

INTRODUCTION

Department for International Development

The Department for International Development (DFID) is the UK government department responsible for promoting development and the reduction of poverty. The government first elected in 1997 has increased its commitment to development by strengthening the department and increasing its budget.

The central focus of the Government's policy, set out in the 1997 White Paper on International Development, is a commitment to the internationally agreed target to halve the proportion of people living in extreme poverty by 2015, together with the associated targets including basic health care provision and universal access to primary education by the same date. The second White Paper on International Development, published in December 2000, reaffirmed this commitment, while focusing specifically on how to manage the process of globalisation to benefit poor people.

DFID seeks to work in partnership with governments which are committed to the international targets, and seeks to work with business, civil society and the research community to this end. We also work with multilateral institutions including the World Bank, United Nations agencies and the European Community.

The bulk of our assistance is concentrated on the poorest countries in Asia and sub-Saharan Africa. We are also contributing to poverty elimination and sustainable development in middle-income countries in Latin America, the Caribbean and elsewhere. DFID is also helping the transition countries in central and eastern Europe to try to ensure that the process of change brings benefits to all people and particularly to the poorest.

As well as its headquarters in London and East Kilbride, DFID has offices in many developing countries. In others, DFID works through staff based in British embassies and high commissions

The purpose of this document

DFID agrees Partnership Programme Agreements (PPAs) with UK civil society organisations with which it has significant working relationships and shared objectives. PPAs set out strategic level agreements, which set out the overall framework for DFID's work with the organisation linked to strategic funding. Individual DFID departments and country programmes can negotiate separate arrangements for collaboration, including financial support for specific activities within the overall PPA framework.

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ACRONYMS

BOAG	British Overseas Aid Group
CCSDP	Caribbean Civil Society Development Programme
CHAD	Conflict and Humanitarian Department, DFID
CSD	Civil Society Department, DFID
DFID	Department for International Development
EDD	Enterprise Development Department, DFID
EU	European Union
GB	Great Britain
IMF	International Monetary Fund
IFID	International Financial Institutions Department, DFID
ITD	International Trade Department, DFID
NGO	Non-government organisation
ODA	Overseas Development Administration
PEAP	Poverty Eradication Action Plan, Government of Uganda
PPA	Partnership Programme Agreement
PRSP	Poverty Reduction Strategy paper
SCO	Strategic Change Objective
UPPAP	Uganda Participatory Poverty Assessment Project
WTO	World Trade Organisation

SUMMARY

Oxfam GB is the UK's largest non-government organisation (NGO) involved in overseas development. It is a member of Oxfam International, a confederation of 12 Oxfams operating globally, with a constituency of over one million campaigners and supporters.

Oxfam GB has a dual mandate: to address immediate humanitarian need and to support long-term development for the eradication of poverty. Oxfam works to achieve its aims through an integrated approach: direct poverty reduction programmes, humanitarian relief, global campaigning and informed public policy development and advocacy. It works in Asia, Africa, the Middle East, Latin America and the Caribbean, Eastern Europe and the Former Soviet Union. It also has a domestic poverty programme in the UK.

A fundamental strategic review conducted in 1998 – *Setting Course for the 21st Century* – endorsed much of Oxfam GB's developmental approach, but highlighted the need for some significant change – strategically, operationally and organisationally – in order to maximise its impact across the world. Oxfam GB's strategic plan, 2000-2005, sets out how the organisation will address this challenging new agenda. The Plan identifies five core strategic areas in which all Oxfam members will work in the future.

DFID has provided support to Oxfam GB since the 1970s. Both DFID and Oxfam share a commitment to the eradication of poverty and the achievement of the International Development Targets. Building on this solid foundation, the Oxfam GB/DFID partnership over the next three years will focus on three strategic areas in which Oxfam provides demonstrable added value, there is particularly close policy synergy and the greatest potential for joint and complementary work at all levels.

- *strengthening the voice of poor people in decision-making:* Oxfam's presence in a range of poor

countries, its links with citizen groups in these countries and its experience of participatory poverty assessments make it well placed to encourage and support government and civil society engagement in policy processes, including in Poverty Reduction Strategies.

- *improving the quality and accountability of humanitarian assistance:* Oxfam's presence in countries affected by conflict and natural disasters, its links with NGO partners in these countries and its track-record in establishing major preparedness and emergency response programmes mean it is well placed to contribute to DFID's aim of improving the quality of humanitarian assistance.
- *making international trade benefit poor people:* Oxfam International's forthcoming global trade campaign and its work on fair trade have potential to contribute to the aims of DFID's White Paper on Globalisation.

As part of the PPA, a new approach to collaboration will be piloted in East Africa. The intention is to move away from project funding to a relationship which promotes collaboration on policy and programme issues linked to the priority areas of the PPA. An important element of this initiative is that it will serve as the basis for learning and evaluation of the global PPA.

Through the PPA DFID will provide £20 million over the course of the next three years to support Oxfam GB's work.

PPAs are intended to stimulate more effective collaboration, while recognising the independence of each partner to pursue their own policies and priorities and to concentrate on their core competencies. The PPA between Oxfam GB and DFID aims to provide a framework for the open sharing of views and for constructive dialogue on major development issues.

1. OVERVIEW OF OXFAM'S WORK

1.1 Oxfam GB has a dual mandate: to address immediate humanitarian need and to invest in long-term development for the eradication of poverty.

1.2 Oxfam GB works to achieve these aims through an integrated approach: direct poverty reduction programmes, humanitarian relief, global campaigning, and informed public policy development and advocacy. It works in Asia, Africa, the Middle East, Latin America, the Caribbean, Eastern Europe, the Former Soviet Union. It also has a domestic poverty programme in the UK.

1.3 Oxfam GB is a member of Oxfam International, a confederation of 12 Oxfams operating globally. Together, Oxfam International represents a constituency of over a million supporters and campaigners with growing potential to influence national and global debates on poverty. It has a resource base of over £300 million.

1.4 Oxfam GB has an annual income of £125 million, the main source of which comes from the British public, with over 500,000 regular donors and many more people contributing through purchases in Oxfam's 800 shops. It also receives funding from government institutions, primarily DFID, the European Union, the United Nations and from other governments through other Oxfam International members.

1.5 Oxfam GB is governed by a Council of 12 Trustees, which is supported by an Association of 32 members. There are 3,493 staff globally, with 1,911 working in the UK. Internationally, it is managed through 8 Regional Management Centres with responsibility for all aspects of Oxfam GB's

programme, administration and accountability. Oxfam GB also works through Oxfam International offices in Washington DC and Brussels.

1.6 In 1998 Oxfam GB undertook a fundamental strategic review *Setting Course for the 21st Century*. This critically examined the organisation's contribution to the fight against poverty, in light of the changing global development agenda. It validated much of Oxfam GB's developmental approach, but highlighted the need for some significant changes – strategically, operationally and organisationally – in order to maximise its impact across the world.

1.7 The main messages of the review were the need for sharper strategic focus and programmatic consistency; the need to build more effective partnerships and alliances in order to change policies, practices, ideas and beliefs which cause poverty; and the need for internal organisational change, including a more cost-efficient network of offices and appropriately skilled staff.

1.8 Oxfam GB's new strategic plan, 2000-2005, sets out how the organisation will address this new, challenging agenda. It is structured around a number of priority areas of work in the medium term linked to five, broad, long-term strategic aims, which are themselves framed around the achievement of specific rights. The table sets out the five aims and the medium term areas of work, on which Oxfam will focus.

1.9 All Oxfam International programmes – not just those of Oxfam GB, but of all partners in the confederation – are now being aligned, including

Oxfam's aims	Oxfam's medium term policy priorities
Right to a Sustainable Livelihood	<ul style="list-style-type: none"> • increasing the power of poor people in markets • building poor people's assets
Right to Health and Education	<ul style="list-style-type: none"> • securing adequate financing for basic social services • increasing access to basic medicines • increasing access to quality basic education for girls.
Right to Life and Security	<ul style="list-style-type: none"> • ensuring high quality humanitarian aid protection • promoting arms control • stopping international profiteering from war.
Right to be Heard	<ul style="list-style-type: none"> • increasing the voice of poor people in decision-making • making governments and international institutions more accountable to the poor.
Right to Equity: gender and diversity	<ul style="list-style-type: none"> • ending violence against women • changing ideas and beliefs about women and men • overcoming discrimination.

through changes in resource allocation, to these core objectives. The expectation is that the focus on key objectives will maximise synergy and impact at local, national and global levels and will provide a clear and transparent framework against which Oxfam can plan, be monitored and assess impact.

1.10 Further information on Oxfam can be found in Annex 1.

2. CURRENT DFID/OXFAM RELATIONSHIP

2.1 Oxfam GB has a wide range of links – policy, programmatic and funding – with DFID, which have developed over the past twenty years. Formal channels with ministers exist through Oxfam’s membership of the British Overseas Aid Group (BOAG), but there are many other, less formal, links at departmental and country level. There has been a centralised funding relationship with ODA/DFID through a Joint Funding Scheme block grant, which ended in 2000.

2.2 Oxfam GB has developed particularly close relationships with DFID country programmes in Uganda, Kenya, Vietnam, Bangladesh and the Caribbean.

2.3 In Uganda, there are close links between the Government of Uganda, DFID and Oxfam through their joint involvement in the Uganda Participatory Poverty Assessment Project (UPPAP), which aims to channel the voices and perspectives of poor people into national policy processes. Oxfam GB is the lead implementer of UPPAP, on behalf of the Government of Uganda.

2.4 A similar relationship exists in Vietnam where DFID and the World Bank have worked with Oxfam GB and other UK NGOs to support the participation of civil society in Vietnam’s national planning. Oxfam conducted a participatory poverty assessment in one district of Vietnam to inform the national poverty reduction strategy, and co-ordinated a training workshop with Vietnamese partners on engagement with the World Bank. DFID and Oxfam both sat on the national consultation body with the Vietnamese government, the World Bank and other donors to discuss national development priorities.

2.5 DFID has been providing support since 1994 to Oxfam GB’s Pastoralist Development Programme in Wajir District, Kenya, which aims to build the capacity of pastoralist communities to engage more effectively with government and the private sector in the provision of basic services. The Wajir project has provided the basis for deepening the relationship

between DFID and Oxfam GB in Kenya on a range of issues, which now includes support to Kenya’s Poverty Reduction Strategy and conflict and peace issues.

2.6 In the Caribbean, DFID and Oxfam collaborate in support of the Caribbean Civil Society Development Programme (CCSDP), which is managed by Oxfam (GB and Canada) and funded by DFID. The programme – the first partnership of this kind between DFID and an NGO in the Caribbean – aims to strengthen civil society organisations in their implementation of effective and sustainable poverty reduction programmes and to develop their potential to influence national, regional and international policy in favour of poor people. CCSDP works with NGOs, community based organisations, church groups, trade associations, trade unions and national and regional networks.

2.7 DFID’s Conflict and Humanitarian Affairs Department (CHAD) and Oxfam GB have worked closely on the Sphere project. This has developed, published and disseminated a humanitarian charter and minimum standards of humanitarian assistance, which are necessary in order for people affected by conflict and disaster to realise their right to life with dignity. Both Oxfam and CHAD are also active members of the steering committee of the Humanitarian Accountability project, which seeks to strengthen the accountability of humanitarian agencies to people affected by conflict and disaster, who have a rightful claim to humanitarian assistance.

2.8 Oxfam GB is an important DFID partner in the areas of ethical trade and socially responsible business. Oxfam has been involved in both the Ethical Trading Initiative and the Resource Centre for the Social Dimensions of Business Practice, although it has recently withdrawn from the steering group of the latter. DFID’s Enterprise Development Department (EDD) has recently collaborated with Oxfam to support a feasibility study assessing the potential for expanding the European market for Fair Trade tea from South Asia. The feasibility study is the first stage of a comprehensive programme which

aims to improve the livelihoods of South Asian smallholders, workers on tea plantations, by building local capacity to grow and process organic tea and facilitating access to European Fair Trade markets.

2.9 Oxfam GB's Policy Department maintains regular informal contact with DFID and other UK Government Departments, such as the Treasury, across a broad range of policy issues, such as debt, poverty reduction strategies, trade, humanitarian

affairs and EU co-operation. It has made submissions to both DFID White Papers and has responded to some of the Institutional Strategy Papers and the Target Strategy Papers developed by DFID. It took part in several inter-agency meetings with DFID's International Trade Department (ITD) in the run-up to the World Trade Organisation meetings in Seattle.

3. INSTITUTIONAL APPRAISAL

Policy Synergy

3.1 *Setting Course for the 21st Century*, Oxfam GB's strategic plan and subsequent policy documents demonstrate the degree of synergy that exists between DFID and Oxfam on the new development agenda. There is a shared analysis of the multi-dimensional aspects of poverty as well as a joint commitment to the achievement of the International Development Targets. There is agreement on the need to ensure that globalisation benefits the poor through economic growth with equity, and to linking debt relief to participatory national poverty reduction strategies. There is a shared objective of putting poor people at the centre of attention of those who have the power to make a difference at all levels, local, national and global.

3.2 The appraisal conducted for the PPA highlighted differences of approach in some areas, for example on some aspects of education, trade and conflict policy. However, areas of shared understanding outweigh differences. The PPA is intended to stimulate effective collaboration in agreed areas, while recognising the independence of each partner to pursue separate approaches.

3.3 DFID endorses Oxfam GB's move from widely dispersed and locally specific programmes to a global programme aligned to common, core objectives. However, the core objectives are broad and there remains a need, which Oxfam recognises, to make further choices about the best way to spend limited resources in order to achieve the greatest impact. It is recognised that the process of further distilling the objectives, in light of practice on the ground across all Oxfam International members, and developing the monitoring and evaluation framework so that impact can be demonstrated at different levels, will take time.

Organisational assessment

3.4 Oxfam GB is undergoing profound organisational change in order to achieve its

objectives. These changes are similar in many respects to those facing DFID and there is much that can be learned from one another. The key elements of this change process are:

New management architecture

3.5 Oxfam GB is in the process of transition to a new management architecture, necessary for the delivery of its strategic plan. This requires balancing the centralisation of programme purpose and direction with a decentralised management structure. A key feature is the establishment of eight regional management centres – in Lima, Mexico D.F., Nairobi, Dakar, Pretoria, Dhaka, Bangkok, and Oxford (for the Middle East, Eastern Europe and Commonwealth of Independent States) – which will be responsible for ensuring consistency and quality in the delivery of corporate aims as well as taking the lead in developing the organisation's thinking and expertise in certain areas.

3.6 Over 100 posts have been shed from Oxfam GB's UK headquarters as part of the re-organisation. Oxfam GB will continue to maintain a range of local and country-level staff and programmes, but these resources will be aligned to regional priorities within Oxfam's global programme. While the regional management centres provide economies of scale, it remains to be seen whether the right balance has been struck, in some regions, between national and regional structures.

Monitoring change and capturing, sharing and applying learning

3.7 Fundamental to the new strategy is the need for Oxfam to better assess the effectiveness and impact of its work. Oxfam GB is developing a "Monitoring, Evaluation and Knowledge Management System" that will allow the organisation to assess changes in the lives of poor people, better understand the processes that lead to change in people's lives, and develop systems and a culture that allow Oxfam to act on learning. The proposed

framework aims to link Oxfam's formal accountability – governance structures, stakeholder surveys, management standards, and audits – with the ongoing business of programme planning, monitoring and evaluation. An initial framework has been drafted for this system, and Oxfam began working with this plan in 2001.

Working more effectively with others

3.8 The first Oxfam GB stakeholder survey conducted in 1998 confirmed the important, facilitating role which Oxfam plays in the UK and internationally on poverty issues. However, concern was expressed about Oxfam GB's weakness in working with others, in sharing knowledge and in following others' lead. Oxfam has committed itself to reversing this profile and is developing new approaches to alliances and networking which will strengthen the organisation's accountability to its partners and constituents.

Changing management culture and attitudes

3.9 Oxfam GB has set in motion a major programme to develop a new approach to people management. Strategic management training and behavioural change and performance development began in 1999. These are targeted at all of Oxfam GB's 200 "convergence" management posts. At the same time, strategies are being developed to encourage more cross-departmental and interdisciplinary working. As a counter-balance to stronger strategic leadership, Oxfam GB has introduced a number of initiatives to ensure it listens to and assimilates the views of its diverse stakeholders, for example through peer audits and annual stakeholder assemblies and surveys.

4. PPA OBJECTIVES

PPA priority areas

4.1 While DFID endorses the broad thrust of Oxfam GB's strategic plan and supports the aims set out earlier in this document, there are three strategic areas where Oxfam provides demonstrable added value, in which there is particularly close synergy and where there is the greatest potential for joint and complementary influencing at all levels. The relationship between DFID and Oxfam GB through this PPA will focus on these over the next three years.

The Right to be Heard

4.2 The aim of this global programme is to ensure that poor and marginalised people have an effective voice in the decisions affecting their lives. The programme is closely aligned with DFID's Target Strategy Papers *Realising Human Rights for Poor People* and *Making Governments Work for Poor People*. Within this programme, Oxfam will focus on:

making governments and international institutions more accountable to the poor

4.3 Oxfam's presence in a range of poor countries eligible for HIPC II debt relief and its links with citizen groups in these countries make it well placed to encourage and support more effective government and civil society engagement in policy processes, especially in Poverty Reduction Strategies and participatory budgeting. Through facilitation, capacity building and funding, Oxfam will support national-level policy coalitions so that they can participate in dialogue on poverty reduction strategies but also so that they are able to examine and critique more effectively the content of the broad range of government policies.

4.4 There is considerable potential for Oxfam and its partners to work with governments and donors to institutionalise participatory poverty assessments in policy processes. This is already happening in Uganda, Armenia, Honduras, Bolivia

and Vietnam. Oxfam GB sits on the Steering Committee of the World Bank's Comprehensive Development Framework review, which also provides potential for further collaboration and influencing. Oxfam International will be tracking the PPA experience in over 20 countries, and Oxfam GB will lead work in eight of these. Conclusions from these experiences will be of interest to DFID, as well as the World Bank and the International Monetary Fund.

4.5 Oxfam is also addressing issues of government accountability through work on budget monitoring, local planning, and effective state decentralisation, for example in Bolivia, Peru, Senegal and Guatemala. There is potential for Oxfam to pursue this work further with appropriate DFID country programmes.

4.6 Through its direct grass-roots links and its experience of participatory project planning and monitoring, Oxfam is well placed to develop new approaches which link empowerment programmes at the local level with national decision-making processes. With other international NGOs involved in these issues, Oxfam is keen to explore the possibility of joint work in this area.

democratising development practice

4.7 In order for institutions, both public and private, to become more accountable to poor people, there need to be clearer standards of practice on issues such as participation, consultation and accountability and a consensus developed around their value and application. Following the development of standards for action in situations of disaster, there is potential for similar agreement to be reached on what constitutes effective participation, consultation and accountability mechanisms to poor people. Oxfam GB plans to work both on its internal standards and practice and, jointly with others, to build a wider consensus on appropriate approaches to ensuring people's "right to be heard".

The Right to Life and Security: improving the quality of humanitarian assistance

4.8 For many years Oxfam GB has played a key role in responding to humanitarian disasters, particularly in the provision of water and sanitation. The aim of its Right to Life and Security programme is to reduce significantly the number of people who die, fall sick or suffer deprivation as a direct result of armed conflict or natural disasters. This is in line with the purpose of DFID's humanitarian assistance, set out in its Policy Statement.

4.9 Oxfam's presence in several countries affected by conflict and natural disasters, its links with NGO partners in these countries and its track-record in establishing major preparedness and emergency response programmes mean it is well-placed to contribute to improving the quality of humanitarian assistance.

4.10 Building on existing links, there is potential for more collaborative work on issues of accountability and standards in humanitarian assistance. Together with other key actors, Oxfam is keen to explore how the learning from its "Right to Life and Security" programme can help strengthen and improve the implementation of the Sphere standards project, and specifically how to support their incorporation at a policy level. Oxfam is also particularly interested in collaborating with DFID on the development of gender and representation standards in humanitarian response programmes.

4.11 The second element of Oxfam's strategy under the "Right to Life and Security" programme relates to conflict prevention work. This is an area which Oxfam wishes to further develop but where it does not yet have a proven track-record at a global level. It will not, therefore, be part of the strategic relationship with DFID. However, since it is a strong existing element of the relationship between DFID and Oxfam GB in Kenya and Uganda it will feature in strategic collaboration in those countries.

The Right to a Sustainable Livelihood: global trade rules and ethical trade

4.12 Working in coalition with over 20 UK agencies, Oxfam International will launch a global trade campaign in 2002. The aim is to influence international trade rules in favour of poor people, through addressing issues such as dumping, market access, commodity pricing and patents. While the campaign may throw up some differences between DFID and Oxfam on particular trade issues, there remains scope for significant constructive engagement around the aims, to which both organisations subscribe.

4.13 Oxfam and DFID are sharing experience on the most appropriate strategies to build fair trade capacity in developing countries. Institutional development of local partners is an important area and fair trade approaches are seen as one facet of improving market access through increased sales of fairly traded products. In moving forward, DFID and Oxfam will continue to ensure that globalisation brings positive benefits to poor people. There is also potential to further develop collaboration on ethical trade and socially responsible business.

Agenda for collaboration

4.14 A number of practical actions will be required in order to achieve the objectives of the PPA.

- (i) A framework for monitoring Oxfam GB's performance and contribution in the three strategic areas set out above will need to be developed. The framework will draw on Oxfam GB's Monitoring, Evaluation and Knowledge Management System. It will be reviewed by DFID at the first annual review and specific indicators agreed for assessing performance and outcomes in the three PPA priority areas. Various other UK NGOs with which DFID is negotiating

PPAs are also developing systems for more effective performance and impact assessment, for example ActionAid. There is considerable potential for learning between these organisations and mechanisms for taking this forward will be explored.

- (ii) DFID departments with responsibility or significant involvement in the areas covered by the PPA commit themselves

to regular contact and to collaboration on joint projects where appropriate. Contact and collaboration will be monitored as part of the annual PPA reviews. Relevant DFID departments involved in the PPA include CSD, DFID Kenya, DFID Uganda, DFID Tanzania, CHAD, EDD, IFID and ITD.

5. PILOTING THE PPA APPROACH IN EAST AFRICA

5.1 As part of the PPA, DFID and Oxfam GB will pilot a new approach to collaboration in the East Africa region. The intention is to move away from funding of individual projects to a relationship which promotes collaboration on policy and programme issues within East Africa, linked to the priority areas of the PPA. An important element of this initiative is that it will serve as the basis for learning and evaluation on the global PPA. East Africa has been selected for this new approach because, particularly in Kenya and Uganda, there has been a close working relationship for some years, including collaboration on policy development at national level, implementation of development programmes direct with communities, humanitarian assistance and peace building initiatives.

Kenya

5.2 Various political and economic processes in the 1990s mean that there is considerable potential to achieve pro-poor change in Kenya. However, much more remains to be done to promote transparent government and accountability, to ensure that national level policy changes results in tangible benefits for poor people. The relationship which DFID and Oxfam GB built during the 1990s provides considerable opportunities to further influence pro-poor change. Oxfam will work with DFID to provide targeted support for the current Poverty Reduction Strategy Paper (PRSP) process, including the training of teams at national, district and community levels to monitor the implementation of the projects and activities recommended in the PRSP.

5.3 Localised conflict and insecurity have increased over the past decade in Kenya and impact disproportionately on the poor. This is reflected in increased crime rates, gender-related violence and sporadic armed conflict. State institutions have proved inefficient in responding to these trends. Oxfam and DFID are both involved in conflict reduction programmes and will work together to share experience and learning on these issues. Oxfam GB's work will focus on the arid districts of northern

Kenya, where conflict and insecurity have negative impacts on the livelihoods of pastoralist communities. In the course of this programme, links will be made to wider conflict resolution initiatives in the country and further afield.

5.4 Oxfam will continue to respond as emergencies occur and according to humanitarian need. This work will be funded outside the PPA. However, in the first six months of the PPA, Oxfam GB and DFID will develop modalities for accessing such funds to ensure appropriate and timely response. In addition, Oxfam will provide capacity building support to national and district Government of Kenya agencies and NGOs on drought management, Sphere minimum standards and gender aspects of emergency response.

Uganda

5.5 Since the early 1990s the Government of Uganda has demonstrated strong commitment to eradicating poverty. This has been exhibited by the Poverty Eradication Action Plan (PEAP) and its implementation and monitoring. There have been serious attempts to involve citizens, particularly poor and marginalised people, in policy dialogue. However, lack of government transparency, particularly corruption, and insecurity and conflict continue to undermine the gains made.

5.6 Oxfam has an established record of engagement in policy lobbying and advocacy work on poverty issues in Uganda, particularly on gender sensitive land policy reform, debt cancellation and monitoring the use of Poverty Action Funds. It works closely with the Uganda Debt Network, the Uganda Land Alliance, the National NGO Forum and other national level networks and organisations. It will continue to work closely with DFID Uganda to enhance civil society participation in the formulation and revision of the PEAP and will continue to be involved as one of the key implementers of UPPAP. This particular work will be funded separately from the PPA since it is a multi-donor initiative.

5.7 The second area of focus in Uganda will be on conflict management and peace building, particularly in Karamoja and the six neighbouring districts. This is a relatively new area for Oxfam GB in Uganda, and will build on work with the Institute of Development Studies, Sussex.

5.8 Further work is required to refine outcome indicators, which will be developed jointly by Oxfam GB and DFID Kenya/DFID Uganda. Monitoring of these will then become part of the overall annual monitoring of the PPA.

Tanzania

5.9 DFID currently supports an Oxfam community water project in Tanzania, the aim of

which is to improve access to water and environmental sanitation services in 6 target wards in Shinyanga urban areas. However, there are not the same range and depth of relationships as in Kenya and Uganda.

5.10 Oxfam GB is in the process of refining its Tanzania programme in order to focus its work more effectively behind the corporate strategic change objectives. These changes provide the opportunity to develop a more strategic relationship between DFID and Oxfam in Tanzania. Over the course of the next three years DFID and Oxfam GB will explore the potential for strengthening strategic links.

6. MANAGEMENT AND MONITORING AGREEMENTS

6.1 A Memorandum of Understanding between DFID and Oxfam GB will set out details of the financial and other administrative arrangements for this agreement.

6.2 The PPA will last for a period of three years.

Communication and co-ordination

6.3 DFID will work with Oxfam primarily through its normal management structure. An Oxfam GB Deputy International Director will be the co-ordination/focal point for the Partnership, with designated Department Directors and Regional Directors as the first point of contact on specific initiatives relating to their areas.

6.4 Within DFID the Information and Civil Society Department will be the co-ordinating department for the PPA, with the designated Section Head as the first point of contact.

Funding

6.5 DFID will provide strategic funding to support this Agreement with Oxfam GB. The total amount payable for the three financial years will be £ 20 million. The contribution will be allocated within DFID's financial years as follows:

YEAR	TOTAL (million)
2001/2	£6.51
2002/3	£6.67
2003/4	£6.82

6.6 The above figures include the contributions being provided by DFID Kenya and Uganda.

Payment and Accounting

6.7 The DFID contribution will be paid quarterly in advance on receipt of a formal request from Oxfam GB estimating overall expenditure for the quarter to come. Oxfam GB will submit quarterly financial reports, showing overall organisational expenditure and giving PPA funding as a percentage of the total.

Other DFID funding

6.8 Funding of Oxfam GB through DFID overseas offices and other departments will be determined by the relevant DFID department and will be in addition to the strategic grant in paragraph 6.5 above. However, except in the area of emergency and humanitarian response, Oxfam will no longer be eligible for project funding from DFID Kenya and Uganda.

Monitoring

6.9 Progress of the PPA will be monitored through the framework which has been developed in 2001 and described in paragraph 4.15 (I) above. Monitoring will be undertaken through:

- DFID participation in Oxfam GB's annual impact assessment. Following this, an annual report will be produced which will include an assessment of performance against the PPA objectives and a plan of specific joint activities for the coming year.
- DFID participation in at least one of Oxfam GB's annual assemblies and the receipt of Oxfam GB stakeholder surveys;

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- Periodic DFID participation in thematic reviews in areas of programme collaboration.

6.10 Staff from DFID Kenya and Uganda will participate in the annual review and other monitoring, as appropriate.

Evaluation

6.11 An independent, external evaluation will be conducted during the first six months of the final year of the partnership; or at other times if requested by either party and agreed by both. The evaluation will:

- examine and determine the impact and value of the partnership;
- review its operation
- evaluate the monitoring systems
- consider whether and how the PPA should be continued
- make specific recommendations on the level of DFID funding available for any future PPA.

ANNEX 1. KEY INFORMATION ON OXFAM

Contact Details

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Worldwide Presence

Oxfam GB currently works in over 70 countries with 8 Regional Management Centres and a UK office covering the following countries:

Region	Countries	Regional Management Centre
Horn, East and Central Africa	Burundi, Democratic Republic of Congo, Eritrea, Ethiopia, Kenya, Rwanda, Somaliland, Sudan, Tanzania, Uganda	Nairobi
Southern Africa	Angola, Malawi, Mozambique, South Africa, Zambia, Zimbabwe	Pretoria
West Africa	Burkina Faso, Chad, Ghana, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone	Dakar
South Asia	Afghanistan, Bangladesh, India, Nepal, Pakistan, Sri Lanka	Dhaka
East Asia	Burma, Cambodia, China, Indonesia, East Tmor, Philippines, Thailand, Vietnam	Bangkok
Middle East, Eastern Europe, Commonwealth of Independent States	Albania, Bosnia, Kosovo, Federal Republic of Yugoslavia, Armenia, Azerbaijan, Georgia, Egypt, Israel and the Palestinian Territories, Lebanon, Yemen	Oxford
Central America, Mexico and the Caribbean	El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Dominican Republic, Haiti, English Speaking Caribbean	Mexico D.F.
South America	Bolivia, Brazil, Chile, Colombia, Ecuador, Peru	Lima
UK	UK	Oxford

Oxfam GB is part of Oxfam International, which is made up of 12 organisations worldwide. These are: Oxfam America, Oxfam in Belgium, Oxfam Canada, Community Aid Abroad (Australia), Oxfam GB, Oxfam Hong Kong, Intermon (Spain), Oxfam Ireland, Oxfam New Zealand, Novib (Holland), Oxfam Quebec, Oxfam Germany.

Oxfam GB Income and expenditure:

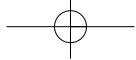
Income 98/99	£ million
Donations	52.6
UK Government/ EU/ UN	28.6
Other Oxfams and non-government organisations	7.6
Shops and trading	14.6
Gifts in Kind	9.3
Miscellaneous	1.6

Expenditure 98/99	£ million
Emergency work	36.5
Development work	29.8
Programme development and support	20.3
Education and campaigning	7.0
Fundraising costs	11.7
Administration and irrecoverable VAT	3.9
Transfer to reserves	15.1

DFID Funding to Oxfam	1996	1997	1998	1998
	£m	£m	£m	£m
Joint Funding Scheme	5.3	5.3	5.4	5.6
DFID (Other)	8.0	7.7	6.1	7.6
Total	13.3	13.0	11.5	13.2

ANNEX 2. KEY ELEMENTS OF OXFAM'S STRATEGIC AIMS RELATED TO PPA OBJECTIVES

Selected Aims and Strategic Change Objectives	Priority Strategies	Outcome Indicators
<p>The Right to be Heard Poor and marginalised people will have an effective voice in influencing decisions affecting their lives, will achieve their civil and political rights and will enjoy equal status with others.</p>	<p>Supporting poor people to have the skills, resources and access required to influence government and institutional policies and practices affecting their lives.</p> <p>Influencing governments, multilaterals and non-governmental organisations to employ practices that allow poor people to participate effectively in the design, implementation and evaluation of the programmes and policies affecting their lives.</p>	<ul style="list-style-type: none"> • Greater aid and budget accountability to poor people in programme areas. • Governments actively seek to involve poor people in the development of national poverty reduction strategies and decentralisation plans. • Poor people and civil society groups have the skills and resources to influence government policies and practices in the interests of poor people.
<p>The Right to Life and Security Fewer people will die, fall sick or suffer deprivation as a result of armed conflict or natural disasters</p>	<p>Supporting action that assures the quality of humanitarian assistance and protection for people affected by conflict and natural disaster.</p>	<ul style="list-style-type: none"> • Affected populations adequately protected and needs met in Oxfam emergency programme areas. • Sphere standards for quality of response met in Oxfam managed programmes. • International community better coordinated and more accountable to affected populations in situations of conflict and natural disaster.
<p>The Right to a Sustainable Livelihood People living in poverty will achieve food and income security.</p>	<p>Supporting poor producers to gain access, power and fair prices in markets.</p>	<ul style="list-style-type: none"> • Improved access to markets for selected products by producer groups in programme areas. • Greater influence by poor people on national trade policies and regional/global trade agreements affecting their livelihoods. • Growth in pro-fair trade consumer movement and increased offer of fair trade products in Britain. • Effective civil society engagement on world trade rules and accountability of institutions governing trade rules.

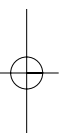


ANNEX 3. CONSULTATION PROCESS

DFID's Civil Society Department and Oxfam GB worked closely on the preparation of this paper. As a first step, a questionnaire was circulated widely within DFID and Oxfam GB seeking views on the existing relationship between the two organisations and the potential for its development under the PPA.

A joint DFID/Oxfam GB workshop was held in Nairobi in November 2000 to formulate the pilot initiative in East Africa.

In early 2001 Oxfam GB staff met with key DFID departments to discuss potential areas of mutual collaboration. The PPA was submitted to DFID's Portfolio Review Committee and approved by the Secretary of State in April 2001. At the same time it was submitted to and approved by Oxfam GB's Director and Board of Trustees.



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