

What Does the OECD Peer Review of NZ Aid Say? A Glass Half Empty and a Glass Half Full

NZADDs Commentary¹ – 2015/2
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Introduction

Six months after the OECD-DAC Peer Review Team visited New Zealand it published its [final report](#) on New Zealand's aid programme on 23 June 2015. Peer reviews take place every five years among OECD members and they offer the country being reviewed feedback about its aid programmes and policies vis-à-vis the other 28 OECD-DAC members.

Around mid-July, members of NZADDs discussed the findings from the Peer Review with Members of Parliament (MPs) responsible for the international development portfolios of various political parties, visiting them in their offices in the Beehive or the Bowen House. NZADDs members also discussed the Peer Review with New Zealand MPs who belong to the Commonwealth Parliamentary Association (CPA).

In preparing for and actually having these conversations, two matters became clear. First, the Peer Review is a diplomatically worded document. This left people reading it in the light of an early morning with the impression of an empty glass, while others reading it in the light of the late afternoon perceived a glass half-full. MFAT itself sees it as “[a positive endorsement](#)”. Second, the full report on the Peer Review has a hundred-and-one pages; the summary still covers seven pages. We have not yet met an MP who had found time to read either, whether in the morning or the afternoon.

To promote [dialogue and critical thinking](#) about New Zealand's role in international development, this document juxtaposes two perspectives from two NZADDs members; one from Gerard Prinsen and the other from Jo Spratt (who also wrote a [blog post](#) on the peer review). To assist busy people, we have limited each summary to one page and have combined them here in one document – presenting both the half empty and half full glasses on one tray.

¹ NZADDs Commentaries provide commentary from the perspective of the author, contributing to discussion and analysis of NZ aid and development work. NZADDs Commentaries do not necessarily represent an official NZADDs stance on any issue. Commentaries and other NZADDs papers can be read online at: <http://nzadds.org.nz/publications/>.

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In the Early Morning Light: The Glass Looks Empty (Gerard Prinsen)

In the sharp light of the morning, the OECD-DAC Peer Review comes across as diplomatic – in its scathing assessment of New Zealand’s ODA. The critiques can be summarised in nine points:

1. New Zealand’s ODA now supports the international expansion of its private sector...

“New Zealand increasingly looks to use ODA to partner with the private sector and leverage private investments.” (p. 15)

2. ... but the objectives of ODA going to the private are not clear, nor is impact measured

“New Zealand should be clear on its private sector objectives, and means of delivering them.” (p. 15)

3. New Zealand ODA has lost a focus on poverty alleviation...

“New Zealand could show a clearer commitment to implementation: a focus on fighting poverty.” (p. 16)

4. ... and volume-wise is at the bottom section of the OECD tables

“ODA currently stands at USD 502 million, equivalent to 0.27% of gross national income (GNI). This is well below the 0.7% commitment and below the average of 0.39% for DAC members.” (p. 17)

5. New Zealand ODA has lost connections with civil society organisations

“[The] Partnerships Fund ... does not seem to be providing right incentives to promote sustained engagement ... [There is] scope to improve overall engagement with civil society organisations.” (p. 19)

6. NZAID’s reintegration into MFAT cannot show whole-of-government impact

“There is limited evidence to suggest that this strategy has improved the integration of cross-cutting issues into all aspects of New Zealand’s development co-operation.” (p. 16)

7. New Zealand ODA is poorly planned...

“It is not clear how a policy commitment to reducing poverty translates into the design, monitoring and evaluation of country strategies and programming.” (p. 16)

8. ... it is poorly implemented...

“Impact of organisational change ... room for improvement ... information management system is not fit for purpose ... [development specialists] fewer in number ... considerable turnover.” (p. 18)

9. ... and poorly evaluated, and communicated

“There is a risk, however, that the selection of evaluation topics, and the credibility of the findings, could be compromised by the evaluation unit sitting within the line organisation.... reports made public are anecdotal in nature and provide little information on impact or results.” (p. 16, 20, 21)

In sum and to paraphrase Churchill: the OECD-DAC Peer Review suggests the New Zealand aid programme is going to hell in such a way that we worry whether we’ll be arriving at the right gate and on time.

In the Late Afternoon Light: The Glass Looks Half-Full (Jo Spratt)

In the more mellow light of the afternoon, one can see at least ten positives in the Peer Review.

1. New Zealand has a long history of (generally) advocating policies that support development and advance Pacific Island Country interests.

“New Zealand has a reputation as an influential, fair-minded, global citizen... and advances the global public goods agenda in its region.” (p. 25)

2. New Zealand has done well thus far on advancing government policies beyond ODA policy that support development overseas.

“New Zealand has the analysis, the policy commitment and the coordination mechanisms needed for a policy coherence for development approach.” (p. 26)

3. New Zealand’s ODA expenditure is supported by various plans and frameworks.

“New Zealand has a clear purpose, policy vision and strategies... with a strong commitment to the quality of cooperation.” (p. 33)

4. New Zealand ODA is becoming more focused and longer-term.

“New Zealand is pursuing ‘bigger, fewer, deeper, longer’ activities with a ‘five-plus’ agenda (programming at least five years and over NZD 5 million)”(p. 34). “New Zealand’s ODA is increasingly concentrated on its focus countries.” (p. 44)

5. New Zealand has set itself an ambitious agenda to leverage private investments and engage the private sector in development efforts.

“New Zealand is increasingly looking at using ODA to partner with the private sector and leverage private investments.” (p. 28)

6. The Aid Programme is building its capability in humanitarian work and development work, particularly in fragile states.

NZ has “[a] pragmatic approach to working in fragile states... and opportunities to support recovery and resilience are being picked up.” (p. 36) “The lack of special tools is not a major problem – NZ’s pragmatic overall approach to development is well suited to delivery in fragile contexts.” (p. 61)

7. New Zealand’s ODA effectiveness is enhanced through predictability.

“Budgeting and programming have become more predictable by providing multi-year commitments for bilateral programmes, partner countries and multilateral partners.” (p. 57)

8. New Zealand is working to reduce the burden on countries that receive its ODA, though using their systems, even in challenging contexts.

“There is now a policy commitment to use partner country’s own systems.” (p. 58)

9. Improved focus on measuring results from ODA expenditure, particularly in terms of outputs.

“New Zealand has integrated a strong focus on results in its new operating model, structure and business processes.” (p. 65)

10. New Zealand does well in responding to natural disasters.

“Disaster response is clearly New Zealand’s key strength in humanitarian assistance.” (p. 77)