

## MFAT Management Response to the Latin America and the Caribbean Regional Programme Evaluation



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<b>Evaluation:</b>	This is an independent evaluation of MFAT’s development programme in Latin America and the Caribbean covering the period 2012 to 2017. The evaluation examined what is being achieved across New Zealand engagements in the Latin America and the Caribbean Regional Programme and the overall coherence and strategic direction of that contribution. Findings will be used to guide decisions on Programme improvements; identify lessons for ongoing and future work; inform the future strategic direction of MFAT’s overall investment in Latin America and the Caribbean; and demonstrate achievements to partners, and stakeholders.
<b>Background:</b>	The Latin America and Caribbean (LAC) regional programme covers New Zealand’s Development interventions in support of priority relationships in Latin America, and emerging relationships in the Caribbean. New Zealand has extended modest development assistance to Latin America since the 1970s, earlier focusing on three sub-regions (Central America, Andes, Southern Cone plus Brazil) and two thematic priorities: sustainable rural livelihoods and good governance. In 2012, the programme was reframed to cover all developing countries of accreditation in the region and focused on sustainable economic development. In 2013, the Programme was broadened to incorporate a defined sub-programme for the Caribbean. Over the period 2012 to 2017, New Zealand’s development assistance to Latin America and the Caribbean was approximately NZ\$25 million.
<b>Evaluators:</b>	Nick Leffler, Sean Burgess
<b>Link to evaluation</b>	<a href="#">Evaluation Report</a>

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Recommendation	Agree/Disagree
<p>The strength of New Zealand’s regional programme is its responsiveness to partner government assistance requests. Care should be taken to maintain this approach.</p>	<p><b>Agree.</b> Our ability to be responsive to partners’ requests will continue to be taken into account in the design and management of our development programme.</p>
<p>The geothermal sector has proved to be a niche in the Caribbean and significantly raised New Zealand’s profile. This should be pursued in a similar flexible manner.</p>	<p><b>Agree.</b> Phase Two of New Zealand’s renewable energy support to the Caribbean starting in the second half of 2018 for the next three-year period will take the same flexible approach as in Phase One.</p>
<p>Attention should be given to supporting initiatives where New Zealand assistance can unlock complementary funding from other sources, as was the case with the geothermal power project in Dominica.</p>	<p><b>Agree.</b> As noted above, MFAT will continue to identify opportunities to leverage funding from other sources to develop the renewable energy and agriculture sectors in the Caribbean.</p>
<p>MFAT management arrangements should be revised to give staff at Post greater involvement in project oversight in order to advance program effectiveness and enhance political engagement grounded in the ODA provision.</p>	<p><b>Agree.</b> Posts should have good oversight of development activities in their countries of accreditations. MFAT will work to clarify roles and responsibilities for the activity management model between Posts and Wellington, but recognise that these may be subject to resourcing considerations.</p>
<p>MFAT should increase the regional engagement of technical staff to support Post and to identify smart and innovative investment that advances development and New Zealand’s profile in the region.</p>	<p><b>Agree.</b> Where possible, MFAT will encourage engagement of technical staff and make sure contracted technical advisors spend adequate time in the region to support Post and identify investment opportunities.</p>
<p>Use of flexible funding mechanisms should be explored to enable a more responsive and agile program able to seize new opportunities and take measured risks with new ideas. This will require an acceptance that some projects will fail as part of the process of seeking large catalytic successes.</p>	<p><b>Agree.</b> MFAT will explore greater use of flexible funding mechanisms in the design of new activities.</p>
<p>Trilateral development cooperation with countries such as Chile represents a modality with the potential to greatly magnify the development impact of the programme’s limited budget and strengthen relations with regional countries that are no longer ODA-eligible.</p>	<p><b>Agree in part.</b> MFAT will explore trilateral cooperation in areas of strong mutual interest and overlap to parties concerned, subject to resourcing considerations and noting the need for complementarity of objectives when working with third parties.</p>

The scale of Latin America and the Caribbean makes it ideal for developing cross-cutting whole-of-government approaches to development cooperation that could later be scaled up in regions like the Pacific.

**Agree in part.**

While MFAT is increasing its engagement in whole-of-government approaches to identify synergies, improve development effectiveness and improve policy coherence, its priority will be on developing these approaches for the Pacific.