



Implementation of the Paris Declaration in Latin America and the Caribbean: a study of perceptions*

Report commissioned by the Core Evaluation Team of the second phase of the evaluation of the Paris Declaration

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Contents

Acronyms	iii
Executive summary	iv
1. Purpose, limitations and results	1
2. Limitations on the results and considerations for interpretation	2
3. Main findings.....	3
3.1. Perceptions of official agencies of international cooperation in Latin America and the Caribbean	3
3.1.1. Perceptions about aid effectiveness	3
3.1.2. Perceptions about the implementation of the Paris Declaration	6
3.1.3. General aspects	13
3.2. Implementation of the Paris Declaration in Honduras: a study of perceptions.....	15
3.2.1. The context in Honduras	15
3.2.2. Perceptions about aid effectiveness	16
3.2.3. Perceptions about the implementation of the Paris Declaration	17
3.2.4. General aspects in the case of Honduras.....	24
4. Some general interpretations of the results.....	26

Acronyms

AAA	Accra Agenda for Action
OAICs	Official agencies of international cooperation
PD	Paris Declaration
OAS	Organization of American States
DAICs	Donor agencies of international cooperation
CSOs	Civil Society Organization

Implementation of the Paris Declaration in Latin America and the Caribbean: a study about perceptions

Executive summary

1. Purpose, limitations and results

The purpose of the survey has been measuring the perceptions of key actors in Latin America and the Caribbean about the implementation of the Paris Declaration (DP) in the countries of the region. This exercise took into account the following criteria:

- Government leadership
- Capacity of donors to adapt to this leadership
- Alignment of donors to national priorities
- Reforms fostering transparency
- Donor support to improve national capacities and systems.

The survey was prepared according to the interview guides prepared as part of the second phase of the evaluation of the PD.

For several reasons, the responses were not as many as planned. Although 132 invitations to answer the survey were sent, only 37 responses were returned despite having extended the survey deadline from three to eight weeks. Of these 37 completed and returned surveys, there were twelve from representatives of official agencies of international cooperation (OAICs), six from representatives of donor agencies of international cooperation (DAICs), and 19 from representatives of civil society organizations (CSOs). The primary reasons we received fewer responses than expected were: the survey coincided with the holiday season for several organizations, particularly in Central American countries; some official agencies were too short-staffed or busy to respond promptly; and we received only one completed survey from official agencies of international cooperation, despite repeated attempts to engage more officers within the OAICs and other implementing agencies.

Our analysis and interpretation of the responses received fall into two categories. The first section corresponds to surveys of official agency representatives from ten recipient countries and one donor developing country (Brazil), on the implementation of the Paris Declaration in their respective countries. Uruguay only completed the first section, therefore, only nine completed surveys address both sections. The second section corresponds to surveys of those same official representatives, plus representatives from donor agencies and civil society organizations, on the implementation of the Paris Declaration in the specific case of Honduras. Finally, we present general conclusions analyzing responses in both sections.

Due to the design of the survey, aimed at measuring perceptions of key actors about aid effectiveness, the type of responses responses do not allow to make interpretations about the impact of the implementation of the PD and the AAA over development results in each country.

2. Main findings

a. Progress in aid effectiveness

- Most respondents from **official agencies of international cooperation** (OAICs) of aid recipient countries consider that the political context, management capacity, knowledge of and access to information about aid effectiveness, and the national development policies in recipient countries are elements that have positively influenced aid effectiveness. The Paris Declaration is also viewed as a factor that has improved aid effectiveness. To a lesser extent, some respondents have

indicated that national policies of international cooperation and the Accra Agenda for Action (AAA) have also had a positive influence. In the particular case of **Honduras**, most respondents say an adverse political context has limited the effectiveness of aid.

- In the case of **Brazil**, the political context and the national policies of countries receiving Brazil's aid have positively influenced effectiveness; on the contrary, management capacity and national policies of the recipient country have not had this effect. The PD and the AAA have had positive effects, but they have failed to spark reform of national policies regarding international cooperation.
- The case of **Honduras** shows a variety of perceptions given the broader range of actors surveyed. For example, CSOs believe Honduras has failed to improve access to knowledge and information about international cooperation issues, and this failure has negatively influenced aid effectiveness. In contrast, representatives from official agencies consider that this issue has had a positive influence over aid effectiveness. Moreover, national offices and CSOs perceive that national development policies may have improved aid effectiveness, but this perception is negative for donor agencies. The influence of national policies of international cooperation over aid effectiveness is perceived of being null in opinion of donor agencies and CSOs, but national agencies consider that this influence has been negative (i.e. national policies of international cooperation may have not been adequate to improve aid effectiveness). National agencies see the PD and AAA as positive influences, while donor agencies say they have had no effect.
- Respondents share the belief that most aid decisions throughout the region are made in donor agency headquarters outside the Latin American region. In general, respondents see this fact as limiting the effectiveness of aid. Many say that decision made in the national offices of donor agencies, with the participation of other stakeholders, are typically more effective than those made by donors outside the recipient country.

b. Progress in the implementation of the Paris Declaration

- Most responses from OAICs indicated that their knowledge of the PD and the AAA was good and very good. The most well-known principle is ownership, followed by alignment, result-oriented management, mutual responsibility, and harmonization, in that order. In the case of Brazil, although they are well-known, these principles have had limited importance in the discussion and implementation of policies, programs, and projects at the national level.
- Regarding the **ownership** principle, respondents say donor support to build up recipient country capacities by strengthening national systems has shown the most progress. In contrast, most respondents indicate little progress in the last two years regarding government leadership, changes in donor priorities in response to national priorities, improvements in transparency and procurement systems, and donors' trust in national systems.
- Regarding the **alignment** principle, respondents indicate that the alignment of donor priorities with national priorities has shown the most progress, followed by support for strengthening national systems and public financial management. Dominican Republic, Ecuador and Panama indicate that progress has been important; but in Honduras, progress on this front was limited or nonexistent.
- Regarding the **harmonization** principle, progress has been limited in most countries. An exception is Panama, where perceptions on progress are more positive. OAIC responses indicate national governments are largely responsible for this limited progress, saying government leadership in assigning responsibilities and promoting a better division of labor has been limited or nonexistent.
- Perceptions about the **result-oriented development management** principle vary depending on whether they refer to specific aid sectors or results on the national, regional, or local level. At the sector level is where most respondents indicate that there have been improvements at monitoring development results from governments. Most respondents say the greatest improvements lie in government monitoring systems that measure aid by sector, while monitoring on the local level has seen the least improvement, with little to no progress.
- For most representatives of OAICs in the region, the principle of **mutual responsibility** has partially improved. Regarding Ecuador, there is a particularly positive view of improved trust,

mutual respect, open dialogue and flexibility between donors and governments, and of progress in public access to information about aid flows and the use of these resources. In contrast, the Honduras representative says progress on accountability to citizens and Congress is limited; and this has fostered progress in donor adaptation to government leadership and national priorities, transparency, and dialogue with regard to cooperation and aid conditions. Similarly, public financial management capacity, donor support to strengthen national systems, and donor trust in national systems have all improved. In the case of harmonization, the government is explicitly promoting cooperation in specific areas and exerts leadership in assigning responsibilities and promoting division of labor. Despite these advances, the general perception is that progress has been modest. Regarding result-oriented management, respondents perceive important progress in monitoring results in specific sectors and at the national level, but progress at the regional and local levels is still modest.

- In the case of **Honduras**, when responses from OAICs, DAICs and SCOs are taken into account, there are some coincidences, but their perceptions vary markedly. The Honduras OAIC representative had several criticisms for donors, but no necessarily for government capacity. In contrast, donors perceive their support of national systems and processes in a more positive light, one not necessarily shared with other actors. Finally, the opinions of CSOs are mixed and do not coincide with those of other actors.

c. General aspects

- Surveys indicate partial progress on the general aspects of aid effectiveness. In contrast, in Panama there is a more positive perception: (i) aid has been more effective in the last five years; (ii) aid management has improved; (iii) cooperation with donors has been more inclusive and effective in the last five years; (iv) the PD has helped strengthen capacities of national institutions; (v) the PD has supported the strengthening of social capital; (vi) the PD has contributed to efforts to reduce exclusion; (vii) the PD has contributed to gender equality; (viii) the PD has contributed to the achievement of better development results at the national level. Paraguay and Guatemala also perceive progress in these fields. In other countries, respondents see limited or no progress at all in gender equality, support for institution strengthening, the reduction of exclusion, and the achievement of better development results in general. In the case of Honduras, for example, respondents indicate that aid effectiveness has not improved in the last five years.

3. Final remarks

Perceptions on the progress in implementing the PD and improving aid effectiveness in Latin America and the Caribbean reflect the socioeconomic diversity of the region and of perspectives among stakeholders (OAICs, DAICs and CSOs) have about these processes.

The domestic context in each country, which can enable or limit aid effectiveness, is a determining factor because it tends to be volatile and make countries vulnerable. Honduras is a good example of how the domestic context can hinder progress regarding development effectiveness.

Brazil's perspective on cooperation is particular because it views itself as more of a donor than a recipient country. Other countries in the region are also making the transition to donors, even though they are still recipients. This aspect should be taken into account as a starting point for future evaluations, in order to assess what it means to transition from recipient to donor.

The results indicate that aid effectiveness has improved only to a certain extent, and there are still measures that need to be addressed to improve aid's contribution to development in the region. Some of the main challenges in the pending aid effectiveness agenda are:

- Additional support for strengthening national management capacity, institutional capacity, and procurement and financial systems is required.
- The PD has been an important factor in the improvement of aid coordination between donors and recipient countries in terms of objectives, procedures and accountability, while also providing incentives for civil society organizations to move towards development results. However, these partnerships should be further strengthened, especially by expanding the contribution the contribution of civil society in the processes of evaluation and policy design.
- In general, recipient country governments are most knowledgeable about the PD principles of ownership and alignment, thus, progress has been greatest in these fields. Government leadership and capacity for coordinating and aligning priorities with donors have particularly improved. Progress in advancing the principles of harmonization, results-oriented management, and mutual accountability has been harder to achieve.
- Although the PD has been the basis for important improvements in aid effectiveness, the AAA contains measures that can help further this objective, but it's still in the early stages of implementation.

Implementation of the Paris Declaration in Latin America and the Caribbean: a study of perceptions

1. Purpose, limitations and results

The purpose of the survey has been measuring the perceptions of key actors in Latin America and the Caribbean about the implementation of the Paris Declaration (DP) in the countries of the region. This exercise took into account the following criteria:

- Government leadership
- Capacity of donors to adapt to this leadership
- Alignment of donors to national priorities
- Reforms fostering transparency
- Donor support to improve national capacities and systems.

The FORO Nacional Internacional team, led by Mario Bazán, designed the survey in coordination with the Cooperanet/OAS team, led by Zakaria El Goumiri. The Core Team of the second phase of the evaluation of the Paris Declaration also reviewed the survey.

The institutional support of Cooperanet/OAS aimed at providing its experience, networks, technological capacity and human resources to reach the main actors involved in aid effectiveness in selected countries. The survey design was based on the interview guide for country case studies developed for the second phase of the evaluation of the Paris Declaration.

The process of consultation targeted three types of actors: representatives of official agencies of international cooperation (OAICs), donor agencies of international cooperation (DAICs), and civil society organizations (CSOs) in Argentina, Brazil, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, the Dominican Republic, and Uruguay.¹ Thirty-seven people completed the survey, as shown in Table 1.

TABLE 1: Number of answers by country and type of actors

Country	OAICs	DAICs	CSOs	Total
Argentina	0	0	1	1
Brazil	1	0	0	1
Ecuador	2	0	0	2
El Salvador	0	2	1	3
Guatemala	1	0	1	2
Guyana	1	0	0	1
Honduras	1	2	13	16
Mexico	1	0	0	1
Nicaragua	0	0	1	1
Panama	1	0	0	1
Paraguay	1	0	0	1
Peru	1	2	1	4
Dominican Republic	1	0	0	1
Uruguay	1	0	1	2
Total	12	6	19	37

¹ Uruguay and Brazil *did not officially sign* the PD, but they responded the questionnaire.

2. Limitations on the results and considerations for interpretation

Despite extending the survey deadline from three to eight weeks, we did not receive as many responses as we expected. Of 132 questionnaires distributed, only 37 were completed and returned: twelve representatives of OAICs, eleven of which were sent complete; six representatives of DAICs, and nineteen representatives from CSOs. In accordance with the number and range of respondents, the team decided to analyze responses in two groups: OAIC responses from 11 countries, and the specific case of Honduras, given the high number and diversity of actors that responded from that country.

The primary reasons we received fewer responses than expected were: the survey coincided with the holiday season for several organizations, particularly in Central American countries; some official agencies were too short-staffed or busy to respond promptly; and we received only one completed survey from official agencies of international cooperation, despite repeated attempts to engage more officers. In addition, two survey respondents indicated that they found the questionnaire too difficult to complete.²

Our analysis and interpretation of the responses received fall into two categories. The first section corresponds to surveys of official agency representatives from ten recipient countries and one donor developing country (Brazil), on the implementation of the Paris Declaration in their respective countries. The second section corresponds to surveys of those same official representatives, plus representatives from donor agencies and civil society organizations, on the implementation of the Paris Declaration in the specific case of Honduras. Uruguay only completed the first section, therefore, only nine completed surveys address both sections. Finally, we present some general conclusions analyzing responses in both sections.

Responses received from local representatives of official agencies of international cooperation correspond to eleven of the fourteen countries selected for the survey. Two countries, Ecuador and Brazil, present some particularities that have required special treatment. In the case of Ecuador, we obtained two responses: one from a representative of an official agency and another from a representative of a public sector executing agency—which was excluded. In the case of Brazil, the respondent offered to complete the questionnaire as an aid donor rather than a recipient. Since Brazil was the only country to respond as a donor, its responses are considered in a separate box. Table 2 lists the OAIC representatives by country, institution, and position.

TABLE 2: Country, agency, and positions of OAIC representatives selected for the study

Country	OAICs	Position
Ecuador	Secretaría Técnica De Cooperación Internacional	Director de Enlace, Seguimiento y Evaluación
Guatemala	Secretaría de Planificación y Programación de la Presidencia	Director de Análisis de la Cooperación
Guyana	Ministry of Finance	Head, Bilateral Department
Honduras	Secretaría Técnica de Planificación y Cooperación Externa	Directora General de Cooperación Externa
México	Secretaría de Relaciones Exteriores de México	Cooperación Internacional y Relaciones Económica
Panamá	Ministerio de Economía y Finanzas	Director de Cooperación Técnica Internacional
Paraguay	Secretaría Técnica de Planificación	Director General
Peru	Agencia Peruana de Cooperación Internacional	Funcionaria Encargada de la Cooperación Sur-Sur
Dominican Republic	Ministerio de Economía, Planificación y Desarrollo	Viceministra de Cooperación Internacional
Uruguay	Oficina de Planeamiento y Presupuesto	Sub director de Cooperación Internacional

² They indicated that: “the survey is not easy to answer, and it is probably not the best way to discuss these topics;” and “about the survey: it has several limitations in its design, biases, and unclear, ambiguous questions”.

On the other hand, the results show the perceptions of respondents of the progress of implementing the PD and the progress on aid effectiveness. Therefore, these results do not allow to make interpretations of the effects of these two international agreements on development results of the surveyed countries.

3. Main findings

The results allow for two types of analysis of the perceptions regarding the implementation of the PD in Latin America and the Caribbean. The first focuses on the perceptions of OAIC representatives —a recipient's perspective; and Brazil, which responded from a donor perspective. The second analysis focuses on the case of Honduras and considers the views of the Honduran OAIC, and DAICs and CSOs from that country.

3.1. Perceptions of official agencies of international cooperation in Latin America and the Caribbean

The official agencies of international cooperation (OAICs) include representatives from Brazil, Ecuador, Guatemala, Guyana, Honduras, Mexico, Panama, Paraguay, Peru, the Dominican Republic, and Uruguay. In all these cases, office directors responsible for coordinating international aid completed the responses. Brazil is an exception, since it is the only country that answered the questionnaire in its role as an aid donor. Therefore, these responses are analyzed separately in box 1. The representative of Uruguay only completed the first part of the survey, but his responses have been included in the analysis.

3.1.1. Perceptions about aid effectiveness

In general, most respondents have a positive perception of the factors that influence aid effectiveness. These factors are: the domestic political context of the recipient country, its management capacity; knowledge and access to information about the effectiveness of aid; the national development policy of the recipient country; the national policy of international cooperation of the recipient country; the DP and the AAA. Table 3 shows the responses on the extent to which these factors have affected aid effectiveness.

For most respondents from OAICs, the country's domestic political context is a factor that positively influences aid effectiveness. The representatives of Guyana, Panama, the Dominican Republic and Uruguay, perceive the domestic context as a very positive influence; while Ecuador, Paraguay, and Peru rank it as positive. In contrast, the representatives of Mexico and Guatemala indicate that the domestic context has had no influence on aid effectiveness, while it has been a negative influence in Honduras.

Representatives in Guyana, Mexico, Panama, and Uruguay say the influence of their countries' management capacity on aid effectiveness is very positive, while representatives in Ecuador, Guatemala, and the Dominican Republic perceive it to be positive. Peru's representative perceives it as having no influence, while representatives in Honduras and Paraguay say it has been negative.

Knowledge and access to information about aid effectiveness has had a very positive influence according to the representatives of Ecuador, Guyana and Panama; and a positive impact for those of Guatemala, Honduras, Mexico and the Dominican Republic. However, for the representatives of Peru and Uruguay, this factor has had no influence. The representative of Paraguay responded "do not know / not applicable".

**TABLE 3: Factors influencing aid effectiveness
OAIC answers, by country**

	Very positive influence	Positive influence	Not had influence	Negatively influence	Very negative influence	Not applicable / I do not know	Total
a. Domestic political context of the recipient country	1. Guyana 2. Panama 3. Dominican Republic 4. Uruguay (40%)	1. Ecuador 2. Paraguay 3. Peru (30%)	1. Guatemala 2. Mexico (20%)		1. Honduras (10%)		10 (100%)
b. Management capacity of the recipient country	1. Guyana 2. Mexico 3. Panama 4. Uruguay (40%)	1. Ecuador 2. Guatemala 3. Dominican Republic (30%)	1. Peru (10%)	1. Honduras 2. Paraguay (20%)			10 (100%)
c. Knowledge and access to information about aid effectiveness	1. Ecuador 2. Guyana 3. Panama (30%)	1. Guatemala 2. Honduras 3. Mexico 4. Dominican Republic (40%)	1. Peru 2. Uruguay (20%)			1. Paraguay (10%)	10 (100%)
d. National development policy of the recipient country	1. Ecuador 2. Guyana 3. Mexico 4. Panama (40%)	1. Guatemala 2. Paraguay 3. Dominican Republic 4. Uruguay (40%)	1. Honduras 2. Peru (20%)				10 (100%)
e. National policy on international cooperation of the recipient country	1. Guyana 2. Panama (20%)	1. Honduras 2. Mexico 3. Dominican Republic (30%)	1. Ecuador 2. Paraguay 3. Peru 4. Uruguay (40%)			1. Guatemala (10%)	10 (100%)
f. Paris Declaration	1. Guyana 2. Panama (20%)	1. Guatemala 2. Mexico 3. Peru 4. Dominican Republic (40%)	1. Ecuador 2. Honduras 3. Uruguay (30%)			1. Paraguay (10%)	10 (100%)
g. Accra Agenda for Action	1. Guyana 2. Panama (20%)	1. Guatemala 2. Mexico 3. Dominican Republic (30%)	1. Ecuador 2. Honduras 3. Peru 4. Uruguay (40%)			1. Paraguay (10%)	10 (100%)

The national development policy of the recipient country has been a very positive influence to make aid more effective according to the representatives of Ecuador, Guyana, Mexico, and Panama, and a positive influence for those from Guatemala, Paraguay, the Dominican Republic, and Uruguay. For the representatives of Honduras and Peru, this factor has had no influence.

The national policy of international cooperation of the recipient country has been a very positive influence to make aid more effective according to the representatives of Guyana and Panama, and a positive influence for the representatives of Honduras, Mexico, and the Dominican Republic representatives. The representatives of Ecuador, Paraguay, Peru and Uruguay indicated that it has had no influence, while the representative of Guatemala responded "not applicable / do not know." The representative of Guatemala noted that "the country has no foreign policy, but some strategic guidelines".

The DP has had a very positive influence for only the representatives of Guyana and Panama, and a positive influence for the representatives of Guatemala, Mexico, Peru, and Dominican Republic representatives. For the representatives of Ecuador, Honduras, and Uruguay, the DP has had no influence, while the representative of Paraguay answered "not applicable / do not know. "

The AAA is considered a factor that has positively influenced aid effectiveness according to the representatives of Guyana and Panama, while its influence is considered positive by the representatives of Guatemala, Mexico, and the Dominican Republic. The representatives of Ecuador, Honduras, Peru, and Uruguay say it has had no influence; and in the case of Paraguay, they indicate "not applicable / do not know."

In general, most respondents consider that aid effectiveness has improved, but this progress has not been enough. In this regard, the representative of the Dominican Republic said that "it is estimated that the entire environment has positively influenced towards a more effective management of international cooperation in order to better support the process of building a national policy for international cooperation. Despite these national efforts, there is still a long way to go and improve effectiveness of aid. The National Development Strategy, which has summarized a consensus to improve aid effectiveness, is a step toward this direction. "

The representative of Panama stated that: "since Panama signed to the Paris Declaration, the government is making efforts with the few resources available to strengthen its international cooperation management capacities and also trust, transparency and coordination with donors in order to improve planning and implementing programs aligned and harmonized with a focus on results and accountability."

The representative of Peru says his country "enjoys a favorable political context, but suffers from a marked weakness in institutions like the APCI [the Peruvian International Cooperation Agency], which is in charge of managing international cooperation and coordinating with donors to improve the effectiveness of aid. With no clear guidelines for how international aid in the National Development Plan, international cooperation mainly contributes to isolated policy initiatives."

Respondents indicate that most decisions are made out of the country in donor agency headquarters; with the exception of the representatives of Ecuador, Honduras, and Panama, who indicate that some decisions are taken at donor offices in recipient countries. OAICs view the fact that decisions are made in donor agency headquarters as either negative impacting or having no influence at all on the management and coordination of aid. Mexico is an exception, believing it improves aid coordination.

In the case of Brazil, which provides international cooperation to countries in Latin America and Portuguese-speaking Africa, its management capacity and its national policies for international cooperation have not improved aid effectiveness. Box 1 summarizes the responses of Brazil's representative, who unlike the rest of the region, considers his country's role to that of aid donor.

BOX 1. Perceptions in Brazil about the PD, in its role as an aid donor country	
In the case of Brazil, the Ministry of Social Development and Fight Against Hunger's Advisor on international cooperation completed the survey. Brazil is a donor, providing aid to other countries in Latin America and Africa. The insights from this case are the following:	
Factors making aid more effective	The domestic political context and the recipient country's national policy have been factors that have been perceived as a positive influence in making aid more effective; while the capacity of management and national development policies of recipient countries are factors that have been perceived as negative influence. The influence of the Paris Declaration and the Accra Agenda for Action is seen as positive, though these guidelines have not resulted in reforms of international cooperation policies.
Decision-	The most important decisions are made at donor agency headquarters in Brazil, which has

making	positively impacted aid coordination, but negatively impacted aid management in the recipient countries.
Principles of the Paris Declaration	<p><i>Knowledge and importance.</i> Knowledge of the principles of the PD is ranked as good. Yet, the PD is not seen as important factor in the discussion and implementation of policies, programs and projects at the national level.</p> <p><i>Ownership and alignment.</i> Both principles have led to very positive progress in donors acquiescence to the government leadership, the adaptation of donor priorities to national priorities, transparency, consultation on conditions of aid with governments and other donors, public financial management capacity, the improvement of procurement systems in the past two years, donor support for capacity building to support the country's institutional systems, and donor trust in national processes.</p> <p><i>Harmonization.</i> The government of Brazil formally promotes cooperation in specific areas, leads the allocation of responsibilities between donors, and the division of labor. However, little improvement is seen in this principle.</p> <p><i>Managing for results.</i> There has been major progress in monitoring results on the national and sector-specific levels. By contrast, progress at the regional and local level has been more moderate.</p>
General aspects	Respondents have indicated progress on the issues of aid efficiency, the management of aid delivery, and the effectiveness of cooperation with other donors. In contrast, little progress was made in the leveraging the DP to strengthen social capital, reduce social exclusion, promote gender equality and promote results-based development.

3.1.2. Perceptions about the implementation of the Paris Declaration

Of the nine representatives of the OAICs that completed the survey, most consider their knowledge of the principles of the PD to be good or very good. The best known is the principle of ownership, followed by alignment and managing for development results; and finally, mutual accountability and harmonization, of which one and two respondents, respectively, indicated they possess only limited knowledge (see Table 4). In this regard, the representative of the Dominican Republic has indicated that "some officials and officers involved in this issue [development effectiveness] in three ministries [Economy, Planning and Development, Finance and Foreign Affairs] have sufficient knowledge about the five principles of the Paris Declaration. There have also been several seminars disseminating these concepts. In addition, the launch of the second follow-up survey of the Paris Declaration in 2008 had wide press coverage and was held at the highest level of government, with the participation of the donor community and representatives of the whole civil society."

The representative of Peru is one of the most critical of the principles of harmonization and mutual accountability: "I think there is still the need to promote the issue of mutual accountability. The same for harmonization, since a lot has been written but there are only few concrete results of joint work between donors and national institutions. On the other hand, donors still want to lead this process and guide national institutions, with few exceptions."

The survey results regarding the principle of ownership are shown in Table 5. Considering the factors evaluated, the representatives of Ecuador and Panama indicate that there have been significant improvements with respect to donors acquiescence to government leadership. According to representatives from Guyana, Honduras, Peru, and the Dominican Republic, there have been some improvements; but for those from Guatemala and Mexico, progress is limited. For the representative of Paraguay indicates no improvement.

Regarding the adaptation of donors to national priorities, the representatives of Ecuador and Panama indicate that there have been significant improvements. In the case of Guatemala, Guyana, Mexico, Peru, and the Dominican Republic, there have been some improvements. For the representative from Paraguay indicates little improvement, while the Honduras representative indicates none.

TABLE 4: How do you consider your knowledge of Paris Declaration?

	Very good	Good	Regular	Little	None	Total
a. Ownership	1. Ecuador 2. Honduras 3. Mexico 4. Panama 5. Paraguay 6. Peru 7. Dominican Republic (77.8%)	1. Guatemala 2. Guyana (22.2%)				9 (100%)
b. Alignment	1. Honduras 2. Mexico 3. Panama 4. Peru 5. Dominican Republic (55.6%)	1. Ecuador 2. Guatemala 3. Guyana 4. Paraguay (44.4%)				9 (100%)
c. Harmonization	1. Honduras 2. Mexico 3. Panama 4. Dominican Republic (44.4%)	1. Guatemala 2. Guyana 3. Peru (33.3%)	1. Ecuador 2. Paraguay (22.2%)			9 (100%)
d. Managing for development results	1. Honduras 2. Mexico 3. Panama 4. Paraguay 5. Dominican Republic (55.6%)	1. Ecuador 2. Guatemala 3. Guyana 4. Peru (44.4%)				9 (100%)
e. Mutual accountability	1. Honduras 2. Mexico 3. Panama 4. Dominican Republic (44.4%)	1. Guatemala 2. Guyana 3. Paraguay 4. Peru (44.4%)	1. Ecuador (11.1%)			9 (100%)

Only Ecuador’s representative indicates significant improvements in transparency in recent years. For the representatives of Guatemala, Honduras, Mexico, Panama, Paraguay, and Peru, there have been some improvements; but in Guyana and the Dominican Republic, only a few.

Only the Panama representative indicates significant improvements in donor consultations of governments and other donors on aid conditionality, while representatives from Guatemala, Honduras, Mexico, Panama, and Peru indicate some improvement.

Respondents indicate progress on donor support for capacity building to strengthen national systems. The representatives of Ecuador, Mexico, Panama, and the Dominican Republic have noted significant improvements; while those in Guatemala, Guyana, Paraguay, and Peru say that there has only been some improvement. Only the representative of Honduras has indicated that there are few improvements in this area.

Improvements in procurement systems over the past two years have been significant, according to the Dominican Republic representative. There have been some improvements in the cases of Guatemala, Guyana, Panama, and Peru. For the representatives of Ecuador, Honduras, and Paraguay, there has been little improvement, while for the representative of Mexico there has been none.

TABLE 5: Perceptions about the principle of ownership

	Significant improvements	Some improvements	Few improvements	No improvement	Reverse	Total
a. Donors adaptation to government leadership	1. Ecuador 2. Panama (22.2%)	1. Guyana 2. Honduras 3. Peru 4. Dominican Republic (44.4%)	1. Guatemala 2. Mexico (22.2%)	1. Paraguay (11.1%)		9 (100%)
b. Donor adaptation to national priorities	1. Ecuador 2. Panama (22.2%)	1. Guatemala 2. Guyana 3. Mexico 4. Peru 5. Dominican Republic (55.6%)	1. Paraguay (11.1%)	1. Honduras (11.1%)		9 (100%)
c. Improved transparency in the last two years	1. Ecuador (11.1%)	1. Guatemala 2. Honduras 3. Mexico 4. Panama 5. Paraguay 6. Peru (66.7%)	1. Guyana 2. Dominican Republic (22.2%)			9 (100%)
d. Consultations of governments and other donors on the aid conditionality in the past two years	1. Panama (11.1%)	1. Ecuador 2. Guyana 3. Mexico 4. Paraguay (44.4%)	1. Guatemala 2. Honduras 3. Peru 4. Dominican Republic (44.4%)			9 (100%)
e. Donor support for capacity building to strengthen national systems	1. Ecuador 2. Mexico 3. Panama 4. Dominican Republic (44.4%)	1. Guatemala 2. Guyana 3. Paraguay 4. Peru (44.4%)	1. Honduras (11.1%)			9 (100%)
f. Improvements in national public financial management capacities in the past two years	1. Peru (11.1%)	1. Guatemala 2. Guyana 3. Mexico 4. Panama 5. Paraguay 6. Dominican Republic (66.7%)	1. Ecuador 2. Honduras (22.2%)			9 (100%)
g. Improvements in national procurements systems in the last two years	1. Dominican Republic (11.1%)	1. Guatemala 2. Guyana 3. Panama 4. Peru (44.4%)	1. Ecuador 2. Honduras 3. Paraguay (33.3%)	1. Mexico (11.1%)		9 (100%)
h. Donor confidence in national processes		1. Guyana 2. Mexico 3. Panama 4. Paraguay 5. Peru (55.6%)	1. Ecuador 2. Guatemala 3. Dominican Republic (33.3%)	1. Honduras (11.1%)		9 (100%)

Finally, not a single respondent indicate significant improvements in donor confidence in national processes. For the representatives of Guyana, Mexico, Panama, Paraguay, and Peru, there have some improvements; but for Ecuador, Guatemala, and the Dominican Republic, the improvements are limited. For the representative of Honduras, there have been no improvements in this regard.

Aggregating these perspectives by country, both Ecuador and Panama have had a more positive outlook. Ecuador's representative indicates significant improvements in donor acquiescence to government leadership, donor adaptation to national priorities, transparency, and donor support for capacity building to strengthen national systems. For the representative of Panama, there are significant improvements in the adaptation of donors to government leadership, in the adaptation of donor acquiescence to national priorities, in donor consultations of government and other donors on aid conditionalities, and donor support for capacity building to improve national systems.

In contrast, the representative of Honduras reported that there has been no improvement in donor adaptation to national priorities the adaptation of donors' priorities to national priorities or in donor trust of national systems. For the representative of Paraguay there has been no improvement in donor acquiescence to government leadership; and for Mexico, there has not been improvement in national procurement systems in the past two years.

The perceptions about the principle of **alignment** have improved, particularly with respect to donors adaptation to national priorities, donor support for capacity building to strengthen national systems, and public financial management capacities in the past two years (see Table 6). Moreover, the representative of Ecuador indicates significant improvements in donor acquiescence to government leadership. For the representatives of Guyana, Mexico, Panama, Peru, and the Dominican Republic there have been some improvements, while in Guatemala and Paraguay, improvements are very limited. For the representative of Honduras, there are no improvements in this regard.

Regarding donor adaptation to national priorities, significant improvements are perceived by representatives in Ecuador, Panama, and the Dominican Republic; only some improvements in Guatemala, Guyana, Mexico, Paraguay, and Peru; and, in contrast, no improvement in Honduras.

Transparency has also improved in the case of Panama. The representatives of Ecuador, Guatemala, Guyana, Mexico, Peru, and the Dominican Republic indicate some improvements, while improvement is limited in Paraguay. For the representative of Honduras there have been no improvements.

Regarding consultations between governments and donors about aid conditions, none of the representatives indicate significant improvements. The representatives of Ecuador, Guyana, Mexico, Panama, Paraguay, Peru, and the Dominican Republic indicate only some improvements, while the representative from Guatemala perceive few improvements. The representative from Honduras perceives no improvements in this issue.

The representatives of Panama and the Dominican Republic perceive significant improvement in donor support for capacity building to strengthen national systems; Ecuador, Guatemala, Guyana, Mexico, and Peru indicate some improvement; while Honduras and Paraguay indicate few improvements.

The representatives of Peru and the Dominican Republic perceive significant improvement in national public financial management capacities in the past two years; representatives from Guatemala, Guyana, Mexico, Panama, and Paraguay indicate some improvement; while representatives from Ecuador and Honduras indicate few improvement.

The representatives of Guatemala, Guyana, Mexico, Panama, Peru, and the Dominican Republic indicated there have been some improvements in procurement systems over the past two years; while Ecuador and Paraguay progress have been little. For the representative of Honduras there have been no improvements in this area.

TABLE 6: Perceptions about the principle of alignment

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Donors adaptation to government leadership	1. Ecuador (11.1%)	1. Guyana 2. Mexico 3. Panama 4. Peru 5. Dominican Republic (55.6%)	1. Guatemala 2. Paraguay (22.2%)	1. Honduras (11.1%)		9 (100%)
b. Donor adaptation to national priorities	1. Ecuador 2. Panama 3. Dominican Republic (33.3%)	1. Guatemala 2. Guyana 3. Mexico 4. Paraguay 5. Peru (55.6%)		1. Honduras (11.1%)		9 (100%)
c. Improved transparency in the last two years	1. Panama (11.1%)	1. Ecuador 2. Guatemala 3. Guyana 4. Mexico 5. Peru 6. Dominican Republic (66.7%)	1. Paraguay (11.1%)	1. Honduras (11.1%)		9 (100%)
d. Consultations of governments and other donors on the aid conditionality in the past two years		1. Ecuador 2. Guyana 3. Mexico 4. Panama 5. Paraguay 6. Peru 7. Dominican Republic (77.8%)	1. Guatemala (11.1%)	1. Honduras (11.1%)		9 (100%)
e. Donor support for capacity building to strengthen national systems	1. Panama 2. Dominican Republic (22.2%)	1. Ecuador 2. Guatemala 3. Guyana 4. Mexico 5. Peru (55.6%)	1. Honduras 2. Paraguay (22.2%)			9 (100%)
f. Improvements in national public financial management capacities in the past two years	1. Peru 2. Dominican Republic (22.2%)	1. Guatemala 2. Guyana 3. Mexico 4. Panama 5. Paraguay (55.6%)	1. Ecuador 2. Honduras (22.2%)			9 (100%)
g. Improvements in national procurements systems in the last two years		1. Guatemala 2. Guyana 3. Mexico 4. Panama 5. Peru 6. Dominican Republic (66.7%)	1. Ecuador 2. Paraguay (22.2%)	1. Honduras (11.1%)		9 (100%)
h. Donor confidence in national processes		1. Guyana 2. Mexico 3. Panama 4. Peru (44.4%)	1. Ecuador 2. Guatemala 3. Paraguay 4. Dominican Republic (44.4%)	1. Honduras (11.1%)		9 (100%)

Finally, the representatives of Guyana, Mexico, Panama, and Peru perceive improvement in donor trust in national systems; while the representatives of Ecuador, Guatemala, Paraguay and the Dominican Republic indicate few improvements in this area. The representative of Honduras indicates there is no improvement in this issue.

Aggregating perceptions on the principle of alignment by country, the Dominican Republic, Ecuador, and Panama have positive perceptions, while Honduras perceive no advances in any aspect of this principle. The Dominican Republic representative adds: “as part of the process of modernizing the State and adequating its institutions to the new framework, donor have met some of the alignment requirement by allocating some of their aid resources to budget support. The implementation of SIGEF, DMFAS, UEPEX and PEFA are examples of improvements in the management of public finances. These systems must be improved and fully adopt. Similarly, the donor community must allocate an adequate percentage of ODA to national systems. With regard to the National Procurement System, the law 340-06 has targeted institution building. The system must develop strategic and operational plans and meet international standards before it can provide a platform for donor alignment. The same is true of other national processes that require more time to consolidate.”

With regard to the principle of **harmonization**, progress has been limited. Only Panama’s representative indicates significant improvements in its implementation; the representatives of Ecuador, Guatemala, and Honduras indicate some improvements; while Guyana, Mexico, Paraguay, Peru, and the Dominican Republic indicate only little improvement. The representative of the Dominican Republic thinks that: "there is particular progress in the division of labor, taking into account donor specialization and promoted also by the standards reflected in the code of conduct for the European Union. Moreover, the donor community is having regular meetings and roundtables of coordination on international cooperation, which constitute platforms for consultation and dialogue." Peru’s representative adds: “this principle that has improved the last in Peru. There are only few known cases of successful coordinated work between donors.”

With respect to the harmonization principle, there is effective government leadership on allocating responsibilities and dividing of labor between donors in Honduras and Panama; this leadership is only partial in the cases of Ecuador, Guatemala, and Mexico; and there is no government leadership in Guyana, Paraguay, Peru, or the Dominican Republic (see Table 7).

TABLE 7: **Harmonization principle**

Progress regarding harmonization principle:	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
	1. Panama (11.1%)	1. Ecuador 2. Guatemala 3. Honduras (33.3%)	1. Guyana 2. Mexico 3. Paraguay 4. Peru 5. Dominican Republic (55.6%)			9 (100%)
Government leadership in allocating responsibilities and dividing labor between donors	Completely leads	Mainly leads	Lead partially	No leads	Worsening	Total
		1. Honduras 2. Panama (22.2%)	1. Ecuador 2. Guatemala 3. Mexico (33.3%)	1. Guyana 2. Paraguay 3. Peru 4. Dominican Republic (44.4%)		9 (100%)

Regarding the principle of **managing for development results**, the representatives of Mexico and the Dominican Republic have indicated significant improvements in monitoring results at the national level. The representatives from Ecuador, Guyana, Panama, and Paraguay indicate some improvements; but for those from Guatemala, Honduras, and Peru, only limited improvements. At the

sector-specific level, the representatives of Mexico and the Dominican Republic indicate significant improvements, while those in Ecuador, Guatemala, Guyana, Honduras, Panama, Paraguay, and Peru indicate only some or limited improvements.

Monitoring development results at the regional level has had some improvements according to the representatives of Ecuador, Guyana, Mexico, Panama and Paraguay. The representatives of Guatemala and Honduras perceive little improvement in this area, while for those of Peru and the Dominican Republic indicate no improvements. At the local level, Guyana, Mexico, Panama and Paraguay indicates some improvement; in Ecuador and Guatemala only limited improvements; while in Honduras, Peru and the Dominican Republic they indicate no improvement.

In general, monitoring development results has advanced most at the sector-specific level. In Mexico and the Dominican Republic respondents indicate significant improvements at both, the national and the sector-specific level. In contrast, the representatives of Peru, the Dominican Republic, and Honduras indicate no improvement at the local level. In Peru and the Dominican Republic, respondents indicate that there have been no improvements at the regional level (see Table 8).

TABLE 8: Perceptions about the management for results principle

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Improvements in monitoring results at the national level of government	1. Mexico 2. Dominican Republic (22.2%)	1. Ecuador 2. Guyana 3. Panama 4. Paraguay (44.4%)	1. Guatemala 2. Honduras 3. Peru (33.3%)			9 (100%)
b. Improvements in monitoring government performance at the sector level	1. Mexico 2. Dominican Republic (22.2%)	1. Guatemala 2. Guyana 3. Honduras 4. Panama 5. Paraguay 6. Peru (66.7%)	1. Ecuador (11.1%)			9 (100%)
c. Improvements in monitoring results at the regional level of government		1. Ecuador 2. Guyana 3. Mexico 4. Panama 5. Paraguay (55.6%)	1. Guatemala 2. Honduras (22.2%)	1. Peru 2. Dominican Republic (22.2%)		9 (100%)
d. Improvements in monitoring the results at the local level of government		1. Guyana 2. Mexico 3. Panama 4. Paraguay (44.4%)	1. Ecuador 2. Guatemala (22.2%)	1. Honduras 2. Peru 3. Dominican Republic (33.3%)		9 (100%)

The Dominican Republic administration has implemented specific measures to improve results-oriented management. In this regard, its representative indicated that: “monitoring government results has improved to the extent that the Results-Oriented Management (PRODEV-RD) program has succeeded in various phases. Currently, the PRODEV-RD is implementing the phase III component of the ‘Implementation of Managing-for-Results at the institutional level’ program. During this phase a logical framework for evaluating programs in each of the six selected pilot institutions has been prepared. Moreover, this phase has also included the development of a plan to strengthen institutions, which will be implemented by industry experts by the end of this year [2010]. A consultant from ILPES / ECLAC has also been hired to standardize the processes and act as a 'quality filter' of the products / results. The country is building a culture of managing for results. It is a budding process that will takes years to fully achieve (see García López, Roberto, in 'The budget for results: the pillar of managing for development results in Latin America and The Caribbean ', page 268/BID). ”

In Guatemala, although the country has made some improvements in this PD principle, its representative adds: “monitoring projects is impossible, due to the dispersion of cooperation and the type of cooperation [decentralized cooperation] that goes to the local level.”

Representatives from Ecuador and Panama indicate that the principle of **mutual accountability** has significantly improved trust, mutual respect, open dialogue, and flexibility between donors and government. The representatives of Guatemala, Guyana, Mexico, Paraguay, Peru, and the Dominican Republic perceive some improvements; while in Honduras, these improvements are limited.

The representative of Ecuador indicate that accountability from governments to citizens and the Congress has significantly improved, while in Guatemala, Guyana, Mexico, Panama, Paraguay, Peru, and Dominican Republic, it has improved only to a limited extent. In Honduras the representative indicate no improvement. Regarding the access to information on aid flows and the use of these grants, it is considered to have improved significantly in Ecuador and Panama. The representatives of Guatemala, Guyana, Honduras, Mexico, Peru and the Dominican Republic, consider that there have been some improvements in this area, while in Paraguay, improvements have been limited (see Table 9).

TABLE 9: Perceptions about the mutual accountability principle

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Increased confidence, mutual respect, open dialogue and flexibility between donors and government	1. Ecuador 2. Panama (22.2%)	1. Guatemala 2. Guyana 3. Mexico 4. Paraguay 5. Peru 6. Dominican Republic (66.7%)	1. Honduras (11.1%)			9 (100%)
b. Positive changes in the accountability of government to citizens and the legislature	1. Ecuador (11.1%)	1. Guatemala 2. Guyana 3. Mexico 4. Panama 5. Paraguay 6. Peru 7. Dominican Republic (77.8%)	1. Honduras (11.1%)			9 (100%)
c. Public access to information on aid flows and the uses of received and given aid budget support at the national level	1. Ecuador 2. Panama (22.2%)	1. Guatemala 2. Guyana 3. Honduras 4. Mexico 5. Peru 6. Dominican Republic (66.7%)	1. Paraguay (11.1%)			9 (100%)

3.1.3. General aspects

The following general aspects have been evaluated in the survey: (i) aid efficiency in the past five years, (ii) aid management in the past five years, (iii) whether donor cooperation has been more inclusive and effective in the past five years, (iv) whether the PD has supported the strengthening of institutional capacities, (v) whether the PD has supported social capital strengthening, (vi) whether the PD has made the effort to reduce exclusion (vii) whether the PD has supported the promotion of gender equality, and (viii) whether the PD has contributed to improve development outcomes. Table 10 shows the results.

TABLE 10: Progress on different aspects of aid effectiveness and the Paris Declaration

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Has aid delivery been more efficient over the past five years?	1. Panama (11.1%)	1. Mexico 2. Paraguay 3. Peru 4. Dominican Republic (44.4%)	1. Ecuador 2. Guatemala 3. Guyana (33.3%)	1. Honduras (11.1%)		9 (100%)
b. Has aid management improved in the last five years?	1. Panama (11.1%)	1. Guatemala 2. Mexico 3. Paraguay 4. Peru 5. Dominican Republic (55.6%)	1. Ecuador 2. Guyana 3. Honduras (33.3%)			9 (100%)
c. Has cooperation with donors been more inclusive and effective in the last five years?	1. Panama 2. Paraguay (22.2%)	1. Ecuador 2. Guatemala 3. Guyana 4. Mexico 5. Peru (55.6%)	1. Honduras 2. Dominican Republic (22.2%)			9 (100%)
d. Has the Paris Declaration supported institutional capacity building?	1. Guatemala 2. Panama (22.2%)	1. Ecuador 2. Mexico (22.2%)	1. Guyana 2. Honduras 3. Paraguay 4. Peru (44.4%)	1. Dominican Republic (11.1%)		9 (100%)
e. Has the Paris Declaration supported the strengthening of social capital?	1. Panama (11.1%)	1. Mexico 2. Paraguay (22.2%)	1. Ecuador 2. Guatemala 3. Guyana (33.3%)	1. Honduras 2. Peru 3. Dominican Republic (33.3%)		9 (100%)
f. Has the Paris Declaration supported the national effort to reduce exclusion?	1. Panama (11.1%)	1. Guyana 2. Mexico 3. Paraguay (33.3%)	1. Ecuador 2. Guatemala 3. Honduras 4. Peru (44.4%)	1. Dominican Republic (11.1%)		9 (100%)
g. Has the Paris Declaration supported the promotion of gender equality?	1. Panama (11.1%)	1. Ecuador 2. Mexico 3. Paraguay (33.3%)	1. Guatemala 2. Guyana 3. Peru (33.3%)	1. Honduras 2. Dominican Republic (22.2%)		9 (100%)
h. Has the Paris Declaration helped in obtaining better results in terms of national development?	1. Panama (11.1%)	1. Guatemala 2. Mexico 3. Paraguay 4. Peru (44.4%)	1. Ecuador 2. Guyana 3. Honduras (33.3%)	1. Dominican Republic (11.1%)		9 (100%)

On the first point, only the representative of Panama considers that there have been significant improvements in aid efficiency in the last five years. The representatives of Mexico, Paraguay, Peru and the Dominican Republic consider that there have been some improvements, while those from Ecuador, Guatemala, and Guyana believe that these have been limited. In Honduras, the respondent considers that there has been no improvement.

Aid management has significantly improved in recent years only for the representative of Panama. For the representatives of Guatemala, Mexico, Paraguay, Peru and the Dominican Republic there have been some improvements; while for Ecuador, Guyana and Honduras, there have been only few improvements in this area.

Cooperation with donors has been more inclusive and effective in the past five years, and the representatives of Panama and Paraguay have indicated that improvement have been significant. According to the representatives of Ecuador, Guatemala, Guyana, Mexico and Peru there have been

some improvements in this area, while for those of Honduras and the Dominican Republic, these have been limited.

For the representatives of Guatemala and Panama the PD's influence on efforts to strengthen institutional capacity has improved significantly. For those of Ecuador and Mexico, it has slightly improved; and for Guyana, Honduras, Paraguay and Peru, only to a limited extent. To the representative of the Dominican Republic it has not improved.

The PD's influence on efforts to strengthen social capital has been significant according to the representative of Panama. For the representatives of Guyana and Mexico it has improved slightly; while for Ecuador, Guatemala and Honduras it has barely improved. For the representatives of Peru and the Dominican Republic it has not improved at all.

The PD's influence on the reduction exclusion has improved in Panama, it only has slightly improved in Ecuador, Mexico and Paraguay; only to a certain extent in Ecuador, Guatemala, Honduras and Peru; and not at all in the Dominican Republic.

The PD's influence on the promotion of gender equality has improved significantly in Panama; it has had some improvements in Ecuador, Mexico and Paraguay; little improvement in Guatemala, Guyana and Peru; and no improvement in Honduras and the Dominican Republic.

Finally, the PD's influence on improving development results at the national level has significantly improved in Panama; it has had some improvement in Guatemala, Mexico, Paraguay and Peru; little improvement in Ecuador, Guyana and Honduras; and none in the Dominican Republic.

3.2. Implementation of the Paris Declaration in Honduras: a study of perceptions

3.2.1. The context in Honduras

The political and economic context and the state of international cooperation relations in Honduras have been the two main factors that have negatively affected Honduras' ability to achieve its development objectives. This has been evident during the ongoing political crisis exacerbated by the June 28th coup, where Roberto Micheletti was sworn in as Interim President after President Manuel Zelaya was deposed.

The international community expressed their opposition to such measures and Honduras weakened its standing with several organizations such as the United Nations (UN), the Organization of American States (OAS), the European Union (EU), the Union of South American Nations (UNASUR), the Alianza Bolivariana para las Américas (ALBA), the Rio Group, Group of the TUXTLA mechanism (Central America, Mexico and Colombia), World Bank (WB), Inter-American Development Bank (IADB), Central American Bank for Economic Integration (CABEI) and Central American Integration System (SICA).

The political crisis was a direct consequence of the confrontation between President Manuel Zelaya, Congress, and the Supreme Court. Meanwhile, after several years of economic growth, the economy started slowing in 2007, a decline that intensified in 2008.³ Other signs of this deceleration are: falling trade,⁴ rising public debt after a sharp reduction —from US\$5.1 billion in 2005 to US\$3.1

³ In 2000 GDP grew at 5.7 percent and 6.6 in 2006, and maintained similar rates except in 2001 (2.7 percent). Growth rates in 2007 and 2008 were 6.3 and 4.0 percent respectively.

⁴ Exports went from US\$ 6,298 million in 2007 to US\$6,201 in 2008. Imports increased but a slower pace (5 percent) in 2008, while it had been growing at 8 percent rates during 2000-2007.

billion in 2007, then back to US\$3.3 billion in 2008— and decreasing public spending in 2008 after several years of increases.⁵

In this context, financial aid has had a significant influence on development. Aid has been volatile in the last decade. The latest most significant reduction was from US\$355.8 million in 2008 to US\$28.2 million in 2009. This drop could be explained primarily by opposition from the international community to the coup of June 28th 2009, the suspension of Honduras as a member of the OAS and the withdrawal of ambassadors from the European Union.

On November 29th 2009, Honduras held presidential elections and Mr. Porfirio Lobo, from the National Party, was elected President. Interim President Roberto Micheletti delegated his power to his Council of Ministers on January 21st 2010. While Mr. Lobo's government has gradually won acceptance from the international community, a group of countries still refuse to formally accept his administration.

In terms of development results, progress has been made with regard to the Millennium Development Goals (MDGs). However, as a result of the political, economic and financial situation, this positive trend has probably

stalled or reversed, but there is no updated data. Extreme poverty dropped from 22.2 percent of the population living on less than a dollar a day in 2005, to 18.2 percent in 2006. By 2008, universal access to education had reached 95 percent coverage. With respect to gender, women have achieved greater access to education and political representation, but have been less successfully in terms of equality in economic conditions. Similarly, indicators show improvements in health care for pregnant mothers⁶, lower infant and maternal mortality,⁷ and mortality by tuberculosis.⁸

3.2.2. Perceptions about aid effectiveness

Consultations were made with three types of actors: representatives of OAICs, DAICs and CSOs. Most respondents agree that the domestic political context, management capacity, public access to knowledge and information, national development policies and international cooperation policies have had no influence or a negative influence on aid effectiveness. In contrast, respondents indicate that the Paris Declaration (PD) and the Accra Agenda for Action (AAA) have had a positive influence on aid effectiveness, although a high percentage of respondents indicated that they did not know the actual influence of PD or the AAA. Nevertheless, perceptions regarding this topic vary by type of actors. Donor agencies find the domestic political context to be a very negative influence on aid effectiveness, while CSOs find this context to be less negative. Perceptions about public access to knowledge and information are negative among CSOs, while neutral and positive to donors and national agencies, respectively. The influence of national development policies on aid effectiveness is neutral, according to OAICs and CSOs, but negative in the case of donor agencies. A similar result occurs in the case of the influence of national policies for international cooperation. The PD and the AAA have a positive influence in opinion of donor agencies, but its influence is neutral in the eyes of representatives of national agencies (See figure 1).

A majority of respondents say that decisions are made in donor agencies' headquarters, and this perception is shared by national agencies and over half of the CSOs respondents. In contrast, donor agencies indicate that decision-making is shared between their headquarters and national-based offices. They acknowledge that headquarters' influence is usually perceived as negative or null on management and coordination. Moreover, according to the opinion of CSO representatives, this

⁵ Public spending went from 21,9 percent of GDP in 2007 to 21,7 in 2008.

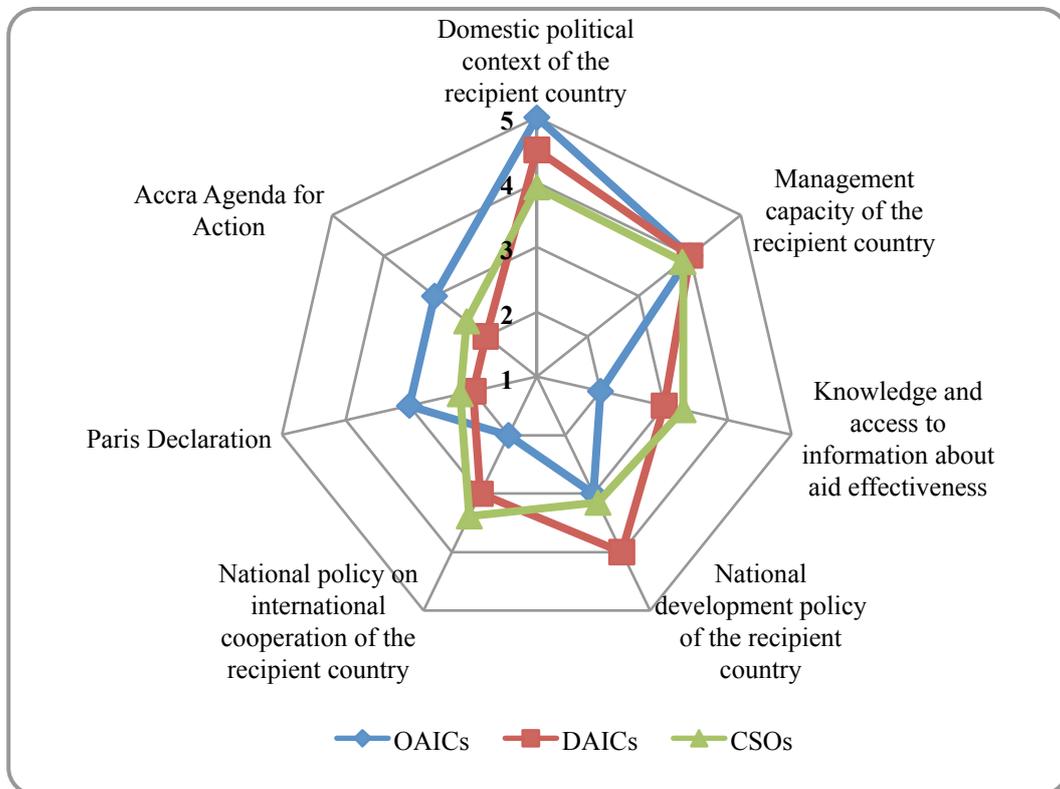
⁶ 55.7 percent of pregnant mothers received medical attention in 2001, and this number increased to 66.9 percent in 2006.

⁷ Infant mortality reduced from 33 deaths per 1000 born alive in 2000, to 26 in 2008.

⁸ From 107 cases per 100 mil inhabitants during 2000-2004, death from tuberculosis diminished to 76.8 cases in 2005-2008.

practice weakens the institutional capacities of recipient countries, slants domestic priorities and results in conditions on aid.

FIGURE 1: Factors that have influenced aid effectiveness

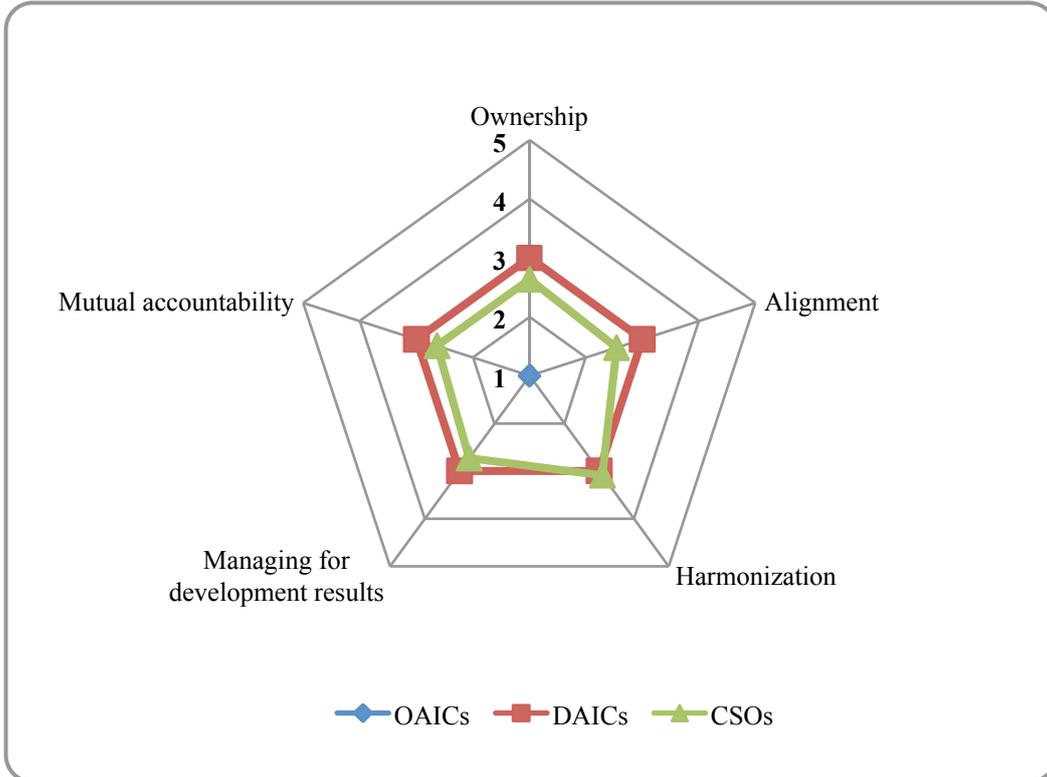


Notes: 1=very positive influence, 2=positive influence, 3=no influence, 4=negative influence and 5=very negative influence

3.2.3. Perceptions about the implementation of the Paris Declaration

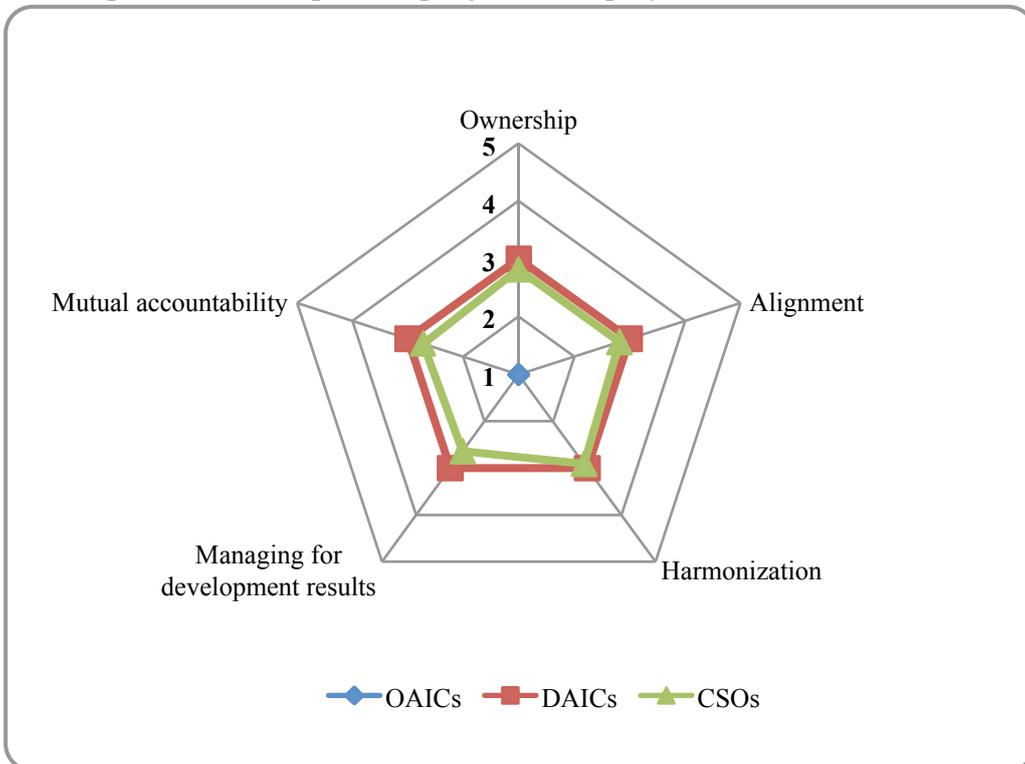
In Honduras, knowledge of the principles of the Paris Declaration varies markedly according to the type of actors. Public officers from the Honduras National Cooperation Office indicate advanced knowledge of these principles, but officers from donor agencies and CSOs say they have only average knowledge. Of all the principles, harmonization is the least well known. Similarly, this pattern applies to the importance that the three types of actors give to the discussion and implementation of policies, programs and projects at the national level (see figure 2 and 3).

FIGURE 2: Knowledge of the Paris Declaration principles



Notes: 1=very good, 2=good, 3=regular, 4=poor y 5=none

FIGURE 3: Importance of the Paris Declaration principles on the discussion and implementation of policies, programs and projects at the national level



Notes: 1=very important, 2=important, 3=not very important, 4=not discussed y 5=do not know

Regarding the principle of **ownership**, most respondents perceive some or few improvements in donors adapting to national leadership, aligning their priorities to national priorities, supporting the creation of capacities in national systems, negotiating conditionality and developing national public financial management. Meanwhile, 30.8 percent of respondents indicate that transparency has not improved, while 38.5 percent indicate that donor confidence on national systems has worsened (see Table 11).

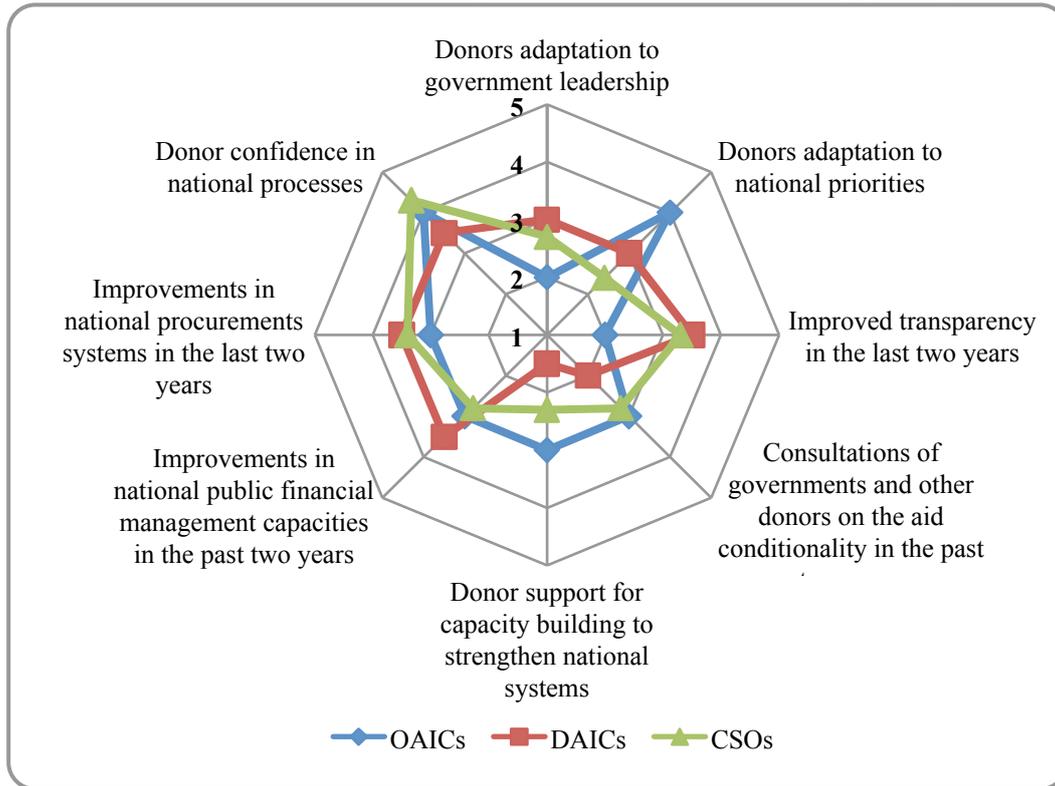
TABLE 11: Progress on the implementation of the ownership principle

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Donors adaptation to national leadership		7 (53.85%)	4 (30.77%)	1 (7.69%)	1 (7.69%)	13 (100%)
b. Donor adaptation to national priorities	1 (7.69%)	7 (53.85%)	2 (15.38%)	2 (15.38%)	1 (7.69%)	13 (100%)
c. Transparency in the last two years		5 (38.46%)	2 (15.38%)	4 (30.77%)	2 (15.38%)	13 (100%)
d. Consultations of governments and other donors on the aid conditionality in the past two years	1 (7.69%)	6 (46.15%)	3 (23.08%)	2 (15.38%)	1 (7.69%)	13 (100%)
e. Donor support for capacity building to strengthen national systems	2 (15.38%)	6 (46.15%)	5 (38.46%)			13 (100%)
f. Improvements in national public financial management capacities in the past two years		5 (38.46%)	6 (46.15%)		2 (15.38%)	13 (100%)
g. Improvements in national procurements systems in the last two years		3 (23.08%)	5 (38.46%)	2 (15.38%)	3 (23.08%)	13 (100%)
h. Donor confidence in national processes		1 (7.69%)	1 (7.69%)	6 (46.15%)	5 (38.46%)	13 (100%)

With regard to the principle of ownership, and taking into account the differences of opinions between different actors, the adaptation of donors to government leadership has had some improvements according to the official agency of international cooperation; while donors' agencies and CSOs see these improvements as limited. The adaptation of donors' priorities with national priorities has improved according to CSOs, while donor agencies see some improvement and the official agency sees none.

Transparency has improved according to the official agency, but it has not in the eyes of CSOs and donor agencies. Consultations with the government about aid conditions have had some improvements in the opinion of donor agencies, but only limited improvements for donor agencies and CSOs. Donor support for capacity building to improve national systems has improved in the opinion of donor agencies and CSOs, but only to a limited extent in the eyes of the national agency. Public financial management capacities and procurement systems have slightly improved in the opinion of the three groups of actors. Finally, the three group of actors perceive no improvement in donor trust in national systems (see Figure 4).

FIGURE 4: Progress on the implementation of the ownership principle



Notes: 1=Significant improvements, 2=some improvements, 3=little improvements, 4=no improvements; and 5=worsening situation.

There is no pattern that defines the **alignment** principle, as described in Table 12. Most respondents perceive that the national administration partially leads the process of coordinating with donors, but improvements in transparency and public financial management capacity are minimal.

Donors indicate that there have been some or few improvements in aligning their priorities with national priorities; slight improvements in strengthening national system capacities; and slight improvements in negotiating aid conditionality in the last two years as well. Meanwhile, trust in national systems has worsened or not improved at all.

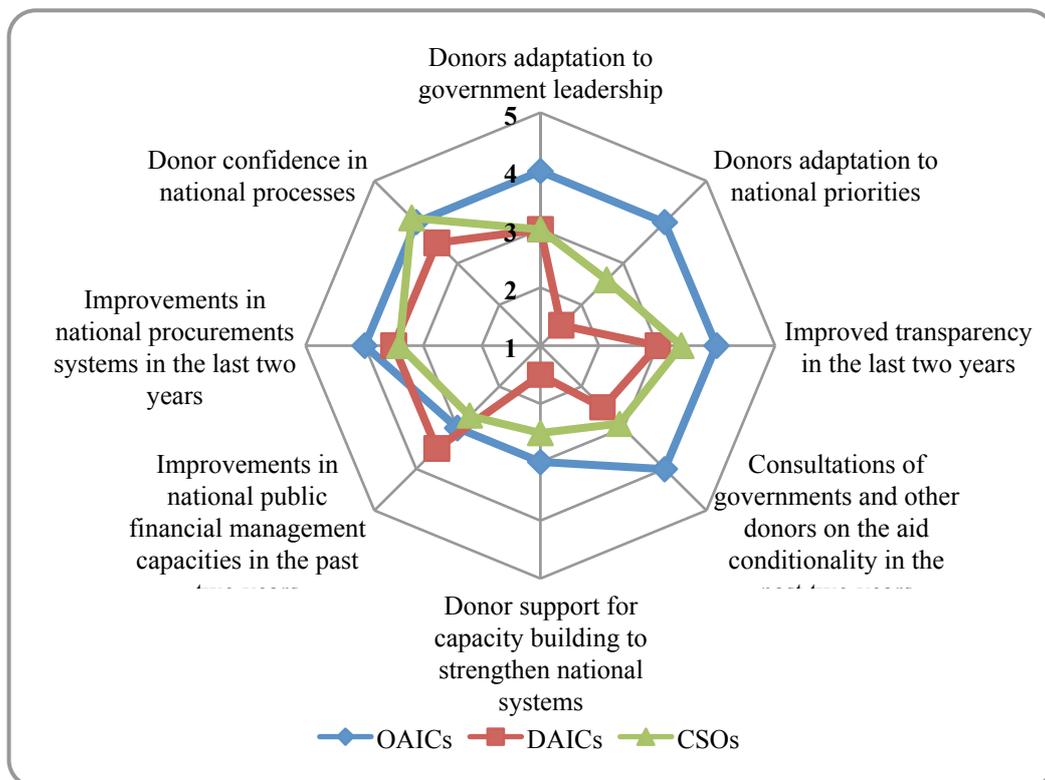
In the case of the alignment principle, different actors also have different perceptions (see figure 5). While donors and CSOs have seen an improvement in donor adaptation to national leadership, the national agency indicates that there has been no improvement. Other issues are: donor adaptation with national priorities, in which donors indicate an improvement, but national agencies and CSOs perceive none; and transparency, in which donors and CSOs perceive some improvements, national agencies perceive none.

OACIs perceive some or little improvement on donor consultations of the national government on aid conditions, while CSOs perceive little improvement, and the official agency perceives none. Donor support for capacity building to support institutional systems of the country has some significant improvements or enhancements to OECIs, some or little improvement for civil partnerships, and few for the official agency. The management of public finances has been little improvement for the agency official and civil associations, and between few and no improvement for OECIs. Procurement systems have had little improvement for civil partnerships between few and none for agencies, and no improvement for the agency official. Finally, donor confidence in national processes has been between little and no improvement for AOCIs, and no improvement for the agency official and civil associations.

TABLE 12: Progress on the implementation of the alignment principle

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Donors adaptation to national leadership		4 (30.77%)	5 (38.46%)	3 (23.08%)	1 (7.69%)	13 (100%)
b. Donor adaptation to national priorities	1 (7.69%)	6 (46.15%)	4 (30.77%)	2 (15.38%)		13 (100%)
c. Transparency in the last two years		3 (23.08%)	3 (23.08%)	6 (46.15%)	1 (7.69%)	13 (100%)
d. Consultations of governments and other donors on the aid conditionality in the past two years	1 (7.69%)	3 (23.08%)	6 (46.15%)	2 (15.38%)	1 (7.69%)	13 (100%)
e. Donor support for capacity building to strengthen national systems	1 (7.69%)	6 (46.15%)	6 (46.15%)			13 (100%)
f. Improvements in national public financial management capacities in the past two years		4 (30.77%)	8 (61.54%)		1 (7.69%)	13 (100%)
g. Improvements in national procurements systems in the last two years		2 (15.38%)	4 (30.77%)	6 (46.15%)	1 (7.69%)	13 (100%)
h. Donor confidence in national processes		1 (7.69%)	2 (15.38%)	6 (46.15%)	4 (30.77%)	13 (100%)

FIGURE 5: Progress on the implementation of the alignment principle

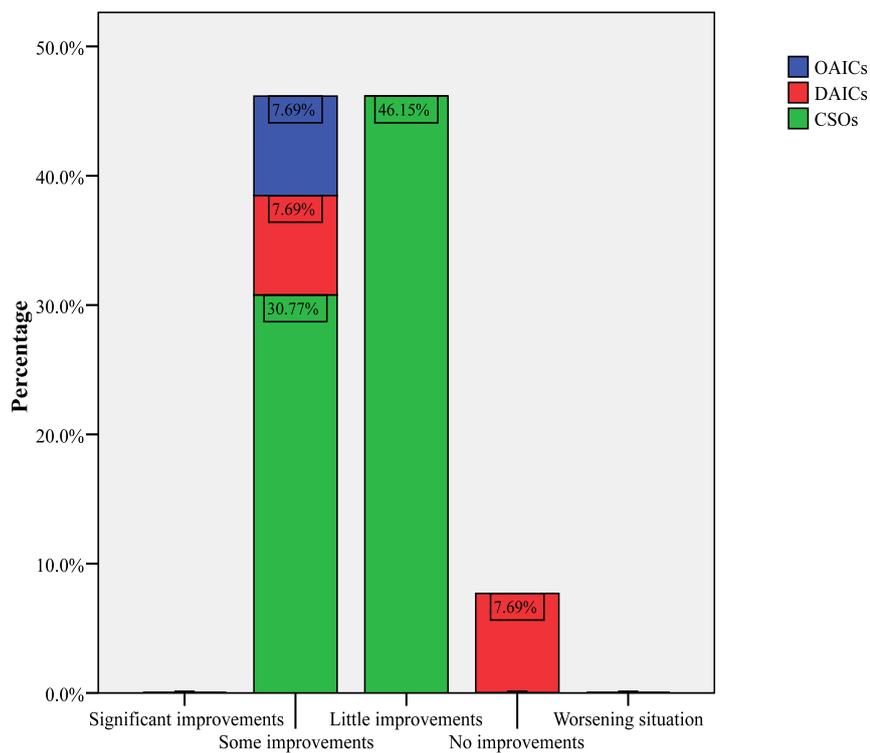


Notes: 1=Significant improvements, 2=some improvements, 3=little improvements, 4=no improvements; and 5=worsening situation.

Regarding the *harmonization* principle, most respondents considers that the administration promotes cooperation between donors in specific areas in an informal way, has partial leadership in cooperation

issues, and promotes the division of labor between donors. For donors, “*having decided unanimously to suspend their cooperation after the coup*” was part of their commitment to advance the Paris Declaration agenda. Nevertheless, donors are working together more frequently, and the respondents indicated some examples like: “*JICA working with the IADB preparing several studies*”, “*UNFPA is promoting its national program under the leadership of the Health Ministry*”, and “*Canada (ACDI), Denmark (DANIDA) and Sweden (SIDA) are supporting the strengthening and utilization of national systems in order to apply the Paris Declaration principles*”. In general, CSOs indicate that harmonization has slightly improved, but the national agency and the donors see improvements as limited (see Figure 6).

FIGURE 6: Progress on the implementation of the harmonization principle



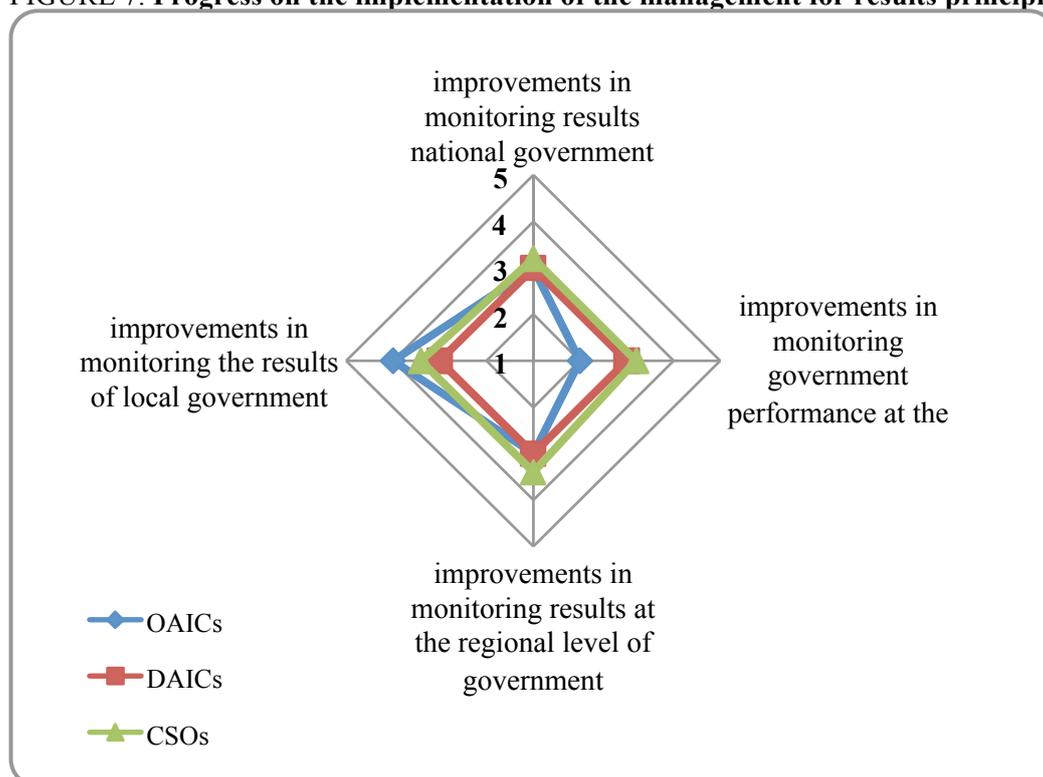
Regarding the *management for results* principle, respondents perceive little or no improvement in governments monitoring for results of programs and projects at the national, sector-specific, regional and local levels. Moreover, a number of respondents indicate that the national administration partially leads the effort of donors to strengthen national capacities and achieve a result-oriented management process (see table 13).

TABLA 13: Progress on the implementation of the management for results principle

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Have you noticed that the government’s monitoring for results has improved at the national level?		3 (23.08%)	5 (38.46%)	5 (38.46%)		13 (100%)
b. Have you noticed that the government’s monitoring for results has improved at the sector level?		5 (38.46%)	2 (15.38%)	6 (46.15%)		13 (100%)
c. Have you noticed that the government’s monitoring for results has improved at the regional level?		3 (23.08%)	4 (30.77%)	5 (38.46%)	1 (7.69%)	13 (100%)
d. Have you noticed that the government’s monitoring for results has improved at the local level?		3 (23.08%)	2 (15.38%)	8 (61.54%)		13 (100%)

In general, monitoring for results is perceived to have slightly improved at the national and regional level. CSOs and donors have similar opinions regarding monitoring for results at the sector and local level, although the national agency perceives no improvement (see Figure 7).

FIGURE 7. Progress on the implementation of the management for results principle



Notes: 1=Significant improvements, 2=some improvements, 3=little improvements, 4=no improvements; and 5=worsening situation.

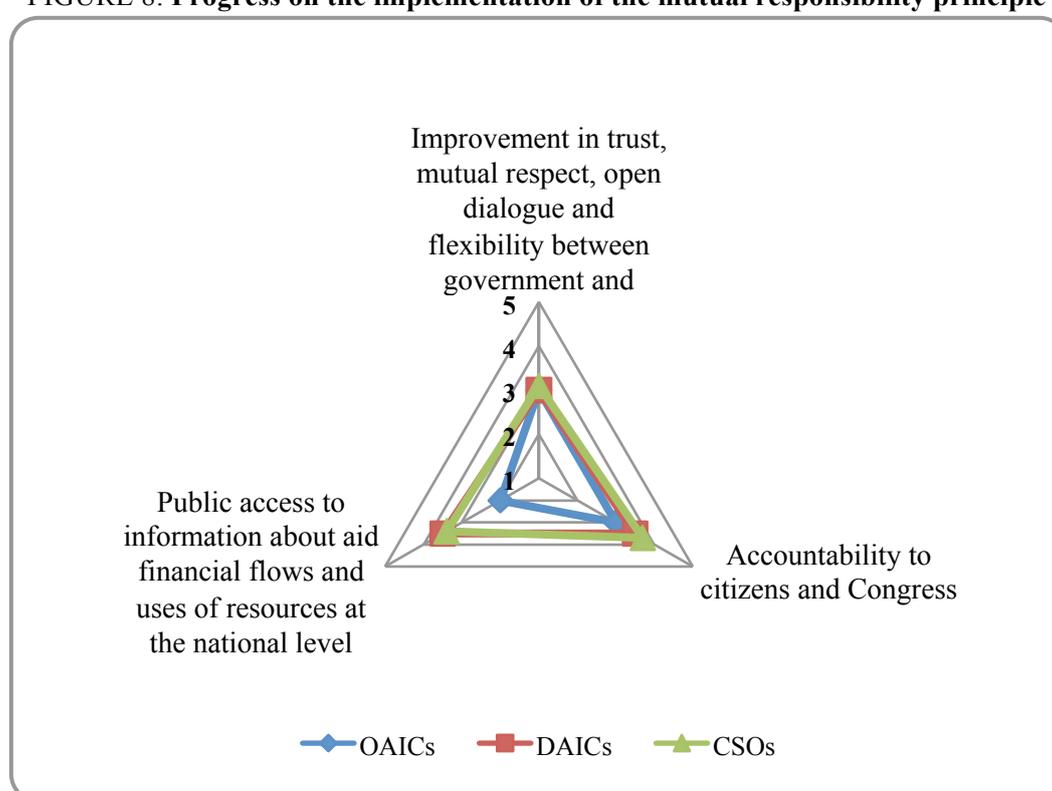
Regarding the *mutual responsibility* principle, most respondents in Honduras perceive limited improvements with regards to trust, mutual respect, open dialogue and flexibility between government and donors, although some of them also indicate that it may have worsened. Moreover, most respondents indicate little or no progress in accountability to citizens and Congress (see Table 14).

TABLA 14: Progress on the implementation of the mutual responsibility principle

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Improvement in trust, mutual respect, open dialogue and flexibility between government and donors	1 (7.69%)	4 (30.77%)	4 (30.77%)	1 (7.69%)	3 (23.08%)	13 (100%)
b. Accountability to citizens and Congress		3 (23.08%)	3 (23.08%)	3 (23.08%)	4 (30.77%)	13 (100%)
c. Public access to information about aid financial flows and uses of resources at the national level		4 (30.77%)	3 (23.08%)	4 (30.77%)	2 (15.38%)	13 (100%)

Analyzing by types of actors, results slightly differ. While donors and the national agency recognize some improvements, CSOs perceive no progress. On the other hand, access to financial data about aid (sources and uses) has improved, but CSOs and donors do not share this perception (see Figure 8).

FIGURE 8: Progress on the implementation of the mutual responsibility principle



Notes: 1=Significant improvements, 2=some improvements, 3=little improvements, 4=no improvements; and 5=worsening situation.

3.2.4. General aspects in the case of Honduras

In general, most respondents perceive limited progress in several aspects of the consultations (aid management, government cooperation with donors, and whether the aid process have become more inclusive and effective compared to previous years). Donors, the national agency of international cooperation and CSOs more or less coincide in this appreciation.

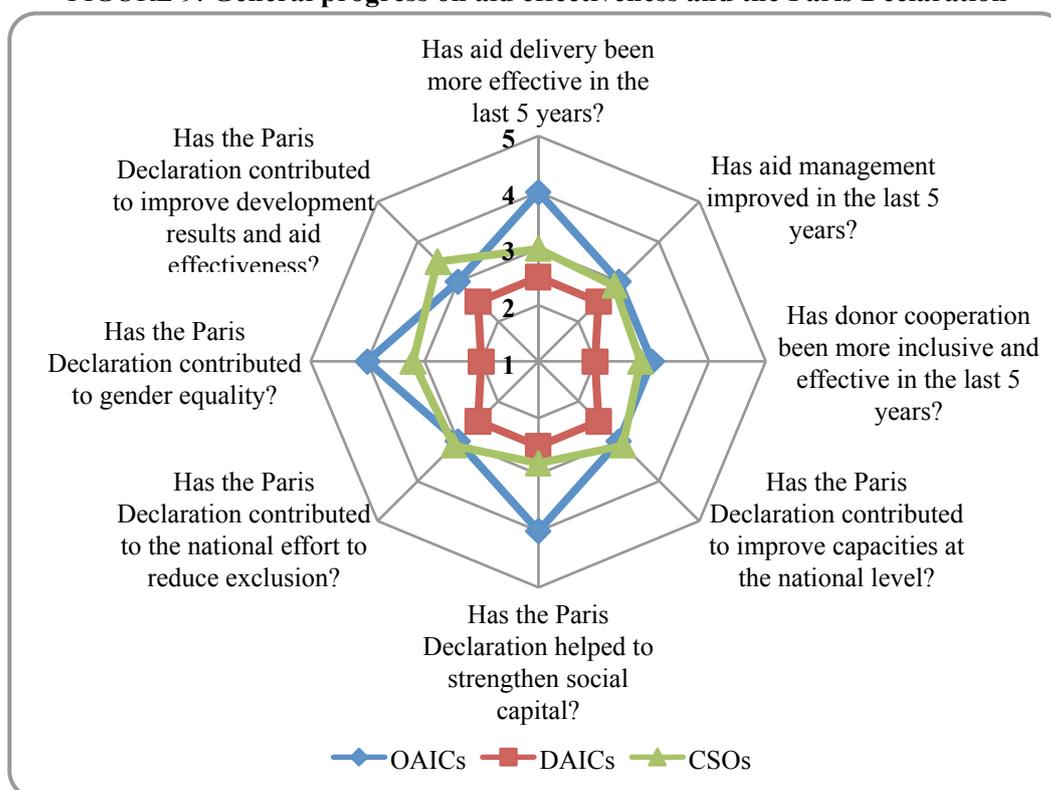
In the case of perceptions about the implementation of the Paris Declaration principles, the general appreciation is that progress has been limited or null in most cases (government efforts to reduce exclusion and inequality, promotion of gender equality and development results at the national level). The perception about national efforts to strengthen social capital is less clear, since no two type of actor share perceptions on the level of progress (see Table 15).

TABLE 15: Progress on general aspects of aid effectiveness and the Paris Declaration

	Significant improvements	Some improvements	Few improvements	No improvements	Worsening	Total
a. Has aid delivery been more effective in the last 5 years?		5 (38.46%)	4 (30.77%)	3 (23.08%)	1 (7.69%)	13 (100%)
b. Has aid management improved in the last 5 years?		5 (38.46%)	6 (46.15%)	1 (7.69%)	1 (7.69%)	13 (100%)
c. Has donor cooperation been more inclusive and effective in the last 5 years?	1 (7.69%)	4 (30.77%)	6 (46.15%)	2 (15.38%)		13 (100%)
d. Has the Paris Declaration contributed to improve capacities at the national level?	1 (7.69%)	2 (15.38%)	6 (46.15%)	4 (30.77%)		13 (100%)
e. Has the Paris Declaration helped to strengthen social capital?	1 (7.69%)	4 (30.77%)	4 (30.77%)	4 (30.77%)		13 (100%)
f. Has the Paris Declaration contributed to the national effort to reduce exclusion?	1 (7.69%)	2 (15.38%)	6 (46.15%)	4 (30.77%)		13 (100%)
g. Has the Paris Declaration contributed to gender equality?	1 (7.69%)	1 (7.69%)	7 (53.85%)	4 (30.77%)		13 (100%)
h. Has the Paris Declaration contributed to improve development results and aid effectiveness?		2 (15.38%)	6 (46.15%)	4 (30.77%)	1 (7.69%)	13 (100%)

Donors indicate some progress regarding support for strengthening national capacities, improving social capital, reducing exclusions and improving aid effectiveness. Regarding the implementation of the Paris Declaration and its overall impact on different aspects of national development, there has been little progress. Finally, the national agency perceive some improvement in strengthening national capacities, reducing inequalities and improving national development results; in contrast, there has been less progress in strengthening social capital and reducing gender inequality (see figure 9).

FIGURE 9: General progress on aid effectiveness and the Paris Declaration



Notes: 1=Significant improvements, 2=some improvements, 3=little improvements, 4=no improvements; and 5=worsening situation.

The survey in Honduras portrays divergent opinions across different types of actors on the Paris Declaration and progress on aid effectiveness. Different opinions and perceptions show varying degrees of understanding about the impacts of and progress in implementing the Paris Declaration, and could also indicate different degrees of access to information on aid and its impact. Nevertheless, there is wide consensus that the political context has negatively impacted aid effectiveness and the implementation of the Paris Declaration.

4. Some general interpretations of the results

Perceptions on the progress of the implementation of the DP and the effectiveness of development assistance in Latin America and the Caribbean reflect the diversity of countries, as well as the diversity of views from national officials, donors and civil society. Unfortunately, the responses to the survey were more limited than we expected, and they were too few to provide general conclusion on this issues. However, it has been possible to identify three elements that provides a sense of how this process has been implemented in the region: (i) the perspective of OAICs of recipient countries in the region, (ii) the perspectives of Brazil as an aid donor, and (iii) an analysis of the views of various actors in the case of Honduras.

One of the first interpretations that can be drawn from the results is the importance of context in each country, which favors or hinders aid effectiveness. This is a central issue in Latin America and the Caribbean, due to the high vulnerability and variability of the domestic context in the region. Honduras provides a good example of how an unfavorable turn in the political context rolls back achievements in aid effectiveness and development results from previous years.

Brazil is a particular case. That country's perceptions about cooperation are more consistent with those of a donor country than of an aid recipient country. Other countries in the region are moving in that direction, while still being aid recipients—as Brazil still is. Therefore, it is likely that in the short-term, Latin America could have more countries that are both aid recipients and donors. This should be a starting point for future assessments; in which it will be necessary to distinguish the implications of this duality in each country's behavior toward and perceptions of international aid.

These results suggest that aid effectiveness has partially improved in the region, but several issues must still be addressed in order to achieve better development results. Some common challenges of this unfinished agenda are:

- Latin America and the Caribbean will be able to improve aid effectiveness by strengthening the institutions, policies and policy instruments related to national systems in each country. While there has been progress and increased confidence in management capacities, institutions, and procurement and financial systems, advances must be consolidated and improved.
- The PD has been a key factor in improving aid coordination between donors and recipient countries in terms of objectives, procedures and accountability, while also including CSOs in the effort to improve development results. These linkages must be further strengthened, particularly to expand the inclusion of civil society in the processes of evaluation and policy design. The case of Honduras suggests that civil society views the impact of aid effectiveness differently than other actors.
- Ownership and alignment are the best known of the Paris Declaration principles and have been rapidly incorporated. Governments are taking leadership and improving coordination with donors, and making donors align their priorities with the national priorities and guidelines of recipient countries. However, it will be an even greater challenge to improve with respect to the principles of harmonization, managing for development results and mutual accountability.

- While the PD has heretofore had a greater influence on improvements in aid effectiveness, the AAA is still in an early stage of implementation and contains proposals that will build on early successes to foster progress.