of objectivity. Dare, therefore, to have a critical and reappraising eye and retain your objectivity. Sometimes the opposite tendency can be found, i.e. that the assessment is excessively problem-oriented. One suggestion here is that you should concentrate on answering the questions that the assessment of experience shall answer and draw your conclusions thereafter. If you get stuck, the following questions can help as a little “starting motor”:

What has happened?

Why has it happened?

What are the consequences?

Avoid long descriptions that do not add anything of analytical value. Bear in mind that you should only include information that is relevant for the purpose of the outcome assessment. Use by all means the six basic criteria for assessment in Sida at Work.

If you plan and implement evaluations in good time before the cooperation strategy process and monitor progress continuously, your work on the outcome assessment will be facilitated.

Division of responsibilities and time period

As far as possible, the embassies should be given the main responsibility for outcome assessment. However, the division of work and responsibilities between the embassy and the working group containing representatives of the sector departments formed in Sida-Stockholm can vary, depending on the capacity of the representation in the field and the degree of delegation from Sida-S. Relationships and responsibilities should be defined when the decision is made to establish a working group. In cases where there is no representation in the field, the embassy does not have delegated responsibilities, or the embassy has only limited capacity, the sector departments/working group are normally responsible for the sector specific outcome assessments.

In those cases where the embassy has full delegation and the capacity to perform an outcome assessment, the embassy will commission the sector departments at Sida-S to perform sector assessments. The work of the working group at Sida-S would then be limited to

- quality assurance
- providing an advisory/supportive function
- acting as the embassy's link to the sector departments (for outcome assessments of the most important areas of cooperation).

In this case, the embassies are responsible for ensuring that any special evaluations and studies, which are to form the basis of the outcome assessment, are made.

In those cases where the embassy does not have the resources to do this work, the regional department will assume responsibility for commissioning assignments and coordinating the outcome assessment.

The period in question will normally be the latest strategy period. However, there is a possibility to adjust the sector outcome assessments to what is logical from the point of view of the contributions made.

Appendix 3

Decision on the appointment of a working group for the production of a cooperation strategy (See templates in Word)

Background

In its annual directives and letter of appropriations for, the Government has commissioned Sida to produce in a proposal for a cooperation strategy for development cooperation with X-land. It is expected that a more detailed assignment will be given to Sida in 'month/year'.

The current programme of development cooperation is governed by the "Country Strategy for X-land (period)" and a cooperation agreement for the same period (or other relevant documents).

Goals/outcome

The goal of the group's work is to prepare a proposal for a cooperation strategy for development cooperation with X-land that corresponds to the priorities for cooperation of Sweden and X-land, and that has the full acceptance and support of Sida, the Ministry for Foreign Affairs and the embassy.

Procedure

The work shall be done in accordance with "Sida at Work" and "Guidelines for Cooperation Strategies for Developing and Transition Countries" as laid down below.

The work contains the following main points:

- A brief planning document shall be prepared. This will normally be done by the embassy.
- The embassy is responsible for initiating a dialogue with various parties in the country. State parties, roles and times.
- An internal Sida meeting will be arranged by the regional department as a preparation for the start-up meeting at the Ministry for Foreign Affairs.
- The Ministry for Foreign Affairs will draw up a formal government assignment for Sida.
- With the assignment as the point of departure, the regional department/embassy will make an LFA analysis.
- The regional department is responsible for ensuring that work is started on the outcome assessment. The focus of this work is laid down in Guidelines for Outcome Assessments.

The task will usually be to produce a draft version of an overall outcome assessment, i.e. follow up the implementation of the current strategy at an overall level. Normally this will be done by the embassy.

- The overall focus and organisation of the country meeting will be specified in a formal decision. The documentation will normally be produced by the embassy.
- Points in time when decisions are to be made in the process will be specified in the formal decision. The compulsory components are a meeting with the heads of sector departments concerned, an assessment by the Review Group, and a meeting with the Director General at which a final decision will be reached.

The cooperation process will result in a proposal for a country strategy and a final outcome assessment.

Level of ambition

Prior to the start-up meeting at the Ministry for Foreign Affairs, the Director General, head of the regional department and heads of the sector departments will have a meeting at which the level of ambition, division of responsibilities and the time schedule for the work will be discussed. The point of departure for the level of ambition of the process will be the assignment.

Organisation

The main responsibility for the preparation of the strategy proposal will lie with (regional department). The work will be based on close cooperation between (regional department), the sector departments concerned, the embassy in X-land and the Ministry for Foreign Affairs.

The responsibility for the strategy process will normally be delegated to the embassy. Thus, the embassy can be given the task of planning and holding the country meeting, preparing a draft version of the cooperation strategy, and producing the outcome assessment.

A working group should be established for this purpose with representatives of the sector departments most closely concerned. The role of the working group will be related to the level of ambition laid down for the work. The chairperson of the group will be the country strategist (regional department), (name). Participants from the sector departments concerned will be nominated by the heads of the sector departments. The participants will be responsible for keeping their departmental management informed about the cooperation strategy work, and for obtaining their departments' points of view and conveying these to the working group. Likewise, the responsibility for departmen-

tal coordination for the outcome assessment will rest with the members of the working group.

A plan for the strategy process will be established. The responsibility for ensuring that the plan is followed will be specified in the decision. This responsibility will normally rest with the embassy.

It is proposed that the working group consists of a representative of each of the following departments/divisions (or of the following members):

(Regional department)

(convener)

A reference group can be linked to the working group. This group will meet on one or two occasions to discuss and comment on the products of the working group. The reference group will consist of persons with special knowledge of X-land or with other special expertise of interest in the strategy work.

It is proposed that the reference group consists of the following persons:

.....

.....

The main rule is that the cooperation strategy is to be assessed by the Peer Review Group that is coordinated by the Departments for Policy and Methodology. The chairperson of the working group will be responsible for coordination with the Review Group. The documents to be reviewed are the outcome assessment and the cooperation strategy.

The chairperson of the working group will be responsible for regular consultations with the Ministry for Foreign Affairs and the embassy. The chairperson of the working group will keep the client (head of the regional department) informed of the course of the work and will submit a short account (3–4 pages) of experience gained on the work to the client on completion of the assignment

Main time schedule

See appendix 1.

Staff requirements

The work is part of the programme officers' normal working hours.

(A specification should be included here any need of external expertise and the cost of purchasing this expertise.)

Abbreviations

General abbreviations

CG meeting	Consultative Group meeting
DAC	Development Assistance Committee
EC LAW	European Community Law
EU	European Union
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
ILO	International Labour Organisation
IMF	International Monetary Fund
JFA	Joint Financing Arrangement
LFA	Logical Framework Approach
MDG	Millennium Development Goal
NGO	Non-Governmental Organisation
ODA	Official Development Aid
OECD	Organisation for Economic Co-operation and Development
PRS	Poverty Reduction Strategies
PRSP	Poverty Reduction Strategy Papers
SWAP	Sector Wide Approach
UN	United Nations
UNDP	United Nations Development Programme

Sida-related abbreviations

AFRA	Africa Department
ASIA	Asia Department
DESO	Department for Democracy and Social Development
EDOC	Document Management, Workflow, case Management and Digital Archive
EVU	Department for Finance and Corporate Development
ICT	Secretariat for Information and Communication
INEC	Department for Infrastructure and Economic Cooperation
INFO	Information Department
KTS	Contract-Financed Technical Cooperation
NATUR	Department for Natural Resources and the Environment
PEO	Human Resources Department
PLUS	Sida's Planning System
POM	Department for Policy and Methodology
POP	Perspectives on Poverty
RELA	Department for Latin America
SAREC	Department for Research Cooperation
SEKA	Department for Cooperation with NGOs, Humanitarian Assistance and Conflict Management
EUROPE	Department for Europe
Sida	Swedish International Development Cooperation Agency
Sida-S	Sida's Headquarters in Stockholm
SiRS	Sida's Rating System
UTV	Secretariat for Evaluation and Internal Audit

Suggestions for further reading

Guidelines for cooperation strategies, UD 2005/24624/GU

Guidelines for Poverty Analysis at country level, Sida

Position paper for PRS assessment, Sida

Advice for the strategy
and
Illustration of the content of a cooperation strategy

Advice for the strategy

Long-term perspective

Existing programmes of cooperation with the country have agreements that extend for various periods of time into the future, which limits the scope for short-term changes. The role of the cooperation strategy is to initiate changes in Swedish development cooperation in the medium term and long term.

Hierarchy of goals

An overall goal will be produced for the strategy. The goal is based on the country's own goal as defined in the country's strategy for development and poverty reduction. The goal shall be specifically associated with the Swedish goal for development cooperation.

The goal is specified in sector goals/operational area goals. These relate in a concrete manner to the main operational areas of Swedish development cooperation. The goals for operational areas shall be specific, possible to follow up, and relate to the partner country's sector goals. The focus of cooperation is defined within the framework of these goals. Changes in cooperation (in terms of concentration, phasing out or development of new areas) are clearly stated, together with time schedules.

During the implementation of a strategy, the sector/operational area goals in the country plan are followed up. Over time, the question of further development of the goals at this level in the country plans may arise. The country plan thus has a strategic role in Sida's work with change at country level.

Dialogue issues

The strategy contains two overlapping parts: the cooperation programme and the dialogue. The dialogue often plays a central role in the relations between the parties in the country and relates for example to the country's PRS process. The Swedish role is to actively promote and support a poverty reduction policy. The goal and central component elements of the Swedish cooperation strategy are given priority in the dialogue. In addition to this, special issues of relevance for the country's development can be given prominence. The dialogue should be conducted with different stakeholders in the partner country. They can include the government, government agencies, civil society, the research world and industry. The dialogue should be conducted in harmonisation with other donors and be adapted to the national processes. It is important to identify major stakeholders, to have a general idea of how the dialogue should be pursued, and to estimate the resources required.

Illustration of the content of a cooperation strategy

1. Summary
2. Conclusions from the analysis of the situation in the country and the country's strategy for poverty reduction
3. Conclusions from the political decisions and processes of Sweden and the EU that are relevant for cooperation and other general considerations.
4. Conclusions from earlier cooperation.
5. Other policy areas and other Swedish relations
6. Goals, focus and volume of development cooperation
7. Dialogue issues
8. Cooperation with other donors
9. Implementation and follow-up

Source: Guidelines for Cooperation Strategies produced by the Ministry for Foreign Affairs, April 28, 2005.

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.



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