

Evaluation of the Austrian Development Cooperation in Kenya 1996 – 2006

Executive Summary

**This is a report on an independent evaluation.
It reflects the views of the evaluation team, which are
not necessarily identical with those of the
Austrian Development Agency and the
Austrian Ministry of Foreign Affairs**

commissioned by:

Austrian Development Agency ADA
Stabsstelle für Evaluierung
Zelinkagasse 2
A - 1010 Vienna

Claudia Conrad
Markus Engler
KEK-CDC Consultants
e-mail: conrad@kek.ch

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Background and Objectives

As part of its efforts to sharpen the geographical and technical focus of its programmes, the Austrian Development Cooperation decided to evaluate its development cooperation with Kenya between 1996 and 2006. The purpose was to draw conclusions and recommendations for the programming of the future Austrian Cooperation with East Africa on the basis of the former and current engagement in Kenya. The specific objectives of the evaluation are

- to gain a better understanding of the various instruments successfully applied in a cooperation country which has no ADA Coordination Office
- to draw conclusions for improving the implementation quality of the programming of the Austrian cooperation within the context.

Methodology

The evaluation started with an analysis of relevant documentation and interviews in Vienna, followed by a fieldtrip to Kenya in July 2007, which ended with a round table workshop with national and international partners in Nairobi. Back in Europe, the evaluators presented some of the findings to key persons from the Ministry of Foreign Affairs (MFA) and the Austrian Development Agency (ADA) to discuss and clarify jointly various elements of programming (2nd round table workshop). On this basis the evaluators prepared a draft report which was discussed with the Ministry of Foreign Affairs, the Austrian Development Agency and partners in Vienna end of October, 2007. The final report has been elaborated on the basis of the feedback given in this last workshop.

The evaluation team consisted of two international and two Kenyan evaluators.

Observations

The evolution of the portfolio of the Austrian Development Cooperation (ADC) in Kenya from 1996 onwards derives considerably from interventions of Austrian non-governmental stakeholders (i.e. NGOs or private companies) which were mandated and funded by the MFA. Unlike some other European countries, Austria has no dedicated government development agency with a mandate to implement ADC interventions itself. The outsourcing of the implementation of ADC interventions to partner agencies or mandated companies therefore has a long tradition. It is one of the reasons for the evident diversity and strong project orientation of ADC in Kenya.

In spite of Austria being a smaller donor in Kenya, the portfolio covered a wide area ranging from rural development projects, educational activities, economic development (income generating activities), to several interventions in the water and sanitation sector including a huge and costly infrastructure project. ADC allocated most of its funds (nearly 70% of the overall budget) to the Water and Sanitation sector. Considering an annual budget of about one million EURO, this prioritization in the allocation of funds corresponds to Austria's 'preferred' focus on water and sanitation but contrasts with the typical small donor pattern which gives priority to the social sector in case of a relatively modest overall budget. The wide sectoral scope of interventions was only possible due to the complete outsourcing of project implementation to NGOs respectively private companies.

The following interventions were selected for the closer assessment in Kenya:

- Water & Sanitation:
KWAHO, Rural Water Supply and Environmental Sanitation in Lower Tana and Maseno
HORIZONT 3000, Migori Town and Sanitation Programme
- Human Rights & Good Governance
ADC, National Civic Education Programme (NCEP)
RESPECT, Measures against the Sexual Exploitation of Children in Tourism
- Economy & Development
ICEP, Skill Training and Micro Credits for Vulnerable Groups (women, young adults)
UNIDO, Investment & Technology Promotion
- Higher Education AUSTRIAN ACADEMY OF SCIENCES, International Post-Graduate Programme in Limnology (IPGL)

The assessment of these interventions funded by ADC showed good results on the project level: All interventions funded by ADC are relevant for the direct beneficiaries as they respond to poverty-related needs. This is mainly due to the approach of the involved NGOs which are close to the target group and design the intervention in a process-orientated manner. All interventions are in line with national, sectoral and ADC strategies as formulated in the corresponding policy documents. The project activities as such are effective and efficient. However, there are practically no programmatic links between the different interventions within a sector as well as between the sectors.

The assessment of ADC-funded interventions on sector level reveals a slightly different picture: In the water and sanitation sector the actors have adapted only partially to the new demands in the country (national decentralization policy). The local NGO KWAHO has problems to change the 'old' working approach – being a recipient of external (Austrian) support which arrived reliably during all these years. In contrast, the project of Horizont3000 demonstrates how an Austrian NGO can mobilize experts from the South to support local processes while building own capacities. But both projects could not scale up their valuable experiences within the sector due to the lack of local capacity.

The ADC experience within the Human Rights and Good Governance Sector illustrates the factors of success for being engaged in a donor basket – one of the tools of the new aid modalities. Although being a smaller donor, ADC succeeded in building up a very good and effective reputation. Physical presence of ADC representatives at coordination meetings is necessary as basket funded programmes have to find a design and shape on the basis of a consensus between the various participating donor agencies. This process takes time and a continuous active participation of the involved parties, with a minimum of conceptual ideas, is supportive to it.

The interventions within the Economy and Development sector can serve as an example of the special effects at micro or macro level: whereas the micro-level projects from ICEP do have an immediate positive effect on poverty reduction but a very limited scope in terms of coverage and of contribution to the economic growth, the Trade and Investment Promotion addresses the issue from the other end while assuming that economic growth is a prerequisite in developing countries for alleviating poverty on a national scale. The latter has potential for delivering bigger scale improvements as a result, but their effect on poverty reduction is indirect and depends on a number of factors which can only be partly controlled. The interventions in this sector have a separate approach and scope and therefore a potential for synergy is not given.

The educational activities with Egerton University and the Austrian counterpart – the Austrian Academy for Sciences (Mondsee) – have built a long-standing partnership which is clearly reflected in the efficient and effective working relation which leads to good results.

This intervention is more linked to the knowledge transfer between Europe and East Africa (and within the region) than to the national processes within the country. This stands in contrast with the explicitly articulated interest of the Kenyan partners who put more emphasis on capacity building measures in Kenya than in the region. Whereas this intervention with the Egerton University has good potential for expanding into regional activities (knowledge transfer, water boundary activities), ADC still maintains up to now the bilateral project funding mechanism.

The assessment of the various interventions on the ground demonstrates that bilateral project support is the implementation approach almost used exclusively in the Kenya programme. Discussions and exchange of information take place in Austria between headquarters and the respective project partners rather than in the country itself. The fact that no Austrian coordination office has been established in Nairobi raises questions about the most appropriate way of quality control for ADC-funded interventions. The coordination office in Uganda has only limited capacities and could only deal with certain points related to the water and sanitation sector. For the donor basket funded programme NCEP, the Austrian Embassy took charge of follow-up. Although the involvement of the Austrian Embassy was most useful and beneficial for the Austrian reputation in Nairobi, there is no formal agreement for this mandate. These arrangements are not sufficient to ensure the type of inputs that are required to achieve a systematic approach to donor coordination in the context of new aid modalities.

Concerning the programming of Austrian interventions the evaluators found that the division of tasks between MFA and ADA with regard to the strategic and operational issues is not sufficiently clear and coordinated. Therefore additional efforts and internal discussions between these two actors in the headquarters are required if a coherent Austrian Development Cooperation is envisaged. Further the translation of strategic guidelines into operational programmes is not well established and suffers from a lack of direct interaction. The programming would benefit a lot if the actors would establish a working relation on the basis of a 'management for results' perspective rather than the actual management by budget-lines.

Conclusions

The Austrian Development Cooperation in Kenya benefited a lot from long-standing relationships with well-known and established partners in Austria and in Kenya. The variety of implementation arrangements and of development partners provides diversity in terms of approaches and levels of interventions, but it involves the risk of insufficient coordination in the design and implementation of the interventions which results in a weak programmatic coherence. Further it is an obstacle for the systematic capitalization of experiences and for building up related know how in the institutions of ADC. It increases transaction costs for project management and limits the possibilities for scaling up of ADC interventions.

The visibility of ADC in the field is not determined by the size of its budget, but by ADCs presence and inputs into dialogue. In the context of new aid modalities the particular challenge for smaller donors is the investment of time and capacity needed to represent their interests in joint programmes. The experiences made in Kenya show that small donors can make a difference by participating actively. For the future programming, which will focus on regional approaches, this is an important asset / experience for a potential involvement with regional organizations and initiatives.

The steering of ADC interventions works well within specific lines of action, but the diversity of partners and funding arrangements makes it difficult to monitor and coordinate the various interventions. The fact that the Ministry of Foreign Affairs and the Austrian

Development Agency both assume programmatic tasks and responsibilities (multilateral support, bilateral technical assistance) and the strong role of Austrian NGOs, limits the scope for coherent steering of the programme by ADA. Improved programming and steering requires a more systematic and direct dialogue at headquarters (particularly between MFA and ADA) and likewise with the local structures of ADC.

Recommendations

The recommendations are based on the assumption that any future activity of ADC in Kenya ultimately will be part of a coherent regional programme.

For future programming we recommend that

- R1 MFA and ADA must first clarify what they understand by a 'regional programme' respectively which type of regional approach is envisaged. We recommend distinguishing between the following types of regional approach:

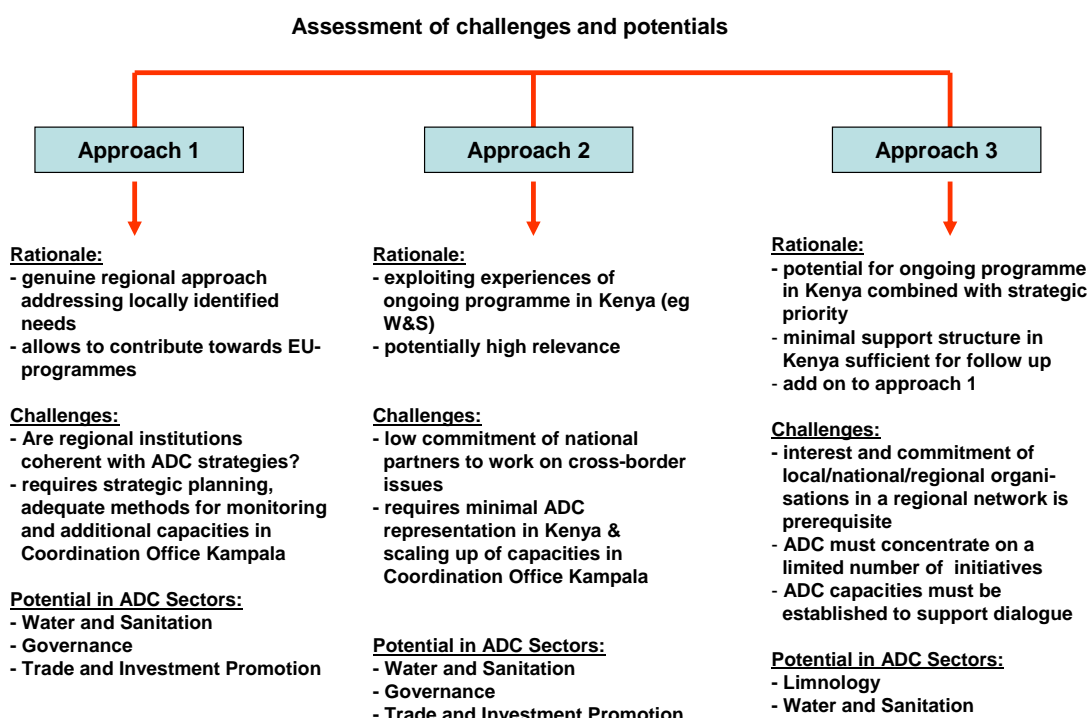
Approach 1: Support of regional initiatives and/or regional institutions which address needs which are of concern for the whole region and which can be fulfilled only through collaboration among stakeholders across the whole region.

Approach 2: Support to programmes which address cross-border issues, i.e. mutual needs of neighbouring countries which require joint action among these countries. The issue of water resource management serves as an example.

Approach 3: Support to a systematic exchange of knowledge and experiences between programmes/project stakeholders in neighbouring countries. This support aims at establishing regional knowledge networks such as South-South cooperation in the field of Research & Development.

- R2 MFA and ADA must make a specific and well founded choice of the mix of not more than two regional approaches. This decision should be based on the strategic orientation of ADC (as defined in the strategic guidelines), Further analysis of experiences and potentials in specific sectors and further analysis of cooperation partners appropriate for contributing towards ADC objectives and capacities is needed.
- R3 MFA and ADA should give priority to the support of regional initiatives / institutions (*Approach 1*) with the option to add elements of *Approach 3* which involves the exchange of know-how, experiences among similar programmes / projects.

To support this recommendation and to provide a rough overview about the challenges and potentials for a regional programme the three approaches need a thorough analysis as illustrated in the chart below:



- R4 MFA develops the regional programme East Africa within a well structured planning process with the following steps:
- (1) Analysis of all current 'de facto'-country programmes of ADC in East Africa
 - (2) Screening and assessment of operational regional initiatives and/or organizations with special focus to ADC sector focus
 - (3) Preparation of synthesis of step 1 and 2
 - (4) Tentative outline for a regional programme
 - (5) Round table workshop with all key stakeholders in Austria and partner organisations
 - (6) Drafting the regional programme by a task force of MFA and ADA
 - (7) Consultation of key stakeholders
 - (8) Finalization and approval.
- R5 MFA and ADA must strengthen their local structures within the region. This can be done with two options: 1. either running a strong regional office (i.e. Kampala) to guide and follow up the interventions in all countries involved (partner countries) or having a major regional office (i.e. Kampala) and sub-offices where appropriate