



Summary

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Who, how and why

– Sida's choice of partners and aid modalities

Summary

The Swedish National Audit Office (NAO) has audited whether the Government and the Swedish International Development Cooperation Agency (Sida) have created the conditions necessary for making an effective choice of partners and aid modalities in the implementation of Swedish development aid. The audit shows that Sida's internal governance and support mainly promote effective choices. However, Sida has not been sufficiently clear concerning the choices and priorities they have made to help achieve the set objectives. Therefore, it is not possible to follow how Sida has determined that the selected contributions would be the most effective ones to help reach the set objectives. The audit also shows that the Government's governance through strategies essentially gives Sida leeway to adapt strategy implementation to the context. Nonetheless, the strategies should be clearer and more focused so that Sida is better positioned to make effective choices.

The audit was conducted in light of the fact that Sida distributes a considerable portion of Sweden's international development aid, amounting to SEK 26.2 billion in 2020. Most of the funds finance aid contributions carried out by other actors in partnership with Sida. Sida's choice of partners is thus central for how aid funds are used and what results they are expected to achieve.

Audit findings

Unclear what choices and priorities lay behind a large share of Sida's choice of partners and aid modalities

In its preparation and decision-making process, Sida justifies how the chosen contributions are relevant in relation to the strategy objectives. However, Sida has generally not presented and justified the overarching choices and priorities that have been made to contribute to the strategy objectives and that led to the choice of contributions. This limits the transparency of Sida's choices and makes it difficult to follow why Sida chose these specific contributions, partners and aid modalities, for example ahead of other possible alternatives. Therefore, it is also not possible to follow how Sida determined that the selected contributions would be the most effective ones to help reach the objectives.

Sida needs to improve its documentation of choices and priorities

The Swedish NAO finds that Sida needs to clarify and document the choices and priorities that the agency makes to support the strategy objectives. In the opinion of the Swedish NAO, the documentation is important in order to follow the considerations that led to Sida's choice of partners and aid modalities, and thereby create the conditions necessary for effective choices. The documentation also contributes to an institutional memory at Sida and to better opportunities for follow-up and learning, which in turn can contribute to adjustments and new priorities going forward.

Unclear how lessons learned from previous contributions have been considered in the choice of new ones

In its selection of new contributions, Sida considers previous results and lessons learned to varying degrees. As regards completely new contributions, it is seldom clear how Sida has taken into account previous results and lessons learned. This is clearer in contributions that build on previous contributions, since in these cases, Sida mainly learns from the previous contribution. On the other hand, the majority of the lessons learned that Sida refers to are positive rather than negative.

Nonetheless, neither in completely new contributions nor in ones that build on previous contributions is it clear how Sida has taken into account possible lessons at an overarching level within the framework of the strategy. It is the opinion of the Swedish NAO that Sida's accumulated lessons from previous contributions should be used to continuously guide Sida's overarching choices and priorities. However, it should also be possible to refer to them in Sida's appraisal of

contributions, both completely new ones and ones that build on previous contributions.

The Government's strategies give Sida leeway but are not sufficiently clear

The Government's governance through strategies give Sida leeway to adapt implementation based on local conditions and contextual changes. At the same time, the strategies are comprehensive and cover many areas of support and objectives, which makes it difficult for Sida to have an overall view in the implementation of strategies and to make effective choices. The Swedish NAO therefore assesses that the strategies should be clearer and more focused.

Recommendations

To the Government

- Ensure clearer and more focused strategies by:
 - specifying thematically defined areas of support
 - limiting the number of objectives
 - formulating the objectives at an overarching level.

To Sida

- Ensure compliance with internal governance so that theories of change are evident in the annual strategy plans. Make sure to:
 - present and justify the overarching choices and priorities that are made to support the strategy objectives
 - update the theories of change continuously, for example based on contextual changes or new lessons.
- Ensure that lessons from previous contributions are taken into account, in particular in the choice of new partners and aid modalities.