

The BACKUP model in German Development Cooperation

How German development cooperation helps make global financing more effective in the health, education and climate sectors

Background

Today, many development challenges cannot be tackled by any one country alone, but only by joining forces. This is true of both the financing and the implementation of development strategies. The Millennium Development Goals and the discussion of the post-2015 development agenda clearly reflect the growing global awareness of the need for better coordinated, country-oriented international cooperation.

Global financing mechanisms

In this context, global financing mechanisms play a crucial role. Not only are they intended to leverage international cooperation and make it more effective but also help put cooperation firmly on the basis of partnership. This was the rationale behind the founding of the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) and the Global Partnership for Education (GPE) in 2002. Both have increasingly integrated the principles of effectiveness and partnership into their global and national activities, and have influenced on international development cooperation in the health and education sectors. On the basis of this experience, the United Nations Framework Convention on Climate Change (UNFCCC) decided in 2010 to establish a Green Climate Fund (GCF) to promote climate-resilient, low-emission development.

If global financing mechanisms are to operate effectively, however, certain preconditions must be met at national level. These include the availability of data and information, managerial and implementation capacities, specific technical expertise, and the willingness and ability of the government to cooperate with international partners, and with national and international civil society. Moreover, countries must have the capacities to draw up applications for global financing and to devise national programmes in the relevant sectors, to put these funds to effective use.

Specific features of the BACKUP model

Approach

Before they are granted funds from global financing mechanisms, and before they can use such funds effectively to meet identified needs, partner countries need specific expertise. If this expertise needs to be developed in country, bought in at short notice, or developed with other partners and shared in the long term, partners often require additional assistance to finance technical advisory services.

Targeted support as required can generate tangible value added. What is needed is swift, flexible, transparent, partner-oriented assistance. This is where German development cooperation's BACKUP model comes in. It facilitates this type of support, preventing bottlenecks and losses in terms of the quality and the effective implementation of programmes that have been granted global funding. This benefits partner countries, but also the global financing mechanisms, the donors who pay into the funds and the donor partners in country which help translate into practice national strategies in the fields of health, education and climate.

Objective

The BACKUP model aims to support the work of global financing mechanisms by providing flexible assistance at short notice in line with partner country needs, thus ensuring that the resources of global financing mechanisms can be used to greater effect.

Programmes

The model dates back to 2002 when the German BACKUP Initiative was founded, parallel to the founding of the Global Fund itself. The German BACKUP Initiative – Education in Africa (BACKUP Education) has been helping partner countries in Africa to attract and use GPE funds since 2011. Since the start of 2013, GIZ and KfW have together been developing the BMZ's Climate Finance Readiness Programme parallel to the Green Climate Fund. It is to supplement the activities of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMU) and of the GCF itself.



These three programmes are aligned with the cooperation structures of the respective global mechanism. They cooperate closely with the secretariats and partners at global, regional and national levels. GIZ is implementing the three BACKUP programmes on behalf of the German Federal Ministry for Economic Cooperation and Development.

Cross-cutting issues

The programmes for the health and education sectors highlight the need to strengthen conflict sensitivity, gender equity and participation on the part of civil society. These have a special status in the justification of each application and in implementation. All financed measures should help foster national capacities.

The services provided by BACKUP programmes

Global financing mechanisms often have few opportunities if any to offer support to partner countries in the form of further training or attending conferences, technical assistance or

The three BACKUP modes

Fast access mode: Funds are provided at short notice for one-off activities, such as attending conferences or training courses, so as to encourage exchange of experience and networking.

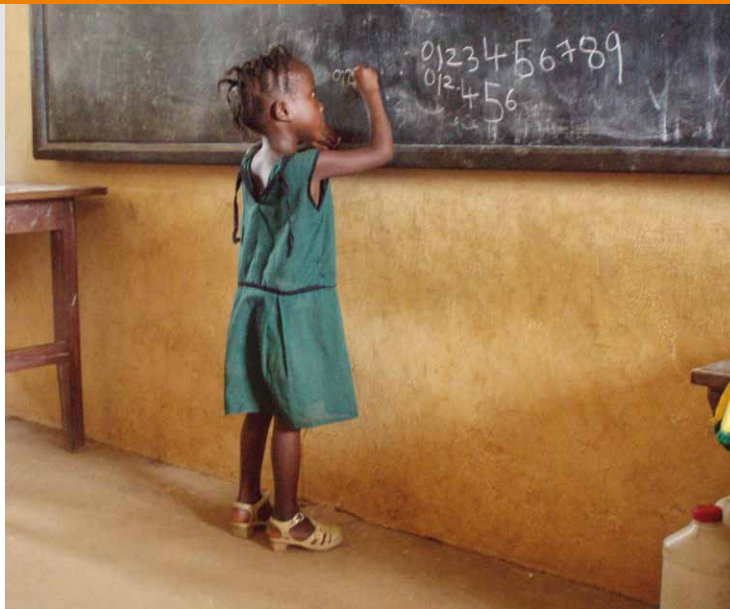
Consultancy mode: This is used to finance the assignment of short-term experts to perform specific tasks such as conducting analyses or helping draw up programme-related documents.

Project mode: In project mode, financing agreements are entered into and grants agreed with state and non-governmental organisations in partner countries. They can include deliveries of materials and equipment on a limited scale.

small-scale projects. Since there is a great need for this sort of support, governments and civil society organisations can apply to the BACKUP initiatives in the health or education sector for assistance. The BACKUP initiatives have three different ways of extending assistance. Depending on the existing implementation capacities of the applicant, support can be modified in terms of volume, monitoring and duration. BACKUP services are also available in countries in which Germany is not otherwise active in the sector in question. The Climate Finance Readiness Programme cooperates with selected countries within the framework.

Examples of BACKUP activities

German BACKUP Initiative: The support extended to the Eurasian Harm Reduction Network (EHRN) is one example of how the German BACKUP Initiative assists civil society organisations with GFATM processes. EHRN, based in Vilnius, Lithuania, is a civil society network founded in 1997 which has 370 members, individuals and organisations, in 28 countries. It promotes humane, evidence-based harm reduction approaches to drug use in Central Asia and Eastern Europe. Along with two other regional networks, EHRN was selected in 2013 as an early applicant for GFATM's new financing model. BACKUP provided financial support for the development of the application for GFATM funding, the regional consultations required, and for testing a peer-to-peer system, which was an integral part of the regional initiative. BACKUP is also a member of the EHRN regional advisory group, which generates strategic and technical impetus for the implementation of the regional initiative. It aims to strengthen civil society in the countries of Eastern Europe in order to perform the advocacy work needed to reduce the harm caused by drug use. This is to result in increased national spending and the assumption of responsibility for relevant measures.



German BACKUP Initiative – Education in Africa: After a BACKUP Education-financed meeting of the African voting members of the Board of Directors of the GPE in Ghana 2012, Benin applied for funding for a study trip to Ghana. Both countries have long-standing experience in the use of GPE funds. The study trip took place in July 2013. Eight delegates from Benin (representing the four ministries responsible for education and the inter-ministerial secretariat for the implementation of the ten-year plan for education) discussed management, procurement, data gathering and evaluation, and decentralisation with their counterparts at the Ghanaian Ministry of Education. The group had the support of an educational expert from Benin which did much to underpin the learning effect. Inspired by experience in Ghana, the group has produced an action plan intended to drive change forward in Benin. The plan has been presented to the local donor group and policy-makers within the four ministries responsible for education. In 2014, during the annual assessment of progress in the education sector, it is to be ascertained what has already been translated into practice.

Climate Finance Readiness Programme: In Zambia the Ministry of Tourism, Environment and Natural Resources and the Ministry of Finance already have extensive experience and well developed capacities in the field of climate change. The country is expected to be able to effectively step up its climate-related activities with the assistance of the Green Climate Fund (GCF). However, the Zambian institutions do not yet meet all probable requirements for directly accessing GCF finance. The Climate Finance Readiness Programme is thus assisting Zambia make its institutions GCF compliant. For example, an advisor is analysing whether and to what extent the relevant organisations and ministries meet GCF criteria. The strengths and weaknesses of these institutions are evaluated in detail and the support requirements identified. This will help Zambia decide on the financial outlay it is prepared to make in order to access GCF funds directly, and what benefits it can expect from these funds. In-country partners will be able to use the results of the analysis in order to develop

their capacities to use national and international funds effectively. Here too the Climate Finance Readiness Programme will provide support.

Potentials and challenges

Potentials

Flexible and swift financing: The BACKUP Initiatives in the health and education sectors provide funds pledged by BMZ. GIZ manages these funds using a dedicated financial management system which provides for flexible and rapid processing.

Contribution to ensuring aid effectiveness: The chances of achieving aid effectiveness and sustainability are increased when governments, national civil society and international development partners agree on common principles to guide cooperation, and if they gear their work to agreed national programmes and development goals. The BACKUP model works with existing coordination structures in a country and offers focussed support within the overall context of a sector.

Enhancing ownership: The support provided through the BACKUP Initiatives is intended to enhance independent, results-oriented action on the part of the organisations receiving support. In the long term this should help strengthen partner governments in their efforts to effectively realise their sector strategies, and to provide sufficient funding for this. This includes efforts to attract bilateral and multilateral funding.

Promoting civil society: The BACKUP model, as practised by the initiatives in the health and education sector, offers a unique opportunity to strengthen grassroots democracy, thanks to a special focus on the promotion of national civil society organisations. They act as committed advocates in planning processes and in negotiations with state organisations regarding the provision of social services even in the most remote areas of a country.

Building advisory capacities: The BACKUP approach makes it possible to train consultants from partner countries in the processes used by the global funds, and subsequently to assign these newly trained consultants. This builds expertise in the country, creates a stronger link to the country itself and helps make the country independent of international advisory services.

Fostering South-South exchange: The challenges facing partner countries when using funds granted by global financing mechanisms are often similar. The BACKUP programmes thus support trans-national learning so that partner countries facing similar difficulties can discuss and share solutions. Regional exchanges of knowledge and networking can thus be enhanced. In this context assistance can be provided for workshops, network meetings, study trips and the establishment of web-based knowledge platforms.

Challenges

Quality versus speed: The BACKUP programmes operate worldwide or at supraregional level, and do not generally have local representatives in partner countries. The GIZ offices in partner countries make an important contribution to quality assurance and are available to local partners as a point of contact. For all three programmes it is important to establish close working relations with the secretariat of the relevant global financing mechanism and with the partners of the sector coordination groups. This is the only way to obtain information swiftly and benefit from synergies. To ensure the quality of applications received by the BACKUP Initiatives in the health and education sectors, time-consuming consultation and coordination is needed with the applicants and other partners. This is essential in order to build on previous interventions and results, and to coordinate new measures.

Input versus demand: The financing provided by the BACKUP Initiatives in the health and education sectors is generally comparatively short-term and the financing volume tends to be low. This can entail a high administrative input, since every individual measure has to be reviewed and agreed by contract.

Results verification versus flexibility: The request-based approach adopted by the BACKUP Initiatives in the field of health and education mean that the results and sustainability of a BACKUP measure (especially in terms of its place within a process and/or inputs of other stakeholders) are verifiable and can be plausibly deduced. The wide geographical spread of the measures, the large number of different applicants, the different contexts in which support is provided, and the number of other partners involved in the technical and financial side of measures all make it more difficult to determine the results of these projects. Conversely, a specific response to given local difficulties can actually resolve a problem that has been blocking a more complex process.

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At a glance: The three German initiatives based on the BACKUP model

	German BACKUP Initiative (health sector)	German BACKUP Initiative – Education in Africa	Climate Finance Readiness Programme
Global financing mechanisms	Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)	Global Partnership for Education (GPE)	Green Climate Fund (GCF)
Volume of the global fund to date	EUR 22.4 billion in 150 countries	EUR 2.34 billion since 2003	In development
Germany's contribution to the global fund to date	EUR 200 million per annum	EUR 32.8 million since 2008	In development
Geographic scope	Worldwide, about 80 partner countries to date	Africa	In countries and regions agreed with BMZ
Applicant (Partner organisation in the case of the Climate Finance Readiness Programme)	Ministry of health National, regional, international civil society organisations and networks	Ministries of education National and regional civil society organisations and networks	Generally ministries of the environment and ministries of finance
Term	Since September 2002	Since January 2011	Since October 2012
Ongoing phase	October 2012 – September 2015	January 2011 – September 2014	October 2012 – December 2018
Volume (ongoing phase)	EUR 15.25 million	EUR 6.62 million	EUR 10 million
Project number	2012.2114.2	2010.2258.1	2012.9769.6
Promotion criteria	Link to GFATM processes	Preparing an application for GPE funding or using GPE funds	Preparations for the use of GCF funds
Procedure for granting support	Application based	Application based	Agreed at bilateral level
Quality assurance provided by	GIZ offices in partner countries Bilateral health projects and programmes Country coordinating mechanism	GIZ offices in partner countries Bilateral education projects and programmes Local education group	GIZ offices in partner countries Bilateral climate, environmental and good governance projects and programmes Technical dialogues
Thematic focus	Gender equity Civil society participation Strengthening health systems	Gender equity Conflict sensitivity Civil society participation Developing national capacities South-South exchange	Developing strategies and policies Preparing institutions for dealings with GCF Global knowledge exchange
Shared principles	Speed / transparency / sustainability / partner orientation / appropriate for the local context / appropriate for applicant's capacities		