

Editorial

Governance affects private and public life of people the world over. A recent World Bank survey revealed that the key constraints to private business are bureaucracy and corruption. This is particularly the case in most parts of Asia, Sub-Saharan Africa and Latin America.

As a result of the Paris and Accra declarations, weak governments and government organizations are more and more put in charge of contracting and financial management. One of the consequences of weak governance is an increase of bureaucracy and corruption. This puts additional constraints on consulting companies such as GFA which predominantly work in international development cooperation. A rise in delayed project starts and late payments are common indicators. Hence, we as a private consulting company have a vested interest in improving governance in the countries we are engaged in.

Our second newsletter this year provides an insight into the GFA approach regarding what we refer to as 'sector governance'. The first article offers a definition of governance by dividing it in three tangible dimensions. These dimensions have an impact on all business areas or sectors GFA is engaged in. The Safe Blood Transfusions Project implemented in Pakistan is a case in point from the health sector.

The natural resources management project in Vietnam, portrayed in the second article, builds on partner procedures and guidelines so that the project's innovations at the commune level have led to an entry point for additional sector measures.



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Sector Development from a Governance Perspective

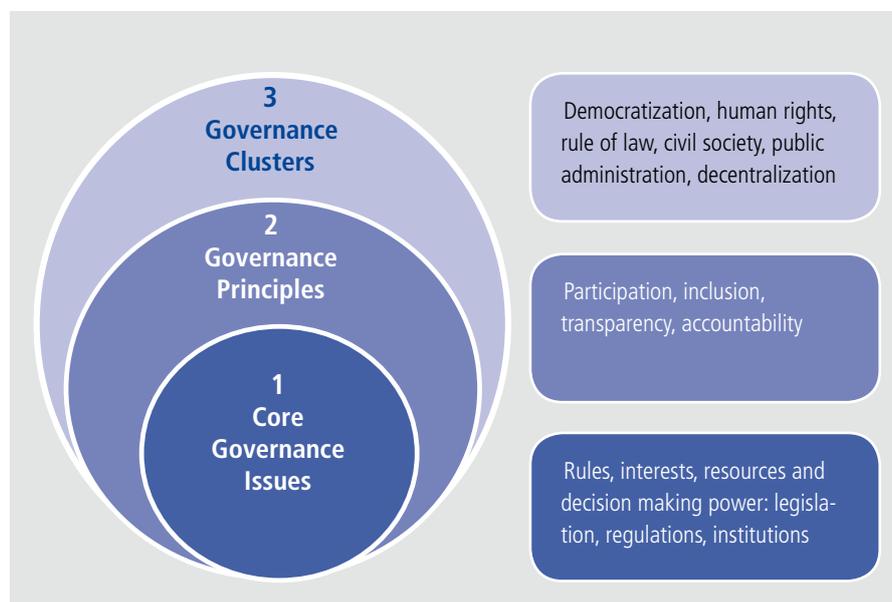
Governance is a prerequisite for sustainable development in different sectors of development programs. Policies and government guidelines determine the opportunities and limitations of innovative sector programs. Experts estimate that 70 percent of the work processes in sectors are governance related. Hence, poor governance can severely limit opportunities for social and economic development.

Promoting governance in a specific sector can have a wide impact. It is a building block in fostering democratic processes, the rule of law, human rights and gender equality. It is critical for aid effectiveness, since adequate governance conditions are essential pre-conditions for domestic ownership and the use of domestic capacities. GFA's understanding of governance follows the EU definition: „Governance concerns the state's ability to serve the citizens. It refers to the rules, processes and behavior by which the interests are articulated, resources are managed, and power is exercised in society. The way public functions are carried out, public resources are managed and public regulatory powers are exercised is the major issue to be addressed in that context.“ According to this definition, governance relates to three dimensions. Core governance issues refer to rules, interests, resources and power. This dimension is targeted at the establishment

and implementation of legislation, regulations and corresponding institutions. The second dimension, governance principles, entails participation, inclusion, transparency and accountability. These principles can be used to direct the design of development programs and establishment of institutions, and should be integrated in all development interventions. The third dimension highlights the characteristic connotations of governance. Governance clusters include democratization, promotion and protection of human rights and gender equality, reinforcement of the rule of law and administration of justice, strengthening civil society, public administration reform and the management of public finances as well as decentralization and local government reform.

The GFA approach

GFA works in all mentioned clusters in governance specific projects and programs across the globe. But sector specific projects, too, are affected by decisions in broader social, political and economic contexts. Hence, the overall governance quality in GFA partner countries and their institutions have to be adequately considered because of their impact on project interventions. Consequently GFA has oriented its governance approach towards incorporating the governance prin-



The three dimensions of governance

Sector Development from a Governance Perspective (continued from page 1)



Promoting public participation

principles participation, inclusion, transparency and accountability in the planning, implementation, monitoring and evaluation of interventions in different sectors. GFA experts approach governance at the macro, meso and micro level and integrate the above mentioned principles as core principles of their work. They support government as well as civil society to enhance these principles and to strengthen good governance in partner countries' interventions. To that effect, GFA has developed and adapted many IT-based tools which increase governance principles such as transparency and accountability. Such tools range from water billing software tested in Syria to revenue generation tools as implemented in the Philippines. The organizational structure of GFA reflects that governance is perceived as a key issue that concerns all sectors and divisions. The strategic business area related to governance – 'decentralization and public sector management, cuts across all divisions. Monthly meetings of a related working group provide an increase of knowledge and shared experiences. In addition, GFA calls on mandated working groups to operationalize thematic trends in governance, and actively participates in the governance working group of German development assistance.

Governance in the health sector

A variety of problems that confront health systems relate to governance: Financial management practices prone to corruption, a lack of accountability due to information gaps, limited capacities of civil society and elected officials, and failures in the process of engaging stakeholders in decision-making. Health systems are strongly influenced by the institutional framework within which they operate. Governments should establish the insti-

tutional framework and provide policy directions. It is their task to define the terms and conditions as providers of health services, and the relationship between central and local governments. They should legislate, regulate and protect the public from dangerous practices. Civil society should serve as a watchdog and can engage in piloting innovative practices. The private sector should accept responsibility and agree to adhere to governance principles.

The Safe Blood Transfusions Project implemented by GFA on behalf of GIZ and KfW in Pakistan is a case in point. The project aims at better access of the population to safe blood transfusion services and blood products. The four key areas of assistance include advisory services in relation to policy and legislation, quality management, and the training of health workers. Awareness-raising initiatives will enhance the participation and inclusion of the public, e.g. as far as non-remunerated and voluntary blood donations are concerned. Monitoring mechanisms will help enhance transparency and avoid corruption. The project has defined indicators such as registered and licensed blood banks that lead to enhanced transparency and accountability – essential parts of the quality management system.

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Safe blood transfusion is a much needed service in Pakistan

GFA Selected Devex Top 40 Development Innovator

GFA was selected as a Devex Top 40 Development Innovator based on a poll of thousands of global development professionals who are part of Devex, the largest network of aid and relief workers in the world. On April 18, 2011 Devex announced the Top 40 Innovators via Facebook. Leaders in development highlighted the achievements of the Devex Top 40 Development Innovators during the Devex Innovators Forum on April 21, 2011 in Washington, D.C. The Top 40 selection comprises an impressive listing of the world's leading donor agencies, foundations, development consulting companies, implementing NGOs, and advocacy groups. GFA stood out by means of its innovation statement "Creating opportunities, innovation and trust in international development consulting in over 130 countries since 1982".

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Vocational School Bus on Tour in Hamburg

The City Mobil operated by the Hamburg Vocational School for Economy and IT is sponsored by GFA Consulting Group and other companies. The minivan supports student excursions and material transports. While other sponsors just used conventional advertisement by sticking their company logos onto the van, the GFA management chose a more innovative approach – a poster on AIDS education labeled "Sicherheit im Verkehr" (Safety First). This theme was identified against the backdrop of GFA's HIV/AIDS public awareness projects in developing coun-

tries. Supporting the City Mobil also fits the company's department concerned with labor markets and human resources development. "We in Germany need to optimize the vocational training sector quite a bit as well. Therefore, a small contribution at the local level makes sense for us as an international company based in Hamburg", explains Dr. Klaus Altemeier, Managing Director of GFA.

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Livestock Sector Development Policy in Angola

"We will replicate and improve the best practices of the project, please leave all your know-how here", stated Dr. Lutero Campos of the Angolan Ministry of Agriculture during a closing ceremony of the Transhumance project in the Southern Provinces of Angola. He was one of 100 participants from the ministry, cattle associations, local authorities and pastoralist farmers who attended a recent GFA workshop that presented lessons learned from the project. The findings comprised disease prevalence data, value chain analysis of cattle marketing, technical manuals and maps based on GIS data and satellite images. Transhumance was implemented by GFA in a consortium with Wageningen International and the University of Lisbon. The three-year project supported by the European Commission and the Angolan Government aimed at improving access to pastures and water for semi-nomadic livestock keepers in Southern Angola. Most of the 2,300 water points in South-western Angola were destroyed during the civil war while over 60% of

Angola's 16 million inhabitants depend on agriculture and livestock. The project's four components improved access to pasture through communal land registration and installed new water points. A management system for the sustainable use of natural resources was designed, and the skills of veterinary staff were improved. After the workshop, the Angolan Ministry of Agriculture invited the project team to prepare a proposal for a national program to develop the livestock sector in Southern Angola based on the experiences of the Transhumance project.

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New C³ Training Modules Launched

The C³ Training Unit at GFA headquarters has recently introduced two new training modules: C³ HIV/AIDS at Work and C³ SCHOOL. The HIV/AIDS workplace course has a modular structure and primarily targets staff responsible for the design and implementation of related workplace programs. It combines the long-standing expertise regarding the epidemic at GFA's Health Department with interactive learning methods developed at the C³ Training Unit. C³ SCHOOL is a training package designed for school principals, heads of department and other school management team members. The 5-10 days course provides skills and state-of-the-art knowledge on education management. It uses participatory training approaches such as action learning, simulation exercises, group work and discussions as well as collegial feedback.

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GFA Consulting Group is a growing consulting organization active in economic development. The main sectors of the company comprise agriculture and rural development, natural resources management, decentralization and public sector management, private sector development, water and sanitation, health and HIV/AIDS, financial systems development, labor markets and human resources development, forest and wood certification and forest investment fund. GFA Consulting Group presently works in more than 70 countries and collaborates with selected, specialized partner companies both nationally and internationally.

GFA vision – to be the partner of choice for clients in our core service areas.

GFA mission – to improve the livelihood of beneficiaries through our professional services.

GFA core values – to offer high performance in service delivery, technical excellence in our main sectors, innovative approaches and products, and credibility with our clients when putting projects into practice.