

Buzz: Technical assistance | UK | World Bank

By Development Policy Centre 8 March 2011

Here's a quick round-up of some of the stories that have created a buzz or otherwise caught our attention over the last week.

UK aid review

International Development Secretary Andrew Mitchell announced the key outcomes of <u>two</u> <u>aid reviews</u> and set out the results that UK aid will deliver for the world's poorest people over the next four years.

There was plenty of coverage of the aid reviews' recommendations, including an article by Matt Morris for this <u>blog</u>.

<u>Jonathan Glennie</u>, a Research Fellow at the ODI and writing for The Guardian newspaper, saw DFID's continuing push for more focus and results as a way to defend the UK's support for international development to an increasingly sceptical public.

Yet it was also the push for focus that was also the most contentious part of the aid review is the decision focus aid-not least because it involved cuts to many country programs and some and multilateral agencies. The Guardian newspaper has a breakdown of the 'winners and losers' and the planned aid spending for the next four years.

The reaction from commentators was mostly positive.

- Laurence Haddad, Director of the IDS, provides a useful assessment of the review. He welcomed the increased attention to women's empowerment, but worried about 'donor bandwaggoning' creating aid orphans. In a follow-up blog-with links to press coverage-he considered whether the <u>muted media response</u> matters.
- Connie Veillette, at CGD, also liked the emphasis on focus and results, but thought
 that it would be impossible for the US to follow the UK example and scale back
 from 146 countries to a couple dozen.
- Edward Hedger, in a piece for the ODI, provides a very useful analysis of the

multilateral aid review.

World Bank strategy in Africa

Meanwhile, the World Bank is rolling out a <u>new strategy for Africa</u> that focuses on filling an infrastructure financing gap-currently about \$48 billion annually. The strategy also focusing on reducing vulnerability and resilience, governance and public sector capacity. The vision behind the strategy shows how fast Africa is changing:

The ten-year vision of the strategy is an Africa where, for at least 20 countries, per-capita income would be 50 percent higher than today-implying per-capita GDP growth rates of 3-4 percent a year8. Another 20 countries would grow at an average rate of 1-2 percent. The poverty rate would have declined by 12 percentage points. At least five countries will achieve middle-income status.

Microfinance wars

A battle raged last week over who should run the World's most famous microfinance institution, the Grameen bank. The central bank, the Bangladesh Bank, fired Muhammad Yunus, the Nobel Peace Prize winner, because of a technical violation of the law that had created Grameen. The case is now before the Bangladesh courts. Meanwhile the Bangladesh Prime Minister has accused Grameen Bank and other microfinance institutions of charging high interest rates and taking advantage of the poor. David Roodman, at CGD, is following various microfinance debates, including the press on the Grameen case, as part of his Open Book blog on microfinance.

Aid transparency

We're big fans of aid transparency, so especially enjoyed reading Owen Barder's '<u>8 lessons</u> on aid transparency', a download of his reflections based on three years working on transparency. Some highlights of his article:

- Transparency has to be 'citizen-centred not donor-centred' to allow people in developing countries to see what aid they should be receiving;
- *Greater transparency of aid execution is needed to drive out waste, bureaucracy and corruption*-'corruption and waste prosper in dark places'; and
- The burden of proof should be on those who advocate secrecy. AidInfo have published a compelling business case for greater transparency, with all the uncertainties this kind of analysis entails. No aid agency has yet articulated a case for secrecy.

Australian adviser remuneration

AusAID has just introduced much needed <u>guidelines</u> to improve the transparency of technical assistance and reduce the cost of advisers.

The **Adviser Remuneration Framework** is a set of market-based, long and short term remuneration rates.

AusAID's Adviser Remuneration Framework has three main objectives:

- Market-tested competitive remuneration to ensure AusAID is not paying above market value for commercially contracted advisers.
- Consistency to remove the potential of over-paying advisers by capping remuneration and minimising scope for negotiation through a standardised remuneration scale.
- Value for money (VFM) to demonstrate VFM achieved from advisers by applying market-tested remuneration rates and an adviser performance assessment system.

Remuneration is graded according to skills and experience:

- Pay for long term advisers is capped at \$67,896 to \$258,024 p.a. (plus allowances).
- Caps for short-term advisers range from \$308 to \$1,161 per day, which in annualized terms-allowing for 4 weeks leave, public holidays but not sick leave-is \$70,224 to \$264,708.

The press coverage focused on the omission of <u>public servant deployees</u> from the initial review-something that is now being fixed through a review of <u>public servant remuneration</u>.

Women deliver

In celebration of the 100th anniversary of International Women's Day, Women Deliver has announced the 'Women Deliver 100' a list of the hundred most inspiring people who have delivered for girls and women. We congratulate all the men and women who have been recognized, including Ngozi Okonji-Iweala, Managing Director of the World Bank, who has 'shattered glass ceilings across continents and sectors, and fought to put women and gender at the center of the international development agenda. Currently a [managing] director of the World Bank, she was the first woman to serve as Nigeria's Minister of Foreign Affairs and as Finance Minister, and she was instrumental in increasing government transparency and combating corruption in the country, which was once ranked the most corrupt place on

Earth.'

We value your feedback

As mentioned last week, at the Development Policy Centre, we love discussing development policy. We want to share more of what we're reading with you and would welcome your feedback on your interests. What's creating a buzz for you?

About the author/s

Development Policy Centre

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