

Evaluation

Results-Based Approach in Finnish Development Cooperation



Evaluation report 2011:2

MINISTRY FOR FOREIGN AFFAIRS OF FINLAND

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Derek Poate
Ann Bartholomew

with contributions from
Ines Rothmann and Anu Palomäki

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MINISTRY FOR FOREIGN AFFAIRS OF FINLAND

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CONTENTS

PREFACE	ix
ACRONYMS	xi
ABSTRACT	1
Finnish	1
Swedish	2
English	3
SUMMARY	5
Finnish	5
Swedish	11
English	17
1 INTRODUCTION	29
1.1 The Purpose, Objective and Scope	29
1.2 Methodology and Analytical Framework	30
1.2.1 Evaluation Framework	30
1.2.2 Staff and Management Surveys	30
1.3 Selection of Projects and Programmes for Review	30
1.4 Structure of the Report	32
2 RESULTS-BASED MANAGEMENT AND FINLAND'S DEVELOPMENT COOPERATION	32
2.1 What is Results-based Management?	32
2.2 Adoption of Results-based Management by the Ministry for Foreign Affairs of Finland	34
2.3 Key Points	35
3 RESULTS FOCUS IN DEVELOPMENT POLICY	36
3.1 Introduction	36
3.2 Policy Frameworks	36
3.2.1 Changes in Finnish Development Policy	36
3.2.2 Results-orientation	37
3.2.3 Policy at Regional Level	37
3.2.4 Policy and Programmes at Country Level	37
3.2.5 Sector Guidelines	39
3.3 Key Points	41
4 DESIGN OF DEVELOPMENT INTERVENTIONS	41
4.1 Introduction	41
4.2 General Aspects of the Design Framework	42
4.2.1 Logical Frameworks	42
4.2.2 Compatibility with Policies for Development	44
4.2.3 Possibilities for Mutual Accountability	45
4.2.4 Contextualisation of the Paris Declaration and Accra Agenda	45
4.3 Design Process	46

4.3.1	Existence of Results-based Approach and Results-based Management in Policies, Sector Guidelines and Country Plans .	47
4.3.2	Appropriate Systems for capturing and transmitting Results . . .	48
4.3.3	Results-based Approach in Different Phases of the Project Cycle.	48
4.3.4	Role of Cross-cutting Issues.	49
4.3.5	Resource Allocation.	50
4.3.6	Risk Management System	50
4.3.7	Focus on Government's Sector Objectives and Level of Finland's Contribution.	52
4.3.8	Durability and Predictability of Support/Exit Strategies	52
4.4	Key Points	52
5	MONITORING, REPORTING AND EVALUATION	54
5.1	Introduction.	54
5.2	Monitoring and Reporting	55
5.2.1	Extent to which Current monitoring and reporting can produce Proof for Qualitative and Quantitative Results.	55
5.2.2	Types of Administrative and Management Structures and Guidelines used in Implementation and Monitoring and Evaluation of Bilateral Development Cooperation Interventions	57
5.2.3	Possibilities to influence the Quality of Plans and Monitoring and Evaluation Mechanisms	58
5.2.4	Public reporting.	59
5.3	Evaluation	59
5.4	Key Points	61
6	INSTITUTIONAL CULTURE AND SUPPORT SYSTEMS.	62
6.1	Introduction.	62
6.2	Management Culture.	62
6.2.1	Leadership and Direction	62
6.2.2	Views of Senior Managers	63
6.3	Office Systems.	64
6.3.1	Project Cycle Management	64
6.3.2	Human Resources Management (HRM)	66
6.3.3	Information Technology	68
6.4	Perceptions of Staff	69
6.5	Key Points	70
7	EXPERIENCE OF OTHER DEVELOPMENT PARTNERS WITH RBM	71
7.1	Key Points	76
8	CONCLUSIONS AND LESSONS	76
8.1	Conclusions	77
8.1.1	Policy on RBM.	77
8.1.2	Strategic Results Framework.	77
8.1.3	Project and Programme Design	77

8.1.4	Monitoring, Reporting and Evaluation.....	78
8.1.5	Institutional Culture and Systems.....	78
8.2	Lessons to be learnt.....	79
9	RECOMMENDATIONS.....	79
REFERENCES.....		83
ANNEX 1	TERMS OF REFERENCE.....	86
ANNEX 2	LIST OF PEOPLE INTERVIEWED ¹⁾	
ANNEX 3	EVALUATION FRAMEWORK ¹⁾	
ANNEX 4	SUMMARY OF RESPONSES TO MAIN SURVEY ¹⁾	
ANNEX 5	SUMMARY OF RESPONSES TO SENIOR MANAGEMENT SURVEY ¹⁾	
ANNEX 6	DFID 'USING NUMBERS' LOGFRAME FORMAT ¹⁾	
ANNEX 7	LIST OF DOCUMENTS REVIEWED FOR ECAH PROJECT ¹⁾	
ANNEX 8	DOCUMENT CHECKLISTS ¹⁾	

¹⁾ Annexes 2–8 are contained in the attached CD

TABLES

Table 1	List of projects reviewed.....	31
Table 2	Example of Risk Identification Table from the Nepal IFAD.....	51

BOXES

Box 1	Expectations for managers in results management.....	33
Box 2	Evaluation questions on general aspects of the design framework.....	43
Box 3	Good Practice Examples of Logical Frameworks (comments from the review team).....	43
Box 4	Example from Aid Effectiveness Checklist PALWECO.....	46
Box 5	Evaluation questions on the design process.....	46
Box 6	Policy analysis in the Andean sustainable forest management programme	47
Box 7	Ukraine Cleaner Production Project Performance Criteria.....	49
Box 8	Approach to cross-cutting issues in Kenya PALWECO.....	50
Box 9	Ideas from directors on practical ways to improve monitoring and reporting systems for results.....	66

FIGURES

Figure 1	A results management framework.....	33
Figure 2	Elements of consultation, action and reporting at country level.....	38
Figure 3	Documentation and processes in the project cycle.....	65
Figure 4	Force field analysis of factors affecting adoption of RBM.....	69

PREFACE

There is a growing expectation for development to be more accountability-driven. The general public and the Parliament as well as the development partners want to see results and value for money spent in development cooperation, which calls for a clear results-based planning and design and reliable monitoring and evaluation (M&E) to enable results-based management (RBM). The focus is on development performance and sustainable improvements in outcomes at the field level.

Several donors are struggling to work out systems which would help in pinpointing the achievements and concrete results in development cooperation. The systems may vary from donor to donor but common for a successful RBM is that the organization responsible for development cooperation values a culture of inquiry, evidence, learning and accountability.

The objective of this evaluation was to provide guidance on how to improve the results-based design, implementation, M&E as well as management in the Finnish development cooperation and to point out the benefits of RBM for institutional learning and accountability.

One of the key issues which constrain any reforms in the Ministry for Foreign Affairs of Finland (MFA) is the shortage of personnel well conversant with development cooperation which is further aggravated by a rapid staff turn-over in posts. At the moment, according to the evaluation, the culture and systems of MFA do not sufficiently support managing for results.

The evaluation report discusses the RBM subject widely from different angles and comes forward with practical advice.

Helsinki, 11 May 2011

Aira Päivöke
Director
Evaluation of Development Cooperation

ACRONYMS

AAA	Accra Agenda for Action
AHA	AHA Case Management System
APR	Autumn Performance Report
AusAID	Australian Agency for International Development
CF	Community Forestry
CP	Cleaner Production
Danida	Danish International Development Agency
DESEMP	The District Economic and Social Empowerment Programme
DFID	United Kingdom Department for International Development
DWSS	District Water Supply and Sanitation
DoF	Department of Forestry
EC	European Commission
ECODE	Eco-village Development Project
Enerfish	Integrated Renewable Energy Solutions for Seafood Processing Stations
ESSP	Education sector support programme
EVA-11	Development Evaluation, MFA
Finnida	Finnish International Development Agency
GAVI	Global Alliance for Vaccines and Immunisation
GBS	General budget support
GNI	Gross national income
HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome
HMIS	Health Management Information System
HQ	Headquarters
HRM	Human resources management
ICI	Institutional Cooperation Instrument
IESE	Support for Centre for Social and Economic Research
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
JAR	Joint Annual Review
KPT	Development Policy Committee (Kehityspoliittinen toimikunta)
LF	Leasehold Forestry
LFLP	Leasehold forestry and livelihood programme
M&E	Monitoring and evaluation
MFA	Ministry for Foreign Affairs of Finland
MoU	Memorandum of Understanding
MTEF	Medium-term Expenditure Framework
MTR	Mid-term Review
NGO	Non-governmental organisation
Norad	Norwegian Agency for Development Cooperation
ODA	Official Development Assistance

ODE	Office of Development Effectiveness
OECD/DAC	Organisation for Economic Cooperation and Development/ Development Assistance Committee
PAF	Performance Assessment Framework
PALWECO	Programme for Agriculture and Livelihood in Western Communities
PCM	Project Cycle Management
PCU	Project Coordination Unit
PD	Paris Declaration
PRBS	Poverty Reducing Budget Support Programme (in Zambia)
PROAGRI	Agricultural Sector Development Programme
PSA	Public Service Agreement
PSDRP	Support to Private Sector Development Zambia
QAG	Quality Assurance Group
RBF	Results-based financing
RBM	Results-based management
REDD	Reducing emissions from deforestation and degradation
RWSSP-WN	Rural Water Supply and Sanitation Project in Western Nepal
SEAM-N2	Strengthening of Environmental Administration and Management at the Local Level
SFM	Sustainable forest management
Sida	Swedish International Development Cooperation Agency
SWAp	Sector wide approach
TOR	Terms of Reference
TTS	Operating and financial plan
UK	United Kingdom
UN	United Nations
UNFF	UN Forum on Forests
VFM	Value for Money
WB	World Bank

Tulosperustainen Lähestymistapa Suomen Kehitysyhteistyössä

Derek Poate ja Anne Bartholomen, sekä Ines Rothmannin ja Anu Palomäki

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TIIVISTELMÄ

Tämä evaluaatio tarkastelee tulosperustaisen lähestymistavan soveltamista Suomen kehitysyhteistyössä. Tulosjohtamisessa käytetään tuloksia koskevaa tietoa päätöksenteon parantamiseen. Vaikka ulkoasiainministeriön (MFA) asiakirjat viittaavat tähän työskentelytapaan usein, se ei perustu olemassa olevaan muodolliseen politiikkaan tai strategiaan. Lähimpänä sellaista ovat hankesuunnitteluohjeet, jotka soveltavat loogista viitekehystä noudattavaa lähestymistapaa.

Tutkittaessa hanke- ja muista asiakirjoista koostuvaa otosta käy ilmi, ettei kehitystuloksille ole olemassa strategista viitekehystä. Vain hieman yli puolet kaikista hankkeista täyttävät tuloslähtöisen suunnittelun standardit. Kaikilla MFA:n yksiköillä ja suurlähetystöillä on vuosisuunnitelmat, ja raportoinnissa käytetään tuloskorttijärjestelmää. Seurantajärjestelyt keskittyvät yksittäisiin hankkeisiin ja ohjelmiin. Evaluaatioita tekevät sekä alueosastot että keskitetysti kehitysyhteistyön evaluointi.

Haastattelut ja vastaukset henkilöstölle tehtyyn kyselyyn osoittavat, ettei MFA:n sisäisen kulttuuri edistä tulosjohtamista. Hankesuunnitteluohjeet ovat hyvälaatuisia, mutta käytännön standardit ovat eritasoisia. Menettelyt hankkeiden laadun takaamiseksi eivät ole tehokkaita; dokumentaation ja tuloksellisuutta koskevan tiedon saatavuutta haittaavat puutteelliset tietojärjestelmät; henkilöstöarviot ja palkkausjärjestelmä eivät myöskään tarjoa vahvaa kannustinta henkilöstön palkitsemiseen hankkeiden saavutuksista. Tuloslähtöisyydessä on nähtävissä huomattava ero neuvonantajina toimivien työntekijöiden ja MFA:n virkamiesten, alemman päällikkötason ja ylemmän johdon välillä.

Ministeriön tulisi laatia muodollinen tulosjohtamispolitiikka, luoda tuloksille strateginen viitekehys, elvyttää menettelyjä hyvän ja laadukkaan suunnittelun takaamiseksi ja raportoida tuloksista tavalla, joka heijastaa Suomen merkittävää taloudellista sitoutumista ja aikaansaannosta kehitysyhteistyössä.

Avainsanat: tulosjohtaminen, seuranta ja evaluointi, tulosvastuullisuus, oppiminen, kehitysyhteistyö

Utvärdering av Resultatstyrning inom Finlands Utvecklingssamarbete

Derek Poate och Anne Bartholomew samt Ines Rothmann och Anu Palomäki

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ABSTRAKT

Denna utvärdering granskar hur resultatstyrning har implementerats i Finlands utvecklingssamarbete. Vid resultatstyrning utnyttjas resultatbaserad information i syfte att förbättra beslutsfattandet. Trots många hänvisningar till resultatstyrning i utrikesministeriets (MFA) dokument finns det ingen formell politik eller strategi för ett sådant arbetssätt. Det som kommer närmast är riktlinjerna för projektplaneringen, som följer de logiska ramarna.

Granskningen av ett urval av projekt och annan dokumentation visar att det saknas en strategisk ram för resultatstyrningen. Något över hälften av projekten uppnår en god nivå när det gäller resultatorienterad planering. MFA samtliga enheter och ambassader har en årlig plan och för rapportering finns ett system med resultatskort. Uppföljningen fokuserar på individuella projekt och program. Utvärderingar utförs dels av regionala avdelningar, dels av central evaluering.

Intervjuer och enkäter bland personalen indikerar att organisationskulturen inom MFA inte stöder resultatstyrningen. Riktlinjerna för projektplaneringen håller god kvalitet men praxisen uppvisar en ojämn nivå. Förfarandena för kvalitetssäkring av projekten är ineffektiva. Tillgången till dokumentation och resultatbaserad information hämmas av otillräckliga informationssystem, och personalutvärderingar och lönesystem ger inte tillräckligt starka incitament för belöning av personalen för goda projektresultat. Det finns en betydande skillnad i resultatorientering mellan anställda rådgivare och diverse personalgrupperna, teamledare och högre chefer vid MFA.

Det föreligger ett stort behov av att införa en formell resultatstyrningspolitik, skapa en strategisk resultatram, stärka förfaranden för säkerställande av god kvalitet i planeringen och rapportera resultat så att rapporterna avspeglar det bidrag till utvecklingssamarbetet som Finlands betydande finansiella åtaganden utgör.

Nyckelord: resultatstyrning, uppföljning och utvärdering, ansvarsutkrävande, lärande, utvecklingssamarbete.

Evaluation of the Results-Based Approach in Finnish Development Cooperation

Derek Poate and Anne Bartholomew with contributions from Ines Rothmann and Anu Palomäki

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ABSTRACT

This evaluation looks at the implementation of a results-based approach in Finland's development cooperation. Results-based management uses performance information for improved decision-making. Although widely referred to in the documents of the Ministry for Foreign Affairs of Finland (MFA), there is no formal policy and strategy for working in this way. The nearest is guidelines for project design and planning which follow a logical framework approach.

Review of a sample of projects and other documents shows that there is no strategic framework of development results. A little over half of all projects achieve good standards of results-oriented design. All MFA units and embassies have annual plans and there is a score-card system of reporting. Arrangements for monitoring concentrate on individual projects and programmes. Evaluations are carried out both by the regional department and centrally by development evaluation.

Evidence from interviews and a questionnaire to staff indicates that the institutional culture of the MFA does not support results-based management. Project design guidelines are of a good quality but standards of practice are uneven. Procedures to assure the quality of projects are not effective; access to documentation and performance information is hampered by inadequate information systems; and staff reviews and salary schemes do not provide a strong incentive to reward staff for project performance. A significant gap in results orientation exists between those staff employed as advisors and the desk officers, team leaders and senior managers in MFA.

There is a strong need to establish a formal policy for results-based management, create a strategic results framework, revitalise procedures to assure good quality design and report results in a way that conveys the contribution to development cooperation arising from Finland's considerable financial commitment.

Key words: results-based management, monitoring and evaluation, accountability, learning, Finland, development cooperation

YHTEENVETO

Johdanto ja menetelmä

Tämä raportti esittelee tulosperustaista lähestymistapaa, seurantaa ja evaluaatiota kehitysyhteistyöhankkeissa koskevan evaluaation havainnot, päätelmät ja suositukset. Tavoitteena on lisätä tulosperustaisen lähestymistavan ja johtamisen edellytysten tuntemusta.

Tehtävämäärittelyssä esitettyjen yksityiskohtaisten kysymysten pohjalta työryhmä kehitti evaluaatiokehyksen. Kehyksen avulla laadittiin asiakirjojen tarkastelun tarkistuslista hankkeiden ja ohjelmien analysointia varten sekä aiheiden tarkistuslista henkilöstön haastatteluja varten.

Ulkoasiainministeriön (MFA) päätoimipaikan henkilöstön haastattelujen täydentämiseksi ja jotta suurlähetystöjen henkilöstö voisi osallistua laadittiin kyselylomake. Se jaettiin kaikkiin kehitysyhteistyössä osallisina oleviin suurlähetystöihin sekä 120 yksittäiselle työntekijälle. Mukautettu versio jaettiin 18 ylemmälle johtohenkilölle. Vastausprosentit olivat 65 ja 56.

Yhteensä tarkasteltiin 17:ää hanketta. Näistä kymmenen oli kahdenvälisiä hankkeita, kaksi instituutioiden välisen kehitysyhteistyön aloitteita (ICI), kaksi sektoriohjelmaa, yksi yleistä budjettitukea, yksi kansalaisjärjestöhanke ja yksi alueellinen hanke. Valikoima antoi mahdollisuuden kerätä laaja-alaista kokemusta erityyppisistä hankkeista ja myös eri ajanjaksoilta, sillä se käsitti joitakin vanhempia ja joitakin uudempia toimintoja.

Tulosjohtaminen ja Suomen kehitysyhteistyö

Eri organisaatiot määrittelevät tulosjohtamisen eri tavoin, mutta sillä on aina yksi yhteinen nimittäjä. Jotta tulosjohtaminen voi onnistua, organisaatioiden on kehitettävä ja edistettävä tuloskulttuuria, jossa tutkimista, näyttöä ja oppimista arvostetaan hyvän johtamisen olennaisina osina.

Tulosperustaisen lähestymistavan omaksumiseen viitataan melko laajasti MFA:n asiakirjoissa, mutta raportin laatijat eivät ole löytäneet keskeistä asiakirjaa, joka määritteli lähestymistavan tai asettaisi selkeitä tavoitteita tällaiselle työskentelylle. Enemmän huomiota on kiinnitetty välineiden kehittämiseen. MFA otti käyttöön vuonna 1998 Euroopan komission (EC) hankkeen linkkaaren hallinnointia koskevan lähestymistavan, joka sisältää käytännön ohjeita loogista viitekehystä noudattavasta lähestymistavasta hankkeiden suunnittelussa ja toteutuksessa. Evaluaatiot ovat kuitenkin osoittaneet, että näistä ohjeista huolimatta tulosten viitekehykset ja tulosten seuranta eivät aina ole asianmukaisia.

Tulosten painottaminen kehityspolitiikassa

Viime vuosikymmenen aikana Suomella on ollut neljä erilaista kehityspolitiikkaa. Kumpikaan viimeisimmistä eli vuosien 2004 ja 2007 kehityspoliittisista ohjelmista ei

sisällä vahvaa tulosten viitekehystä. Lukuun ottamatta 0,7 prosentin määräraha-tavoitetta BKT:sta, missään vuoden 2007 asiakirjan luvuista ei esitetä mitattavissa olevia tavoitteita eikä ilmaista toivottavia suoritusasoja Suomen avulle.

Enemmän on painotettu maakohtaista suunnittelua. Kahdeksan pitkäaikaisen kumppanimaan osalta käydään neuvotteluja kahden, kolmen vuoden välein. Tuloksena esitettävä suunnitelma on lähinnä ilmoitus ohjelmista. Maksatuksista on yksityiskohtaista tietoa, mutta maatasoista tietoja suunnitellusta tulostasosta tai suoritusarvioinnista, kuten esimerkiksi arviointiasteikkoja, ei ilmoiteta.

MFA laatii ohjeistoja, jotka sisältävät laajan katsauksen Suomen osallistumiseen eri sektoreilla ja joissa kerrotaan, miten Suomi aikoo työskennellä muiden kumppaneiden kanssa ja kansainvälisten sopimusten puitteissa. Kahden sektorin, metsä- ja vesisektorin, ohjeisto on selvemmin tuloslähtöinen, ja molemmissa huomioidaan seurannan merkitys.

Kehityshankkeiden suunnittelu

Kaikkiaan 17 hanketta tarkasteltiin sen selvittämiseksi, missä määrin hankkeissa ja ohjelmissa noudatetaan MFA:n suunnitteluohjeistoa. Hieman yli puolet tarkastelluista hankkeista arvioitiin tyydyttäväksi siltä osin, miten tuloksia oli painotettu hankesuunnittelussa. Huolimatta selkeistä ja kattavista ohjeista hankesuunnittelun hyviä standardeja ei sovelleta johdonmukaisesti, vaikka esimerkkejä hyvistä käytännöistä löytyykin.

Tuoreemmat hankkeet on suunniteltu paremmin. Joissain toisen vaiheen hankkeissa tuloslähtöisyys on myös parempi. Tämä parantuminen ajan myötä kertoo, että kokemuksista opitaan, erityisesti silloin, kun hankkeessa on ollut enemmän kuin yksi vaihe.

Ohjelmien ja hankkeiden suunnittelussa näyttäisi olevan joitakin hankkeen tyypistä johtuvia eroja. Otoksen molemmissa sektoriohjelmissa oli suhteellisen hyvin määritellyt tavoitteet ja loogiset viitekehukset. Toisaalta dokumentaatio, joka koski ainoaa esimerkkiä yleisen budjetituen ohjelmasta Sambiasa, oli hoidettu huonommin. Tämä kertoo avunantajien yhteisten ohjelmien toisesta puolesta; niissä yksittäisillä avunantajilla saattaa olla vähän mahdollisuuksia vaikuttaa ohjelman lopulliseen muotoon.

On huomattava, ettei ICI-hankkeissa ole muita hankeasiakirjoja kuin instituutioiden itsensä laatimat ehdotukset. Niissä ei muodollisesti vaadita loogisen viitekehysten tai muiden hyvän hankesuunnittelun edellyttämien osatekijöiden kehittämistä. Ainoa otokseen sisällynyt kansalaisjärjestöhanke ei ollut hyvin suunniteltu.

Seuranta, raportointi ja evaluaatio

Jos esimerkkejä raportoinnista löytyi, useimmat olivat toiminta- tai varainkäyttö-raportteja; loogisiin viitekehysiin perustuvaa raportointia oli vain vähän. MFA:n muodollinen seuranta- ja raportointijärjestelmä suosii yksittäisiä hankkeita koskevaa tietoa ilman maa- tai sektorikohtaisia yhteenvetoja. Seurantaraporteilla, jotka yhdistävät havainnot tehokkuuden tai pitkän aikavälin suuntausten analysoimiseksi, ei ole li-

säärvoa koko kehitysyhteistyön tuloksellisuuden arvioimiseksi. Maatasolla ohjauskomiteat ja hallintoneuvostot ovat tärkeitä rakenteita, joilla on mahdollisuuksia parantaa raportoinnin laatua ja toimia raporttien havaintojen pohjalta.

Seurantaraportteja ei ole helppo löytää MFA:n toimistorjestelmistä. Tämän evaluaation aikana löytyi vain harvoja esimerkkejä analysoitavaksi, ja muut evaluoijat ovat esittäneet samanlaista kritiikkiä. MFA:n henkilöstön mielestä nykyiset raportointijärjestelmät ovat tehokkaita, mutta se katsoo myös, ettei seuranta ole harmonisoitu hyvin muiden avunantajien kanssa ja ettei siinä hyödynnetä riittävästi maakohtaisia järjestelmiä. Suomi on Pariisin julistuksen allekirjoittajana sitoutunut molempiin.

Eduskunnan ja suuren yleisön saatavilla on kattavia raportteja. Niistä merkittävien, vuosikertomus, ei kuitenkaan hyödynnä seurantaan ja evaluaatioon perustuvia havaintoja, eikä se tarjoa riittävästi tietoa, jotta yleisö voisi arvioida Suomen antaman tuen luonnetta ja saavutuksia.

Kehitysyhteistyön evaluoinnin (EVA-11) toimeksi antamat evaluaatiot pyrkivät arvioimaan analyyseja monenlaisista toiminnoista ja yhdistämään havaintoja vertailukelpoiseksi kokonaisuudeksi. Viimeaikaiset raportit ovat käyttäneet arviointiasteikkoja. Hankeotannon ja luokitusmenetelmien heikkoudet kuitenkin rajoittavat havaintojen hyödyllisyyttä.

Instituution sisäinen kulttuuri ja tukijärjestelmät

Tulosjohtaminen on riippuvaista paitsi teknisistä menetelmistä myös siitä, miten kehitysyhteistyöohjelma on organisoitu ja miten sitä hallinnoidaan. Ylemmän johtoportaan (johtajien ja korkeammassa asemassa olevien) mielipiteet tiedottamisen merkityksestä ovat selkeitä, mutta ne eivät toteudu tavassa, jolla ihmiset tekevät työtään. Henkilöstö on huolissaan MFA:n johtamiskulttuurista ja sen vaikutuksista; esimerkkejä annettiin hallinnon työtaakasta ja joustamattomista työmenetelmistä. Lähestymistapaa luonnehditaan riskejä karttavaksi, ja vain harvoissa tapauksissa kokemuksista saatuja tuloksia käytetään tulevan politiikan informoimiseen.

Huolimatta todistetusti huonoista tulosten viitekehysistä noin puolessa kaikista hankkeista suurin osa henkilöstöä katsoo, että heillä on tulosten rakenne ja logiikka hyvin hallussa. Tämä viittaa siihen, että taitoja on, mutta mekanismit standardien täytäntöön panemiseksi eivät toimi. Tällä hetkellä laaturyhmä on ainoa laaduntarkistus hankkeiden elinkaaren suunnitteluvaiheessa, ja sen tehokkuus jakaa mielipiteet.

EVA-11:n meta-analyysit ja teemakohtaiset evaluaatiot tarjoavat ainoan kokonaiskat-sauksen hankkeiden tuloksellisuuteen. Johtajat katsovat tietävänsä, mitä tuloksia koskevaa tietoa he tarvitsevat, mutta sanovat kuitenkin tarvitsevansa ohjausta tulosjohtamisessa. Arviointiasteikko saattaisi tarjota puuttuvat tiedot, mutta tässä yhteydessä herää kysymys, miten tehokasta tämä olisi MFA:n riskejä karttavassa työskentelykulttuurissa, jossa on vain vähän kokemusta näytön käyttämisestä politiikan ja suunnittelun ohjauksessa.

Käsitykset MFA:n johtamiskulttuurista eroavat ja niistä muodostuu kaksi ryhmää: neuvonantajina toimivat työntekijät, joilla on tekniset taidot kehityshankkeissa, sekä virkamiehet, ryhmäpäälliköt ja johtajat, jotka ovat lähinnä yleisasiantuntijoita ja tekemisissä MFA:n laajempien toimintojen kaikkien aspektien kanssa. Neuvonantajilla ja virkamiehillä on päinvastaiset mielipiteet monista keskeisistä seikoista, jotka vaikuttavat tulosjohtamiseen.

Uutta henkilöstöstrategiaa pannaan parhaillaan täytäntöön, ja sen avulla on tarkoitus puuttua moniin tässä evaluaatiossa tunnistettuihin ongelmiin. Tällä hetkellä työkuvaukset eivät sisällä viittauksia tulosjohtamiseen MFA:n työn kehitysyhteistyösektorilla. Saavutukset tulosten aikaansaamisessa eivät tuo houkuttelevia kannustimia tai palkkioita eivätkä ole tekijä, joka parantaisi ylenemismahdollisuuksia. Henkilöstö ei katso tällä hetkellä käytössä olevan palkkausjärjestelmän tarjoavan kannustimia tuloskulttuurin vahvistamiseen MFA:n sisällä. Henkilöstö katsoo, että tuloksista ja evaluaatioista oppimiseen on vain vähän tilaisuuksia.

Myös tiedonhallintajärjestelmää uudistetaan parhaillaan, ja se tuo uusia mekanismeja vuoden 2011 aikana. Käytössä ollut järjestelmä ei toimi hyvin eikä ole tehokas nykyisten ja menneiden hankkeiden tuloksellisuutta koskevan tiedon säilyttämisessä ja hakeamisessa.

Muiden kehitysyhteistyökumppaneiden kokemuksia tulosjohtamisesta

Muiden kehitysyhteistyökumppaneiden käytännöistä tehtiin pieni täsmäotostutkimus. Luvussa 7 esitellään joitakin mielenkiintoisia havaintoja. Ne koskevat muun muassa koko kehitysyhteistyön kattavia arvioita kehityksen tehokkuudesta ja raportoinnista eduskunnalle, rahoille saatavaa vastinetta koskevia huolenaiheita, uusien ja mukautettujen työkalujen kehittämistä ja suurempien yhteyksien etsimistä tulosten ja kehityksen rahoituksen välillä tulosperustaisen rahoituksen kaltaisten lähestymistapojen avulla. Nämä kaikki kertovat pyrkimyksistä perustaa työtä tulosperustaisiin lähestymistapoihin.

Päätelmät ja opetukset

Tässä esitetään lyhyesti kahdeksan päätelmää ja kolme laajaa opetusta:

- Tällä hetkellä MFA:lla ei ole hyvin toimivaa tulosjohtamisjärjestelmää.
- Strategisen tulosten viitekehyksen puuttuminen luo tyhjiön ja tarkoittaa, että tuloksellisuuden analyysin yksikkö jää yksittäisten hankkeiden ja ohjelmien tasolle.
- Hankesuunnittelun laatu on tulosnäkökulmasta epätydyttävä, vaikka esimerkkejä hyvistä käytännöistä löytyykin.
- Laaturyhmä on ylityöllistetty ja tehoton standardien asettamisessa ja ylläpitämisessä.
- Johtajat eivät näytä priorisoineen seuranta- ja raportointia ja evaluaatiota. Raportoinnin laajuus ja laatu ovat riittämättömiä pitämään MFA:n vastuuvollisena kehitysohjelmasta.
- Raportointi eduskunnalle ei tarjoa riittäviä tietoja Suomen kehitysyhteistyön luonteen ja saavutusten arvioimiseksi.

- MFA:n institutionaalinen kulttuuri ei tue kehitystuloshakuista johtamista.
- Muutoksia henkilöstöhallinnossa voidaan odottaa uuden henkilöstöpolitiikan myötä. Nykyisissä järjestelmissä ei aseteta etusijalle tulosjohtamista, ja niistä puuttuvat kannustimet ja palkkiot. Tiedonhallinta on myös muutoksen alaisena. Nykyinen järjestelmä ei tarjoa asianmukaista palvelua asiakirjojen hakua tai kehityshankkeiden vertailevaa analyysia varten.

Evaluaatiossa tulee esiin kolme opetusta tulosjohtamisesta. Ensimmäinen on se, ettei tulosten mittaamiseen riitä pelkän teknisen lähestymistavan omaksuminen. Toiseksi myös henkilöstöhallinnon kannustin- ja vastuuvollisuusjärjestelmät on organisoitava. Kolmanneksi kehitysyhteistyön kehittämisessä on otettava huomioon MFA:n moninaiset roolit ja tavoitteet.

Suosituks

Kukin luvussa 9 annetuista suosituksista sisältää joitakin erityisiä, yksityiskohtaisia ehdotuksia:

- Tulosjohtamisen omaksumiseksi olisi laadittava muodollinen lähestymistapa.
- Kehitetään strateginen tulosten viitekehys, jossa määritellään, miten Suomen kehitysyhteistyö liittyy kansainvälisiin päämääriin ja sopimuksiin ja mitä Suomen tuella odotetaan saavutettavan keskipitkällä ja pitkällä aikavälillä. Aid for Trade -toimintasuunnitelma on tämänsuuntainen pyrkimys.
- Organisoidaan uudelleen nykyinen maatason suunnittelujärjestelmä mitattavissa olevien tavoitteiden ja indikaattoreiden määrittämiseksi.
- Parannetaan hankesuunnittelun laatua korjatulla ohjeistolla, esimerkeillä hyvistä käytännöistä, samalla kaikki apumuodot kattavalla suunnittelutavalla ja uudella laaduntarkistusmekanismilla.
- Tehdään raportoinnista lyhyempää ja analyttisempää parantamalla hankeraportointia ja projektijohtoryhmän roolia; puolivuotisraportointi suurlähetystöiltä MFA:lle; yksiköiden tuloskortit.
- Parannetaan evaluaatioiden avulla tehtävää vertailevaa analyysia.
- Parannetaan MFA:n sisäistä kulttuuria niin, että tuloksia hallitaan johdonmukaisesti.
- Suunnitellaan uutta koulutusta, joka valmistaa johtajia heidän rooliinsa tulosjohtamisessa järjestelmässä korkeiden laatustandardien toimeenpanemiseksi, vaaditaan asianmukaisella tavalla tietoa tuloksista ja käytetään tätä tietoa suunnittelun ja varojen jakamisen ohjaamiseen ja kohdistamiseen.
- Sisällytetään uuteen tietojärjestelmään mahdollisuus varastoida, hakea ja analysoida tietoa hankkeiden tuloksellisuudesta sovelluksella, joka yhdistää raporttien sisältämät luokitukset hankkeiden indikaattoreihin.

SAMMANFATTNING

Introduktion och metodik

Denna rapport presenterar granskningsresultat, slutsatser och rekommendationer i en utvärdering av resultatstyrningen samt uppföljningen och utvärderingen av Finlands insatser inom utvecklingssamarbetet. Syftet är att bidra till en djupare förståelse av resultatstyrning och ledningskrav.

Med utgångspunkt från de detaljerade frågorna i uppdragsvillkoren (bilaga 1) utvecklade teamet en utvärderingsram som återges i bilaga 3. Utifrån denna ram utarbetades en checklista för granskning av dokument i syfte att analysera projekt och program samt en tematisk checklista för intervjuer med personalen.

För att komplettera intervjuerna med personalen på utrikesministeriet (MFA) i Helsingfors och ge anställda vid ambassaderna möjlighet att delta utarbetades en enkät som distribuerades till alla ambassader som bedriver utvecklingssamarbete, totalt 120 medarbetare. En modifierad version distribuerades till 18 högre chefer. Svarsfrekvensen var 65 procent respektive 56 procent.

Totalt utvärderades 17 projekt. Av dessa var tio bilaterala insatser, två Institutional Cooperation Instrument (ICI) projekt, två sektorsövergripande projekt samt en insats vardera inom generell budgetstöd, projekt för icke-statliga organisationer och regionala projekt. Detta urval gav ett brett spektrum av erfarenheter från olika typer av insatser, även tidsmässigt genom en blandning av gamla och nya insatser.

Resultatstyrning och Finlands utvecklingssamarbete

Olika organisationer definierar resultatstyrning på olika sätt, men det finns ändå en klar gemensam nämnare. För att resultatstyrningen ska vara framgångsrik måste organisationerna utveckla och odla en resultatkultur där undersökning, dokumenterade resultat och lärande värderas som väsentliga delar av god styrning.

Det finns ganska många hänvisningar till resultatstyrning i MFAs dokument, men utvärderarna har inte kunnat finna ett centralt dokument som definierar detta förhållningssätt eller fastställer tydliga mål för ett sådant arbetssätt. Större vikt har fästs vid utvecklingen av verktyg. MFA antog Europeiska kommissionens (EC) modell för ledning av projektcykeln år 1998. Modellen ger praktisk vägledning för användning av logiska ramar vid beredning, planering och genomförande av projekt. Trots riktlinjerna pekar utvärderingsresultat på att resultatramar och resultatuppföljning inte alltid finns på plats eller tillämpas.

Resultatfokus i utvecklingssamarbetet

Finland har haft fyra utvecklingspolitiska program under det senaste decenniet. Inget av de senare programmen, från åren 2004 och 2007, innehåller en stark resultatram. Med undantag av anslagsmålet på 0,7 procent av BNI innehåller inget avsnitt i 2007

års programdokument några objektivt mätbara uttalanden eller indikationer om önskade resultat av Finlands insats.

Större vikt har fästs vid planeringen på landsnivå. Förhandlingar med åtta långsiktiga partnerländer förs vartannat eller var tredje år. Dessa utmynnar i en plan, som i praktiken är ett uttalande om de olika programmen. Uppgifter om planerade utbetalningar ges, men information om förväntade resultat sammanställs inte på landsprogramnivå och omvandlas inte heller till resultatbedömningar, t.ex. på en skala av siffror.

MFA utarbetar riktlinjer som ger en heltäckande översikt över Finlands medverkan inom olika sektorer och indikerar hur Finland kommer att arbeta med andra samarbetspartner och inom ramen för internationella fördrag och överenskommelser. I riktlinjerna för två av sektorerna, skog och vatten, finns en starkare resultatorientering och båda nämner vikten av uppföljning.

Utveckling av insatserna

17 projekt granskades för att utröna i vilken utsträckning projekten och programmen följer MFA:s riktlinjer. Något över hälften av de granskade projekten bedömdes som tillfredsställande i fråga om resultatfokus i projektplaneringen. Trots tydliga och heltäckande riktlinjer är tillämpningen av standarderna för god projektplanering inte konsekvent, även om exempel på god praxis kan hittas.

De senaste projekten har utformats på ett bättre sätt. Även vissa projekt som befinner sig i den andra fasen uppvisar en bättre resultatorientering. Denna förbättring över tiden visar att lärdomarna tas tillvara, särskilt när projektet omfattar mer än en fas.

Man kan se vissa skillnader i program- och projektplaneringen beroende på vilken typ av projekt det gäller. De två sektorsövergripande projekten i urvalet hade tämligen väldefinierade mål och logiska ramar. Å andra sidan visade det sig att dokumentationen inte var lika god i det enda exemplet på ett generellt budgetstödprogram (Zambia). Detta illustrerar den andra sidan av gemensamma givarprogram, där enskilda biståndsgivare kan ha lite inflytande över den slutliga utformningen av programmet.

Det är värt att notera att ICI-projekten inte hade några andra projektdokument än det förslag som utarbetats av institutionerna själva. Det finns inga formella krav på logiska ramar eller andra element som krävs för god projektplanering. Det enda projektet för icke-statliga organisationer i urvalet hade inte utformats på ett bra sätt.

Uppföljning, rapportering och utvärdering

Bland de rapporter som hittades var de flesta aktivitetsbaserade eller finansiella och det fanns få rapporter som tillämpade de logiska planeringsramarna. MFA:s system för formell uppföljning och rapportering ger företräde för information om individuella projekt utan summeringar per land eller sektor. Uppföljningsrapporterna skapar inget mervärde genom resultatsammandrag eller analyser av insatshelhetens effektivitet eller trender över tiden. På landsnivå är styrgrupper och övervakande organ viktiga

strukturer med potential att förbättra kvaliteten på rapporteringen och reagera på rapporterade resultat.

Uppföljningsrapporter är inte lättillgängliga i kontorsystemen på MFA i Helsingfors. På exempel att analysera hittades under denna utvärdering och likadan kritik har kommit från andra utvärderare. MFA:s personal uppfattar de nuvarande rapporteringsarrangemangen som effektiva, men anser också att samordningen med andra biståndsgivare inte är tillräckligt god och att ländernas egna system inte används i tillräckligt hög grad. Båda aspekterna hör till Finlands åtaganden under Parisdeklarationen.

Heltäckande rapporter är tillgängliga för riksdagen och offentligheten. Men den mest framstående rapporten, årsrapporten, utnyttjar inte resultat från uppföljningar och utvärderingar och ger inte tillräcklig information till allmänheten för att man ska kunna bedöma karaktären och resultaten av Finlands bidrag.

Evaluering av utvecklingssamarbete (EVA-11) har beställt en utvärdering som ska analysera ett brett spektrum av insatser och sammanställa resultaten till en jämförbar referenspunkt. De senaste rapporterna har använt sig av ett bedömningssystem. Brister i urvalet av projekt och bedömningsmetoder begränsar dock resultatens användbarhet.

Organisationskultur och stödsystem

Resultatorienterad ledning är inte enbart beroende av tekniska metoder utan även av hur samarbetsprogrammen organiseras och leds. Högre chefer (direktörer och högre) har tydliga uppfattningar om vikten av information, men detta får inte genomslag i medarbetarnas arbetssätt. Man är bekymrade över MFA:s ledningskultur och dess inverkan, vilket exemplifierades med bördan av administrativt arbete och oflexibla arbetsmetoder. Förhållningssättet beskrivs som riskaversivt och det finns få exempel på att information om tidigare utfall används vid utformningen av den framtida politiken.

Trots dokumenterat svaga resultatramar i ungefär hälften av projekten anser en majoritet av personalen att de har ett gott grepp om resultatstrukturen och logiken. Detta pekar på att det finns kompetens för uppgiften, men att mekanismerna för att genomdriva standarderna inte fungerar. För närvarande är kvalitetssäkringsgruppen den enda granskningspunkten i projektcykelns inledningsfas och åsikterna går isär om hur effektivt detta är.

Metaanalyser och tematiska utvärderingar från EVA-11 ger den enda sammanfattande bilden av projektresultaten. Cheferna anser att de vet vilken resultatbaserad information som behövs, men säger ändå att de saknar vägledning för resultatstyrning. Ett bedömningssystem skulle kunna ge den information som saknas, men väcker frågor om systemets effektivitet med tanke på den riskaversiva arbetskulturen inom MFA, där den praktiska användningen av dokumenterade resultat som vägledning för framtida politik och planering har varit begränsad.

Uppfattningarna om MFA:s ledningskultur skiljer sig mellan rådgivare med teknisk kompetens som arbetar med utvecklingsinsatser och handläggare, teamledare och chefer, som mestadels är generalister och arbetar med alla aspekter av MFAs verksamhet. Rådgivare och handläggare har motsatta åsikter om många centrala aspekter som påverkar resultatorienterad ledning.

En ny personalstrategi implementeras, och den ger möjlighet att tackla många av de frågor som identifieras i denna utvärdering. För närvarande innehåller befattningsbeskrivningarna inte några hänvisningar till resultatstyrning i MFA:s utvecklingssamarbete. Prestationer som levererar resultat är inte kopplade till incitament eller belöningar och utgör ingen faktor som förbättrar befordringsmöjligheterna. Enligt personalen ger det nuvarande löne- och belöningsystemet inte några incitament som stärker resultat-kulturen. Enligt personalens åsikt finns det få möjligheter att lära av resultaten och utvärderingarna.

Det pågår en översyn av informationssystemet som ska ge nya redskap under år 2011. Systemet har inte fungerat väl och inte varit effektivt för lagring och hämtning av information om nuvarande och tidigare projektresultat.

Erfarenhet av resultatstyrning hos andra utvecklingspartner

En mindre granskning av praxis hos andra utvecklingspartner utfördes med ett icke slumpmässigt urval. Vissa intressanta iakttagelser presenteras i kapitel 7, däribland insatsövergripande granskningar av utvecklingssamarbetets effektivitet och rapporteringen till riksdagen, oro över huruvida man får värde för pengarna, utveckling av nya eller modifierade verktyg och utforskning av mer direkta länkar mellan resultat och finansiering av utvecklingssamarbete, såsom resultatbaserad finansiering, vilket visar att man försöker bygga vidare på resultatstyrningen.

Slutsatser och lärdomar

Åtta slutsatser och tre övergripande lärdomar framläggs och summeras här:

- För närvarande har MFA inget välfungerande resultatstyrningssystem.
- Avsaknaden av en strategisk resultatram skapar ett tomrum och innebär att analysen av resultaten stannar på en individuell projekt- och programnivå.
- Kvaliteten på projektplaneringen är otillfredsställande ur ett resultatperspektiv, även om exempel på god praxis kan hittas.
- Kvalitetssäkringsgruppen är överbelastad och ineffektiv när det gäller att fastställa och upprätthålla standarder.
- Cheferna förefaller att ge låg prioritet åt uppföljning, rapportering och utvärdering. Omfattningen och kvaliteten på rapporteringen är otillräcklig för att utkräva ansvar från MFA när det gäller utvecklingsprogrammen.
- Rapporteringen till riksdagen ger inte tillräcklig information för att bedöma karaktären och resultaten av Finlands utvecklingssamarbete.
- Organisationskulturen inom MFA stöder inte resultatorienterad ledning i utvecklingssamarbetet.
- Förändringar i personalförvaltningen väntas i och med den nya politiken. Befintliga system lägger inte tonvikt på resultatorienterad ledning och saknar ar-

rangemang för incitament och belöningar. Även informationsförvaltningen förändras. Det nuvarande systemet ger inte tillräckligt stöd för inhämtning av dokument eller jämförande analyser av utvecklingsinsatser.

Tre lärdomar om resultatstyrningen har framkommit i denna utvärdering. För det första räcker det inte med enbart ett tekniskt förhållningssätt till mätning av resultaten. För det andra måste arrangemangen omfatta ledning av personalen i frågor som gäller incitamentsystem och system för ansvarsutkrävande. För det tredje måste MFA:s många roller och agenda beaktas när man beslutar om den framtida inriktningen på utvecklingssamarbetet.

Rekommendationer

Varje rekommendation i Kapitel 9 inkluderar vissa specifika, detaljerade förslag:

- Gör ett formellt ställningstagande om införande av resultatstyrning.
- Utveckla en strategisk resultatram som definierar hur Finlands utvecklingssamarbete kopplas till internationella mål och fördrag och vad Finlands bidrag förväntas åstadkomma på medellång och lång sikt. Handlingsplanen Aid for Trade är ett försök att gå i denna riktning.
- Omorganisera det nuvarande systemet för planering på landsnivå så att mätbara mål och indikatorer kan identifieras.
- Förbättra kvaliteten på projektplaneringen genom reviderade riktlinjer, exempel på god praxis, ett standardiserat förhållningssätt i alla insatsformer och en ny kvalitetssäkringsmekanism.
- Omarbeta rapporteringen så att den blir kortare och mer analytisk med förbättringar av projektrapporteringen och de övervakande organens roll; halvårsrapportering från ambassaderna till MFA i Helsingfors; enheternas styrkort.
- Förbättra de jämförande analyserna i utvärderingarna.
- Förbättra organisationskulturen inom MFA så att resultat hanteras på ett koherent sätt.
- Ta fram ny utbildning som förbereder cheferna för deras roll i ett resultatstyrningssystem där man genomdriver höga kvalitetsstandarder, ställer lämpliga krav på information om insatsernas utfall och använder denna som vägledning och för styrning av planering och resursallokering.
- Inkludera ett sätt att lagra, hämta och analysera information om projektresultat som kopplar resultatbedömning i rapporter till projektindikatorer i det nya informationssystemet.

SUMMARY

Introduction and Methodology

This report presents the findings, conclusions and recommendations of an evaluation of 'Results-based approach in development cooperation'. The objective is to deepen the understanding of the results-based approach and management requirements.

Starting from the detailed questions set out in the Terms of Reference (TOR) the team developed an evaluation framework (reproduced in Annex 3). The framework was used to generate a document review checklist for analysis of projects and programmes and a topic checklist for interviews with staff.

To supplement staff interviews at the Ministry for Foreign Affairs of Finland (MFA) headquarters and create an opportunity for staff based at embassies to participate, a questionnaire survey was designed and distributed to all embassies concerned with development cooperation and to 120 individual staff. A modified version was distributed to 18 senior managers. A response rate was achieved of 65 per cent and 56 per cent respectively.

A total of 17 projects were reviewed. Of these, ten were bilateral interventions, two Institutional Cooperation Instrument (ICI) initiatives, two sector wide approaches and one each of general budget support, NGO project and a regional project. This selection provided a wide range of experience across types of interventions and also time, with a mix of some older and some newer operations.

Results Based Management and Finland's Development Cooperation

Different organizations define results-based management (RBM) in different ways, yet there is a strong common denominator. For RBM to be successful, organizations need to develop and nurture a culture of results where enquiry, evidence and learning are valued as essential to good management.

The adoption of a results-based approach is referred to quite widely in documentation of the MFA but the evaluators have not been able to find a core document that defines the approach or sets clear objectives for working in this way. More attention has been paid to the development of tools. The MFA adopted the European Commission approach to Project Cycle Management in 1998 which gives practical guidance to the logical framework approach to project planning, design and implementation. But evidence from evaluations suggests that despite these guidelines, results frameworks and results monitoring is not always in place and in use.

Results Focus in Development Policy

During the last decade Finland has had four different development policies. Neither of the most recent 2004 and 2007 policies has a strong results framework. With the exception of the target appropriation of 0.7 per cent of GNI, none of the sections

in the 2007 document put forward measurable objective statements or indicate standards of desired performance for Finland's contributions.

Greater emphasis has been placed on planning at country level. For the eight long-term partner countries negotiations take place every two to three years. The resulting plan is essentially a statement of programmes. Details are given of planned disbursement, but information about planned performance is neither aggregated to the level of the country programme, nor transformed into any assessment of performance, such as by a rating scale.

MFA produces guidelines which provide a comprehensive overview of Finland's involvement in the various sectors and indicate how Finland will work with other partners and in the context of international treaties and agreements. Two sector guidelines, dealing with forests and water, have a stronger results orientation and both note the importance of monitoring.

Design of Development Interventions

The review of 17 projects was used to look at the extent to which projects and programmes adhere to MFA guidelines. A little over half the projects reviewed were assessed as satisfactory for the results focus of the project design. Despite clear and comprehensive guidelines, good standards of project design are not consistently applied although good practice examples can be found.

More recent projects are better designed. Some second phase projects also exhibit a better results-orientation. This improvement over time reflects lesson learning, particularly when there has been more than one phase of the project.

There appears to be some difference discernable in the programme and project design depending on the type of project. The two SWAps in the sample both had reasonably well-defined objectives and logframes. On the other hand, documentation seen for the only example of a general budget support programme in Zambia was less well handled. This illustrates the other side of joint donor programmes where individual donors may have little influence over the final design of a programme.

It is notable that ICI projects do not have any project documents other than the proposals developed by the institutions themselves. There is no formal requirement to develop a logframe or other associated elements necessary for good project design. The only NGO project included within the sample was not designed well.

Monitoring, reporting and Evaluation

Where examples of reporting were found, most were activity-based or financial and there was little reporting against logframes. The MFA's system of formal monitoring and reporting favours information about individual projects without summarising by country or sector. Monitoring reports do not add value by drawing findings together to analyse effectiveness or trends over time for the whole portfolio. At country level,

steering committees and supervisory boards are important structures with the potential to improve quality of reporting and act on report findings.

Monitoring reports are not readily accessible from office systems at MFA headquarters. Few examples were found for analysis under this evaluation and the same criticism has been made by other evaluators. MFA staff consider that the current arrangements for reporting are effective, but they also think that monitoring is not well harmonised with other donors and does not make enough use of country systems, both of which Finland is committed to under the Paris Declaration (PD).

Comprehensive reports are available for parliament and in the public domain. But the most prominent one, the Annual Report, does not utilise findings from monitoring and evaluation and does not provide sufficient information for the public to assess the nature and achievements of the contribution being made by Finland.

Evaluations commissioned by EVA-11 attempt to take stock of analysis across a wide range of operations and consolidate findings into a comparable basis. Recent reports have used rating systems. But weaknesses in the sampling of projects and rating methodology limits the usefulness of the findings.

Institutional Culture and Support Systems

Managing for results depends not only on technical methodology, but also on the way the development cooperation programme is organised and managed. Senior managers (directors and above) are clear in their views about the importance of information but that is not followed through into the way people work. Concerns exist about the management culture in the MFA and the effect that has, with examples given about the burden of administrative work and inflexible working methods. The approach is characterised as being risk-averse and there are few examples of results from past experience being used to inform future policy.

Despite evidence of poor results frameworks in around half of all projects, most staff think they have a good grasp of results structures and logic. This suggests that skills are present but mechanisms to enforce standards do not work. At present the QAG is the only point of scrutiny in the design phase of the project cycle and opinions are divided about how effective it is.

Meta-analysis and thematic evaluations by EVA-11 provides the only aggregate view of project performance. Directors think they know what performance information they need and yet also say they lack guidance in RBM. A rating system might provide the missing information, but questions arise about how effective this would be in the risk-averse working culture of the MFA where there is little practice of using evidence to guide policy and planning.

Perceptions about the management culture in the MFA differ between the advisory staff who have technical skills in development interventions, and desk officers, team

leaders and directors, who are predominantly generalists and deal with all aspects of the wider functions of the MFA. Advisors and desk officers hold contrasting views over many core aspects that affect managing for results.

A new Human Resources Strategy is being implemented and has the scope to tackle many of the issues identified in this evaluation. At present job descriptions do not include reference to managing for results in the development cooperation aspect of the work of the MFA. Achievements in delivering results do not attract incentives or rewards and are not a factor to improve chances of promotion. The salary rewards system as presently operated is considered by staff not to provide incentives for strengthening a results culture within the MFA. Staff consider that there are few opportunities provided for learning from results and evaluations.

The information management system is also currently being revised and will bring new facilities during 2011. The system that has been in operation does not function well and is not effective at storing and retrieving information about current and past project performance.

Experience of other Development Partners with RBM

A small and non-random review of other development partner practices was carried out. Some interesting observations are presented in Chapter 7, including portfolio-wide reviews of development effectiveness and reporting to parliament; concerns about value for money; development of new or modified tools; and exploring more direct links between results and development financing through approaches such as results-based financing, that demonstrate efforts to build on results-based approaches.

Conclusions and Lessons

Eight conclusions and three broad lessons are put forward and summarised here:

- At present, the MFA does not have a well-functioning RBM system.
- The absence of a strategic results framework creates a void and means that the unit of analysis for performance remains at the level of individual projects and programmes.
- The quality of project design from a results-perspective is unsatisfactory, although good practice examples can be found.
- The Quality Assurance Board is overworked and ineffective at setting and maintaining standards.
- A low priority appears to have been given by managers to monitoring, reporting and evaluation. The extent and quality of reporting is inadequate to hold the MFA accountable for the development programme.
- Reporting to parliament does not provide sufficient information to assess the nature and achievements of Finland's development cooperation.
- The institutional culture of MFA is not supportive of managing for development results.
- Changes in human resources management are expected with the advent of

a new policy. Existing systems do not give prominence to managing for results and lack provision for incentives and rewards. Information management is also undergoing a change. The current system does not provide an adequate service for document retrieval or comparative analysis of development interventions.

Three lessons about RBM arise from this evaluation. These are firstly, that it is not sufficient to take only a technical approach to measuring results. Secondly, that arrangements need to include how staff are managed in terms of the incentive and accountability systems in place. Thirdly, that a way forward for development cooperation needs to take into account the multiple roles and agenda of the MFA.

Recommendations

Each recommendation in Chapter 9 includes some specific detailed suggestions:

- A formal approach should be established for adopting results-based management.
- Develop a strategic results framework that defines how Finland's development cooperation links to international goals and treaties, and what Finland's contribution is expected to achieve over a medium to long-term period. The Aid for Trade Action Plan is an attempt in this direction.
- Reorganise the current system of country-level planning to identify measurable objectives and indicators.
- Improve the quality of project design with revised guidelines, good practice examples, a standard approach across all aid modalities and a new quality assurance mechanism.
- Re-design reporting to be shorter and more analytical with improvements to project reporting and the role of the supervisory board; semi-annual reporting from embassies to HQ; and unit scorecards.
- Improve comparative analysis from evaluations
- Improve the institutional culture in the MFA so that results are managed in a coherent way.
- Create new training that prepares managers for their role in an RBM system to enforce high standards of quality, make appropriate demands for information about outcomes and use that information to guide and direct planning and resource allocation.
- Include a way of storing, retrieving and analysing information about project performance that links ratings in reports to indicators in projects in the new information system.

Summary of Findings, Conclusions and Recommendations

Findings	Conclusions	Recommendations
<p>Managing for outcomes brings expectations on the ways in which managers will interact during planning, implementation, decision making, learning and accountability. There is no statement or document guiding the adoption of results-based management for the MFA and as the findings in the sections below illustrate, the key components of a functioning RBM system do not work.</p>	<p>At present, MFA does not have a functioning RBM system. Current arrangements at best only support the management of individual projects. There is no information system to inform the policies and strategy of MFA nor is there a conduit for learning.</p>	<p>A formal approach should be established for adopting results-based management. There needs to be in the form of a clear directive setting out that the work of MFA will be managed for results and defining how accountability will be interpreted throughout the organisation. It should establish what the objectives of MFA are and how MFA will be held to account for achieving those objectives. It should put forward an approach that is internally consistent for MFA as a whole, not just development cooperation.</p>
<p>Neither the development policy for the MFA as a whole nor the regional policy frameworks contain a strategic framework for country and regional programmes.</p>	<p>The absence of a results framework for the MFA as a whole or for regional or country programmes creates a void and means that the unit of analysis for performance remains at the level of individual projects and programmes.</p>	<p>Develop a strategic results framework. The strategic results framework should define how Finland's development cooperation links to international goals and treaties, and what Finland's contribution is expected to achieve over a medium to long-term period. There should be sufficient detail to act as a guide for regional and country level strategies and with objectives that can be measured from international or national statistics.</p>

<p>The newly drafted sector guidelines are of a mixed quality with regards to guidance on results-orientation. There is potential to develop outcome objectives from the statements of activities.</p>	<p>At present, most sector guidelines are technical descriptions of ways of working.</p>	<p>Sector guidelines should be redrafted to set objectives in terms of outcomes rather than indicators, to develop theories of change that project designers can build on for the major initiatives that Finland intends to support, and to give examples and establish guidance on indicators.</p>
<p>There is a methodical and systematic approach to planning at country level. A single process deals with both development cooperation and other work of the embassies. The present system does not include provision for setting outcome statements at country level, nor are there objectively measurable indicators of development performance.</p>	<p>The absence of clear development objectives makes prioritisation of resource allocation more difficult and reduces assessment of the value of Finland's development cooperation to questions of whether specific projects have succeeded in their objectives, rather than whether the partner country has benefitted from Finland's support.</p>	<p>Reorganise the current system of country-level planning to identify measurable objectives and indicators either through a country strategy document or a rolling programme of objectives. It should set out how Finland's contribution will be measured against indicators of performance at country level.</p>
<p>A little over half the projects reviewed were assessed as satisfactory for the results focus of the project design (a sound logframe, logical hierarchy of objectives, well expressed indicators, and treatment of risks). Despite clear and comprehensive guidelines, good standards of project design are not consistently applied.</p> <p>There appears to be some difference discern-</p>	<p>The quality of project design from a results-perspective is unsatisfactory, although some good practice can be found.</p> <p>The Quality Assurance Board is overworked and ineffective at setting and maintaining standards.</p>	<p>Improve the quality of project design in four ways:</p> <ul style="list-style-type: none"> • Ensure the project guidelines currently under revision are able to deliver succinct messages that can be understood and put into practice by non-specialist staff with little experience of development and possibly high turnover in post. • Make good practice examples available and

<p>able in the programme and project design depending on the type of project. Two SWAps were reviewed with reasonably well-defined objectives and logframes. The only example of a general budget support programme in Zambia was particularly weak.</p> <p>Neither ICI nor NGO projects have good results-based designs.</p>		<p>accessible, ideally through the new AHA system.</p> <ul style="list-style-type: none"> • Apply a common standard across all interventions, including NGO and ICI projects. • Introduce a new quality assurance process.
<p>The MFA has established a system of monitoring, reporting and evaluation. The system favours information about individual projects or thematic areas. It does not add value by drawing findings together to analyse effectiveness or trends over time for the whole portfolio of interventions supported by the MFA.</p> <p>Monitoring reports are not readily accessible from office systems at MFA headquarters. Few examples were found for analysis under this evaluation and the same criticism has been made by other evaluators. There is no mechanism to aggregate results from monitoring reports to look at performance by country, region or thematically.</p>	<p>A low priority appears to have been given by managers to monitoring, reporting and evaluation. The extent and quality of reporting is inadequate to hold the ministry accountable for the development programme.</p> <p>Reporting to parliament does not provide sufficient information to assess the nature and achievements of Finland's development cooperation.</p>	<p>Re-design reporting to be shorter and more analytical.</p> <p>Consideration should be given to using rating systems that enable comparisons to be made across projects, countries and time.</p> <p>Improvements are proposed at three levels: project reporting and the role of the supervisory board; semi-annual reporting from embassies to HQ; and unit scorecards.</p> <p>The aim at <u>project level</u> should be to set standards for project reports and make project supervisory boards responsible for the quality of project reporting.</p> <p><u>Semi-annual reports</u> should contain a mixture of three elements. Firstly, reporting of achievements against indicators</p>

<p>Comprehensive reports are available for parliament and in the public domain. But these do not utilise findings from monitoring and evaluation reports and do not provide sufficient information for the public to assess the nature and achievements of the contribution being made by Finland.</p> <p>Meta-analysis of evaluations commissioned by EVA-11 attempt to take stock of analysis across a wide range of operations and consolidate findings onto a comparable basis using a rating system. But weaknesses in the sampling of projects and rating methodology limits the usefulness of the findings. The studies are not carried out very often, reducing the scope for analysis of trends.</p>		<p>derived from project reports; secondly, a judgement by the reporting officer (advisor, desk officer or team leader) about the likelihood the project will achieve its purpose (outcomes) as planned; thirdly, a system of ratings to accompany that judgement so that results can be summarised country by country, region by region or for sectors.</p> <p><u>Unit scorecards</u> can be retained but need to be revised to give targets that reflect project performance and to summarise the results from semi-annual reporting across the unit as a whole. A ratings system for individual projects will make it easier to summarise performance.</p> <p>Comparative analysis through the medium of thematic and meta-analysis evaluations should continue, but the rating systems used by EVA-11 should be reviewed, and greater attention should be given to analysing trends of performance.</p>
<p>The culture of MFA is not supportive of development results. Senior managers (directors and above) are clear in their</p>	<p>The institutional culture of MFA is not supportive of managing for development results. The style of working is</p>	<p>Tackle the problem of institutional culture in the MFA so that it is inclusive of development and diplomacy.</p>

<p>views about the importance of information but that is not followed through into the way people work. Concerns clearly exist about the management culture in the MFA and the effect that has on managing for results, with examples given about the burden of administrative work and inflexible working methods. The approach is very risk-averse and little effort is made to use results from past experience to inform future policy.</p>	<p>characterised as highly bureaucratic and risk averse. There is a major gulf in approach between staff employed as technical advisors, who hold the institutional knowledge and skills for development cooperation, and career diplomats who manage the development programmes.</p>	<p>The new HR policy provides an opportunity to revisit aspects of employment and consider how to create incentives and clear lines of accountability for all staff.</p>
<p>A new Human Resources Strategy is being implemented and will tackle many of the issues identified in this evaluation. At present job descriptions do not include reference to managing for results in the development cooperation aspect of the work of the MFA. Achievements in delivering results do not attract incentives or rewards and are not a factor to improve chances of promotion. The rewards systems do not provide incentives for strengthening a results culture within MFA. There are few opportunities provided for learning from results and evaluations.</p>	<p>Changes in human resources management are expected with the advent of a new policy. Existing systems do not give prominence to managing for results and lack provision for incentives and rewards.</p>	<p>Job descriptions need to include reference to managing for results and annual performance assessments should take into account the performance of development projects.</p> <p>Create new training that prepares managers for their role in an RBM system</p>

<p>The information management system is also currently being revised and will bring new facilities during 2011. The system that has been in operation does not function well and is not effective at storing and retrieving information about current and past project performance.</p>	<p>Information management is also undergoing a change. The current system does not provide an adequate service for document retrieval or comparative analysis of development interventions.</p>	<p>Include a way of storing, retrieving and analysing information about project performance that links ratings in reports to indicators in projects in the new information system.</p>
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1 INTRODUCTION

1.1 The purpose, Objective and Scope

This report presents the findings, conclusions and recommendations of an evaluation of 'Results-based approach in Finnish development cooperation'. The current onus of development cooperation of Finland is on results-based management (RBM). The International Roundtables on Managing for Results in 2002 and 2004, Marrakech Memorandum and Paris Declaration (PD) and Accra Agenda for Action (AAA) have directed attention towards results and effectiveness of international aid. Donors and aid partner countries alike are acutely aware of the need to find effective ways to assist the poor and reduce poverty. Traditional approaches have not always led to the intended results. There is growing expectation for development to be more accountability-driven. RBM practices generate demand for well-established, reliable monitoring and evaluation (M&E). This again calls for a clear results-based planning, where causal-effect links have been logically worked out.

This evaluation has a general purpose to assess the planning and design of bilateral projects and programmes from the point of view of a results-based approach and provide guidance on how to improve the results-based design, implementation, M&E as well as management and point out benefits and advantages for a results-based approach and institutional learning. The evaluation is also to explore the ways, approach and role adapted in case of the new aid modalities, especially in the planning phase and in the M&E and propose ways how to rectify or improve them.

The overall objective as set out in the Terms of Reference (ToR) (Annex 1) is to deepen the understanding of the results-based approach and management requirements. It will give guidance on what kind of design tools, guidelines and instructions of M&E will lead to a results-based system and how to use them so that there is an underlying theory based project/programme, which facilitates proper M&E. In the end the goal is to maximize the internal learning and integration of lessons learned in the decision making and planning.

In scope the evaluation is mainly a desk study with three elements:

1. The study of bilateral projects and programmes, based on a sample of documents from different sectors (health, education, forestry, energy, environment, water, etc.) from the period 2000-2009.
2. The study of a couple of sector programmes (SWAPs) or other aid interventions where new aid modalities are used (basket or pooled funding) and the assessment of the role Finland has chosen in relation to the design, M&E.
3. Relevant interviews within MFA and also among selected number of other donors to identify their practices and possible on-going reform plans. The main focus of this phase of the evaluation is on donor behaviour and on retrieving information and evidence on present mechanisms in planning, M&E and management.

1.2 Methodology and Analytical Framework

1.2.1 Evaluation Framework

A highly structured approach has been taken to the evaluation. Starting from the detailed questions set out in the ToR, the team developed an evaluation framework, reproduced in Annex 3. The framework provides a link from the ToR to the data collection tools and selection of people for interview:

- Questions in the TOR are further developed or supplemented to provide more specific detail.
- The method of data collection (mainly review of documents, supplemented by interviews) is identified for each question.
- The specific stakeholders or other sources of information are defined
- An indication is given of the way in which information collected will be analysed.

Once the framework was established it was used to generate a document review checklist for analysis of projects and programmes (drawing on those questions for which the source of information included document review), and a topic checklist for interviews with staff.

1.2.2 Staff and Management Surveys

To supplement the staff interviews at MFA headquarters and create an opportunity for staff based at embassies to participate, a questionnaire survey was designed and distributed to all embassies concerned with development cooperation and to 120 individual staff. A modified version was developed and distributed to 18 senior managers. The questionnaire was administered using a proprietary internet tool. A total of 76 replies (65 per cent) were received from the main survey and 10 (56 per cent) from the senior management survey. Summaries of the results are at Annexes 4 and 5.

1.3 Selection of Projects and Programmes for Review

A considerable amount of time was spent at the start of the assignment in trying to select a representative set of projects for document review. Guidance provided to the evaluation team was for six projects/programmes mainly dealing with bilateral interventions and to include a couple of sector programmes or other interventions.

Having reviewed available material and discussed with technical and sector advisors the evaluators decided to work with a larger and broader sample. The selected projects are listed in Table 1.

Table 1 List of projects reviewed.

Type of project	Country	Project title
Bilateral	Kenya	PAWELCO, Programme for Agriculture and Livelihood in Western Communities
	Mozambique	IESE, Support for Centre for Social and Economic Research
	Nepal	RWSSP-WN, Rural Water Supply and Sanitation Project in Western Nepal
	Nepal	SEAM-N2, Strengthening of Environmental Administration and Management at the Local Level
	Tanzania	DESEMP, The District Economic and Social Empowerment Programme,
	Vietnam	Innovation partnership
	Zambia	PSDRP, Support to Private Sector Development Zambia Phase I
	Zambia	PSDRP, Support to Private Sector Development Zambia Phase II
Multi-bi	Nepal	IFAD, Technical Assistance for Leasehold Forest and Livestock Development Programme in Nepal
Multi	Ukraine	Cleaner Production Project, IFC
Institutional Cooperation Instrument	Vietnam	Enerfish, Integrated Renewable Energy Solutions for Seafood Processing Stations
	Vietnam	Audit, Promotion of Energy Efficiency and Renewable Energy in Vietnam through Capacity Building in Energy Auditing
SWAp	Mozambique	PROAGRI, Agricultural Sector Development Programme
	Zambia	ESSP, Education sector support programme
GBS	Zambia	Poverty reduction budget support
NGO	Kenya	ECODE, Eco-village Development Project
Regional	Andean region	SFM, Sustainable forest management

Source: evaluation team records.

A total of 17 projects were reviewed. Of these, eight were bilateral interventions with a further one multi-bi and one with a multilateral agency; two Institutional Cooperation Instrument (ICI) initiatives, two sector wide approaches and one each of general budget support, Non-governmental Organization (NGO) project and a regional project. This selection provided a wide range of experience across types of interventions and also time, with a mix of some older and some newer operations.

1.4 Structure of the Report

The report starts with a brief overview of what is meant by results-based management and how it has been adopted in the MFA. The following chapters examine MFA strategy, the design of development interventions, M&E and reporting and the role of support systems and institutional culture. The final two chapters draw together the conclusions and lessons from the evaluation and put forward recommendations.

2 RESULTS-BASED MANAGEMENT AND FINLAND'S DEVELOPMENT COOPERATION

2.1 What is Results-based Management?

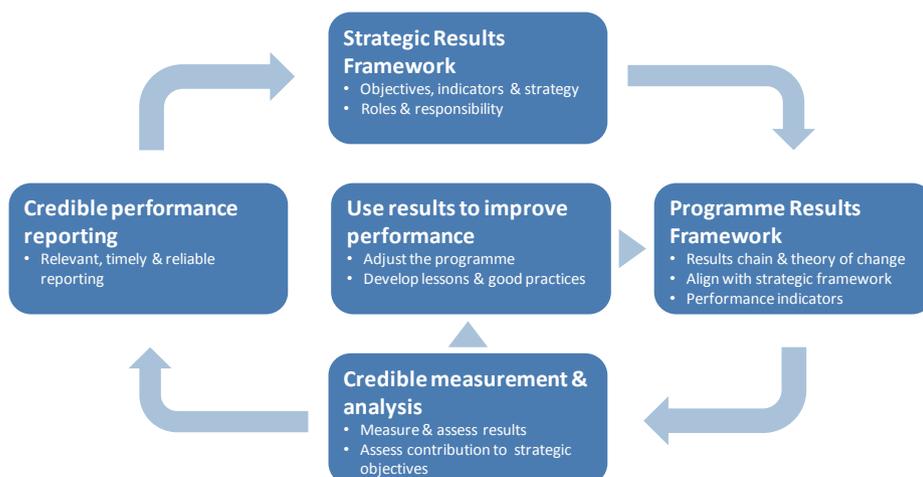
The World Bank's (WB) Sourcebook on Managing for Development Results defines RBM as “a management strategy focused on development performance and on sustainable improvements in country outcomes. It provides a coherent framework for development effectiveness in which performance information is used for improved decision-making, and it includes practical tools for strategic planning, risk management, progress monitoring, and outcome evaluation.” Results management is outcome-based management. The point to emphasise is that it is a management strategy rather than an approach based on technical tools, though tools are an important element. We summarise our interpretation of this agenda in Figure 1.

There are several key elements to the framework:

- The starting point is a statement of overarching strategic objectives.
- These are then used to guide the development of programmes and projects within which results chains are defined and the theory of change set out for the intervention.
- Performance is then measured and assessed.
- Evidence is used to adjust programme implementation and to guide strategy.

Different organizations define RBM in different ways, yet there is a strong common denominator among definitions. All reflect the underlying idea of deliberately learning from empirical evidence on past experience and using that information to man-

Figure 1 A results management framework.



Source: ITAD Ltd Inception report.

age. The Organisation for Economic Cooperation and Development/Development Assistance Committee (OECD/DAC 2006, 9) describes it well: ‘Results-based management asks managers to regularly think through the extent to which their implementation activities and outputs have a reasonable probability of attaining the outcomes desired, and to make continuous adjustments as needed to ensure that outcomes are achieved’. The need to manage for outcomes sets RBM apart from more traditional styles of management that focused on use of resources or delivery of outputs.

For RBM to be successful, organizations need to develop and nurture a culture of results where enquiry, evidence and learning are valued as essential to good management. The use of results information in managing is usually seen as the main aim of introducing RBM. Managing for results requires an approach that is different from more traditional styles of management. Box 1 summarises what is different about RBM compared to more traditional systems.

Box 1 Expectations for managers in results management.

In planning:

Understand the theory of change. Knowing and questioning the theory of change and the evidence for it – why the programme is believed to contribute to the outcomes sought.

Set out performance expectations. Setting meaningful expectations/targets for key aspects of the results chain (outputs and outcomes/impacts).

In implementation:

Measure and analyze results and assess contribution. Gathering evidence

and information on key outputs, outcomes/impacts and other influences occurring, assessing that information in light of the expectations set, and assessing the contribution being made by the programme to the observed outcomes/impact.

In implementation:

Measure and analyze results and assess contribution. Gathering evidence and information on key outputs, outcomes/impacts and other influences occurring, assessing that information in light of the expectations set, and assessing the contribution being made by the programme to the observed outcomes/impact.

In decision-making and learning:

Deliberately learn from evidence and analysis. Using this evidence and analysis to adjust delivery and, periodically, modify or confirm programme design.

In accountability for performance:

Reporting on performance achieved against expectations. Reporting on the accomplishment of outcomes/impacts expectations, and on the contribution being made by the programme—what difference it is making.

Key senior management roles in results management:

- **Agreeing** a strategic results framework
- **Challenging** theories of change behind programmes and evidence on past performance
- **Approving** of performance expectations and reprogramming decisions
- **Overseeing** key aspects of results management: monitoring systems, learning systems and results reporting by programme managers
- **Reporting** on organizational results performance

Source: adapted from Mayne (2008).

The implication of this way of thinking is that office systems in general, such as for personnel management, and information storage and retrieval need to be organised in such a way as to support a focus on managing for results.

2.2 Adoption of Results-based Management by the Ministry for Foreign Affairs of Finland

The adoption of a results-based approach is referred to quite widely in documentation of MFA but the evaluators have not been able to find a core document that defines the approach or sets clear objectives for working in this way. The latest set of evaluation guidelines quotes a definition from the WB Independent Evaluation Group as ‘A management strategy focusing on performance and the achievement of outputs, outcomes and impacts’ (MFA 2007a, p11).

More attention has been paid to the development of tools. MFA adopted the EC approach to Project Cycle Management and prepared a comprehensive handbook (MFA 1998) which gives practical guidance to the logical framework approach to project planning, design and implementation. This is built around a results-based approach and gives sufficient information to support the setting of objectives and selection of indicators.

However, findings from recent evaluations commissioned by EVA-11 and described in the TOR for this evaluation (Annex 1) suggest that results frameworks and results monitoring is not always in place and in use. The development intervention design method applied by the MFA is claimed to be very cumbersome and time consuming and the project documents more narrative than analytical. Moreover, the evaluations have come to the conclusion that the evaluations are often difficult to carry out owing to the lack of proper means and baseline for measuring the change. The latest meta-evaluation of the evaluation reports of the operational departments in 2008-2009 (Williams & Seppänen 2009) refers to similar deficiencies.

Specific conclusions include the following:

- Base-line data, indicators, intended impacts, effectiveness and sustainability etc. are not defined accurately enough to ensure a logical framework for implementation; moreover, the indicators and monitoring are to a great extent activity-based (Williams & Seppänen 2009; MFA 2010f; Matz M, Blankwaardt B, Ibrahim-Huber S, Nikula J & Eder G 2010; Borchgrevink A, Poutiainen P, Kahsay T W & Nordström M, Eggen O & Aasland S 2010);
- In general, the M&E system is weak (Borchgrevink A, Poutiainen P, Kahsay T W & Nordström M, Eggen O & Aasland S 2010; MFA 2010f);
- No management formats have been developed to provide information on follow-up (Williams & Seppänen 2009);
- No efforts are made to share lessons learned from evaluations and appraisals (Williams & Seppänen 2009);
- The MFA information management system should be improved (Matz M, Blankwaardt B, Ibrahim-Huber S, Nikula J & Eder G 2010);
- There is a need for more emphasis on and training in managing-for-results (Williams & Seppänen 2009; Matz M, Blankwaardt B, Ibrahim-Huber S, Nikula J & Eder G 2010).

All the above mentioned factors may jeopardize the accuracy and reliability of information on the basis of which conclusions and decisions are taken.

2.3 Key Points

- RBM is a management strategy that uses tools to help define objectives and results, report on performance and use that information to improve the implementation of interventions and modify strategy.

- Managing for outcomes brings expectations on the ways in which managers will interact during planning, implementation, decision making, learning and accountability.
- There is no statement or document guiding the adoption of RBM for the MFA.
- Comprehensive guidelines for project cycle management that follow a results-orientation were adopted in 1998 but evidence from evaluations suggests that results frameworks and results monitoring is not always in place and in use.

3 RESULTS FOCUS IN DEVELOPMENT POLICY

3.1 Introduction

This chapter examines the ways in which policies and strategies developed by the MFA follow a results orientation and establish clear objectives and indicators to guide interventions and dialogue. The analysis firstly reviews overall development policy, followed by regional, country and sector levels.

3.2 Policy Frameworks

3.2.1 *Changes in Finnish Development Policy*

During the last decade Finland has had four different development policies: 1998, 2001, 2004 and 2007 (MFA 1998a; MFA 2001; MFA 2004; MFA 2007a). The policies have maintained great coherence and have focussed on achieving the three main goals: alleviation of widespread poverty; sustainable development; and promotion of equality, democracy and human rights, though with some changes in emphasis.

The evaluators undertook a close analysis of the 2004 and 2007 policy statements as these are most relevant to implementation of the projects selected for review. Policy 2004 emphasizes coherent development policies, whereas policy 2007 is more concentrated on sustainable development and climate change. By simple comparison of the language in these different statements it is possible to see that the words ‘sustainable’ and ‘climate’ are far more prevalent in policy 2007 than in policy 2004. ‘Coherency/coherent’ and ‘harmonisation’, in turn, are more prevalent in policy 2004.

The term ‘environment/environmental’ is almost as prevalent in policy 2004 as in policy 2007. From these two booklets, it is quite difficult to gauge the extent to which a real policy change has occurred. Policy 2007 states that environmental issues, crisis prevention, and support to peace processes have increased, but the environment has also been a topic in 2004. The discussion on coherence and harmonization seems to have decreased from 2004 to 2007, and the ‘rights-based approach’ seems to have disappeared from policy 2007.

3.2.2 Results-orientation

From the viewpoint of results, neither of the policy statements is very strong. Policy 2004 discusses the quality and effectiveness in coherent development policy in the first chapter. In policy 2007, discussion of implementation and M&E is left to the last chapter. No detailed description of these processes is made in either of the documents. With the exception of the target appropriation of 0.7 per cent of GNI, none of the sections in the 2007 development cooperation programme document put forward measurable objective statements or indicate standards of desired performance for Finland's contributions. Examples could include trends in indicators for the priority sectors in partner countries; and trends in the level of performance of Finland's projects. For example 'more than (nn) percent of projects dealing with (sector) are evaluated as 'satisfactory or better' at mid-term or completion over the plan period'.

The section on evaluation implicitly highlights the importance of a structured approach with clear technical roles for the regional departments and the centralized evaluation (EVA-11). Higher level scrutiny is the responsibility of Parliament. The Development Policy Committee (Kehityspoliittinen toimikunta; KPT), a parliamentary independent body, reviews topics on an annual basis, but does not have a formal role of scrutiny based on M&E.

3.2.3 Policy at Regional Level

Two examples of regional policy frameworks have been examined by the evaluation team; the policy for Africa (MFA 2009a) and the policy for the Western Balkans (MFA 2009b). Both documents present a coherent analysis of the problems facing their regions and set out the nature of the planned programmes. From a results perspective, however, the documents contain little information. There are no clear statements of objectives either for substantive development in the specific countries, or for the contribution being made by Finland. No indicators are established and there are no targets for performance. The Africa document includes details of preliminary payment plans for five long-term partner countries from 2009 to 2012. The Balkans document lists projects and planned disbursement under four programme categories.

3.2.4 Policy and Programmes at Country Level

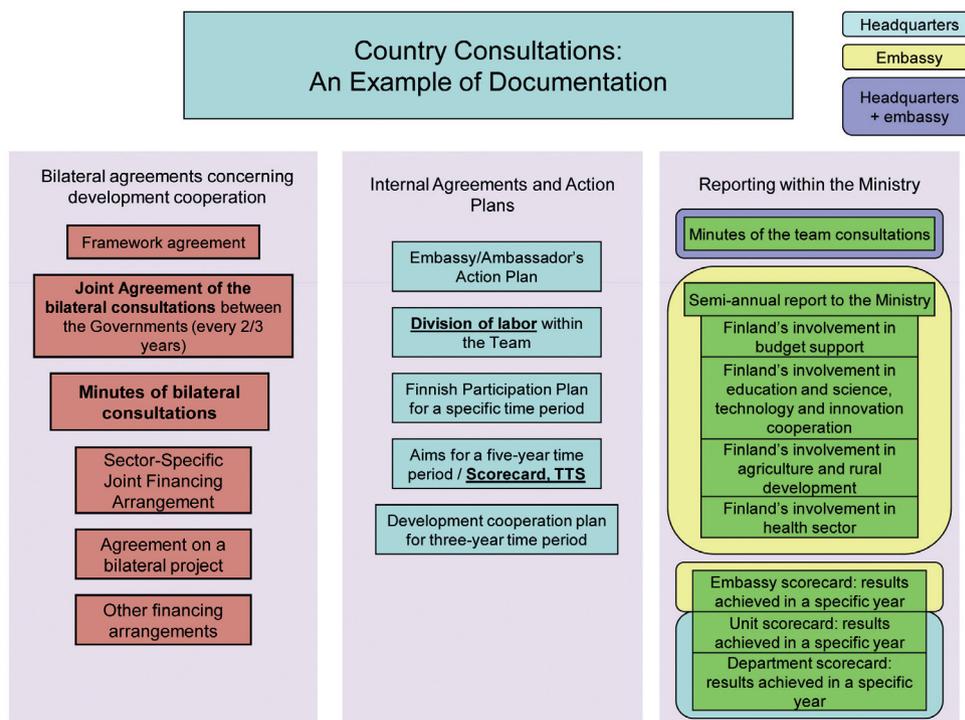
The text above has shown that policy at global and regional levels does not create a results-framework for development cooperation. Greater emphasis has been placed on planning at country level. Although it is not the practice of the MFA to develop country development cooperation strategies, a process of negotiation is followed with the aim of one or more of: informing and exchange of information; the follow-up of the realization and implementation of common goals; influencing the policy goals, and solving possible challenges concerning these; agreeing on the future goals and their implementation, under the framework set by international commitments.

For long-term partner countries negotiations take place every two to three years. There is a detailed guidance document (MFA 2005) that describes the process, which is wider than just for development cooperation and includes for example trade, foreign and security policy, development cooperation, and cross-cutting issues. The purpose of the guidance is described as to aim at improving the quality of the negotiations conducted with the long-term development cooperation partner countries of Finland. It states explicitly that this means a results-based approach. Clear goals are to be defined for the negotiations, to achieve effectiveness, consistency, harmonization, a participatory approach and coherence.

Negotiations are part of a complex process of country consultations and work documentation. Figure 2 presents the main elements showing how consultations are turned into internal agreements and action plans which are then reported to MFA headquarters.

The main presentation of planned results is in the aims for a five-year time period documented in the annual Scorecard and Operating and Financial Plan (toiminta- ja taloussuunnitelma; TTS), both of which are internal documents. Inspection of a sample of these for Nepal, Zambia and Mozambique shows that the information present-

Figure 2 Elements of consultation, action and reporting at country level.



Source: interpretation by the evaluators.

ed in the documents does not provide a measurable set of objectives for the country programme as a whole, nor are there any indicators of performance. The development cooperation plan is essentially a statement of programmes. Details are given of planned disbursement, but information about the performance of development interventions is neither aggregated to the level of the country programme, nor transformed into any assessment of performance, such as by a rating scale.

3.2.5 Sector Guidelines

MFA produces sector guidelines to strengthen the technical orientation of Finland's support and improve the effectiveness of development cooperation. The evaluators have seen the guidelines for agriculture and food security (MFA 2010a), development and security (MFA 2010b), environment (MFA 2009c), forest (MFA 2009d), and water sectors (Ministry for Foreign Affairs of Finland, Ministry of Agriculture and Forestry & Ministry of the Environment 2009), and for general and sector budget support (MFA 2010c). All the ones seen were published in 2009 or 2010 and so will not have influenced development practice earlier in the period. The guidelines fulfil several purposes, one of which is information for the public. It could be argued that more detailed objectives and indicators are not needed in such a publication. However, if that were the case, they would need to be supported by more detailed material internally for the MFA. And even so there is no obvious reason why the public should be given less detailed information about objectives.

The guidelines have been analysed to examine how well they support a framework for a results-based approach. Using a review checklist the following points were examined: quality of the statement of objectives; awareness of a hierarchy of objectives, encompassing both international-national-Finnish objectives and the hierarchy of activities, outputs, outcomes and goal; recognition of the role of monitoring performance; examples or guidance on indicators; practical arrangements for monitoring; and reference to Finland's cross-cutting issues.

The guidelines provide a comprehensive overview of Finland's involvement in the various sectors and indicate how Finland will work with other partners and in the context of international treaties and agreements. Reference to cross-cutting issues is made in all the guidelines.

In general, objectives are phrased to describe what Finland will support or undertake (activity level statements) rather than in terms of the development outcomes that Finland wants to achieve or contribute to (outcomes). For example, in agriculture and rural development, Finland supports agricultural production that promotes the attainment of food security in developing countries. But no guidance is given as to how a specific project might have an outcome statement and indicators that describe how progress towards food security would be measured. Similarly, for development and security, 'Finland is committed to strengthening the authority and capacity of the United Nations (UN) and enhancing the effectiveness of the UN system with respect to development and security'. Again, there is no guidance about how this important

activity can be expressed as an outcome or how progress in strengthening could be measured and reported.

Whilst most examples reflect activities to be undertaken, some are phrased more effectively. The environmental guidelines include the statement that Finland aims to take responsibility for donor coordination in the water sector in long-term partner countries. Although still an activity statement, this is clearly measurable and able to be reported objectively. Another example from the environment goes further and indicates a simple theory of change behind what Finland plans to do: ‘Finland places particular emphasis on the incorporation of forest programmes and their related climate and biodiversity elements in poverty reduction programmes. *This will over the medium term result in the strengthening of services provided by forests and an increase in economic and social well-being in rural areas*’ (emphasis added). The strengthening of services and improvement to economic and social well being is a rudimentary results chain that can be developed into firm objectives and indicators in a project plan.

Two sector guidelines, dealing with forests and water, have a stronger results orientation and both note the importance of monitoring. The forest strategy is linked to international commitments that help provide a framework of objectives (the UN Forum on Forests – UNFF) from which the Finnish initiative to support sustainable forest management and reducing emissions from deforestation and forest degradation (REDD) in developing countries is developed. Finland will implement four global objectives from the UNFF. Although the guidelines do not include indicators, the four objectives could easily be adapted into specific objectives with indicators and targets at country level.

The water sector guidelines differ from the others as they are an international strategy drawn up jointly by MFA, Ministry of Agriculture and Forestry, and Ministry of the Environment. Here there are three broad goals, each of which has concrete targets for the short term (1-5 years) and long term (5-10 years). Appendix 4 has general indicators for each of the targets. It recognises many are qualitative and descriptive at this stage, but argues that more specific indicators can be defined as part of action planning.

The guidelines on general budget support and sector budget support provide a good overview of why and how Finland will participate in budget support operations. Clearly, performance indicators in these interventions are the mutual responsibility of the recipient government and all donors. But few references are made to any added-value that Finland can bring or how Finland can report on performance. The document does note that ‘through budget support cooperation, Finland can influence key goals and processes to a greater extent than the share of Finland’s contribution in the partner country’s total budget support would indicate’. But it is not clear how that influence might be expressed or reported.

The sector guidelines, though uneven in content and presentation, provide a basis from which measurable objectives could be crafted in regional and country plans.

Having measurable objectives and examples of indicators is important as it provides a basis against which the quality of project designs can be assessed.

3.3 Key Points

- Neither Finland's development cooperation policy nor the regional policy frameworks contain a results orientation that provides a strategy framework for country and regional programmes.
- There is a methodical and systematic approach to planning at country level. A single process deals with both development cooperation and other work of the embassies. The present system does not include provision for setting outcome statements at country level, nor are there objectively measurable indicators, either of the country's development performance or of Finland's specific contribution.
- The newly drafted sector guidelines are of a mixed quality with regards to guidance on results-orientation. There is potential to develop outcome objectives from the statements of activities.
- The International Strategy for Finland's Water Sector provides some good practice examples which could be taken up in the other sector guidelines.

4 DESIGN OF DEVELOPMENT INTERVENTIONS

4.1 Introduction

The MFA Guidelines for Programme Design, Monitoring and Evaluation (MFA 1998a) outline the key aspects that should be included in the design and M&E of Finnish projects and programmes. This section looks at the extent to which projects and programmes adhere to these guidelines and good practice in results based management.

The guidelines outline the main stages that need to be undertaken in project design as:

1. A situation analysis – to identify the needs, interests, priorities and resources of stakeholders from the central government to beneficiaries to assess different options to achieve project objectives. This defines the projects intervention logic and is used as the basis for further planning.
2. Logical Framework – to establish and analyse the objectives of an intervention and the assumptions behind it. This requires the establishment of a programmes' overall objectives, project purpose, results and activities and the causal relationships between them. The logical framework also sets out indicators, sources of verification and assumptions for the programme to be successful.

The design phase outlines the intervention logic for the programme and provides a framework for results based planning, monitoring and evaluation. The underlying programme theory should be explained and the cause and effect linkages between objectives, activities and results. Indicators should be designed in order to measure results and a risk management system should be in-built into project design, with adequate resources provided for results based management.

The extent to which the guidance provided by the MFA and general principles of RBM are reflected in project documents and in the underlying design is examined below. Project documents and related information were assessed for the 17 projects and programmes listed in Table 1. They were reviewed according to two elements: general aspects of the design framework; and the design process.

4.2 General Aspects of the Design Framework

Project documentation was reviewed to determine how well projects and programmes had been designed. More specifically, the logical frameworks were assessed and the extent to which objectives, project purpose, results, activities and assumptions were correctly presented. The degree to which a programme theory of change was outlined in the text, possibilities for mutual accountability and incorporation of PD and AAA were also reviewed. The main evaluation questions are shown in Box 1.

4.2.1 Logical Frameworks

There was a mixed experience in terms of the quality of logical frameworks developed for the projects reviewed. Ratings for questions (i) and (ii) in Box 2 were explored in detail by examining separately the quality of the underlying elements.

Out of the 17 projects, 4 were rated as highly satisfactory, 5 as satisfactory, 4 as unsatisfactory and 4 as highly unsatisfactory for their overall objective. The specification of project purpose (which is the key level of objective for a RBM system as it describes desired outcomes) in fact shows the best performance with 76 per cent of the projects rated as satisfactory or highly satisfactory. The quality of outputs, activities and assumptions was slightly lower, with satisfactory or highly satisfactory ratings for around 60 per cent of the projects.

Some project documents had very well developed logical frameworks, whereas others did not include them at all. This is not a surprising finding given that the questionnaire responses from staff indicated that only 47 per cent of staff agreed or strongly agreed that they could easily find guidelines and support to help design objectives and indicators. Similarly only 42 per cent of staff overall either agreed or strongly agreed that the training that they received had equipped them to plan and manage outcomes.

Box 2 Evaluation questions on general aspects of the design framework.

- (i) Is there a unified model for development intervention logic and does the structure of the logical framework support results based planning, monitoring and evaluation?
- (ii) To what extent do the logical frameworks of the projects provide for cause effect linkages?
- (iii) Does the design of development interventions enable the verification of policy coherence for development?
- (iv) To what extent are the possibilities for mutual accountability of Finland and the developing country evident or secured in the design of the logical framework?
- (v) To what extent the design of project documents has contextualized with the other PD principles and Accra agenda?

Good examples of logical frameworks were found in the Mozambique PROGARI SWAP where objectives were well defined and the project purpose, results and activities were well presented and the assumptions used created a coherent logic. Kenya PALWECO is also an excellent example where efforts were made to make the logical framework results orientated. This avoided the flaw in some logical frameworks reviewed which tended to be activity-based with results based on activities achieved rather than outcomes or impact. Box 3 outlines some of the comments of the review team on the logical frameworks for these two programmes.

Also the assumptions included did not always create a coherent logic, although some programmes such as Zambia Support to Private Sector Development II provide a good example of using assumptions well. They are used to define the conditions necessary for the programmes success, outline factors which project management cannot control and highlight overall systems environment and sustainability issues. Vietnam

Box 3 Good Practice Examples of Logical Frameworks (comments from the review team).

PROAGRI

‘The overall objective of PRODEZA – *reduced rural poverty, especially of women, in Zambezia province* – is presented frequently and consistently in the documentation reviewed...The project purposes are presented in a clear fashion. The results are presented clearly in the logframe within the objectives column. They are organized to fall under three broad thematic areas.’

PALWECO

‘Not only is the overall objective presented well, but there is a clear intervention logic outlined in the programme document and a good logframe that focuses on results rather than activities...it is possible to trace cause and effect linkages which can be used for results based M & E’.

Innovation Partnership also provides a good example of how assumptions, activities and results should be linked and fully coherent in terms of how they fit together to achieve results.

A theory of change was clearly outlined in 47 per cent of the project documents reviewed, which in some ways is surprising given that the survey of staff found that 80 per cent stated that they could explain clearly the underlying rationale for projects and how activities and outputs would give rise to the desired project purpose or outcome. Some programmes such as the Zambia Education Sector Support Programme (ESSP) provided a good explanation of the changes in policy and outcomes that needed to occur for objectives to be met. This was because the programme is based on the education sector plan, which gives a clear explanation of what the support is expected to achieve in the education sector and how the changes necessary to achieve this will occur.

In the Technical Leasehold Forest and Livestock Programme in Nepal there was also a good description of how the project fits with the IFAD project that it is supporting and the changes that the programme will bring about as a result of Finnish technical assistance. Others such as the two Vietnam ICI projects (Vietaudit and ENERFISH), provided no theory of change at all, whereas unsatisfactory/highly unsatisfactory explanations occurred in 7 of the 17 programmes

Some projects did not include logframes at all, which was the case in the Nepal Rural Water and Sanitation Project (RWSSP-WN). A separate M&E system was being developed during implementation. Other programmes including the Budget Support for Zambia and the NGO and ICI projects also did not have logframes. Guidelines for development cooperation with NGOs (MFA 2005; 2006) note that NGOs must have the ability to monitor and assess the quality and results of aid. The NGO development cooperation manual gives detailed guidance about formulating objectives and specification of beneficiaries which are key elements of results-based planning. But interviews with staff dealing with NGO projects indicates that NGOs are permitted a very flexible approach to their programme design and it is mainly the larger ones who adopt tools such as the logical framework. An example from World Vision Finland illustrates that the logframe approach can be used in a complex and relatively sophisticated way to structure programme and project levels objectives (World Vision Finland 2009, p30) but this application by an NGO appears to be uncommon among MFA's NGO partners.

4.2.2 Compatibility with Policies for Development

The policy compatibility of development interventions tended not to be addressed very well in project documents. Only 7 programmes received a satisfactory or highly satisfactory rating in this area. This was mainly due to a lack of explanation of how programme interventions fit with broader sector goals, Finnish development goals and how national goals will be influenced. A few programmes were able to describe this quite well, for instance the RWSSP-WN, the Zambia ESSP and PALWECO gave

thorough descriptions of how the interventions fit with national goals and plans as well as Finnish plans and other donor programmes. The RWSSP-WN notes that:

The proposed project complies with the present laws, policies and strategies and even with the recent Sanitation Master Plan proposal drafted by the DWSS. The strategy of the Project emphasises institutionalisation of sector development through the decentralisation measures to promote democracy and good governance; The Project design is in line with the Three Year Interim Plan (TYIP) 2007-2010... This project document has been designed according to the new Finnish Development Policy Programme 2007, Towards a Sustainable and Just World Community, Government Decision-in-Principle 2007 which emphasizes sustainability' (revised Project Document RWSSP-VN, August 2008-July 2012 p 32).

To a lesser extent, the Zambia PSRDP II, the Ukraine Cleaner Production project, Nepal SEAM and the Tanzania DESEMP also provided a satisfactory explanation of policy coherence.

4.2.3 Possibilities for Mutual Accountability

A clear statement on mutual accountability was non-existent in all programmes apart from the Zambia budget support programme (PRBS). This programme is underpinned by an MoU that outlines both government and development partner's obligations and responsibilities in terms of the programme. There is also a performance assessment framework (PAF), which acts as a framework for mutual accountability, which measures not only Government of Zambia performance but also donor progress against three indicators. The government PAF outlines objectives in four key areas, whereas the donor PAF has indicators related to:

- i) Proportion of ODA given as budget support
- ii) Amount of PRBS disbursed as per cent of commitment
- iii) Weighted average deviation (expressed in months) of the months of disbursement against the months of commitment.

Both the donor and government PAF are then reviewed each year at the joint annual review and there are opportunities through this process to hold each other to account.

4.2.4 Contextualisation of the Paris Declaration and Accra Agenda

There was more discussion in project documents of the compatibility of programmes with PD and AAA principles, although it was still missing or unsatisfactory in most programmes. Contextualisation of the principles was prevalent in more recent programmes and a good example of this can be seen in the Tanzania District Economic and Social Empowerment Programme. Here there is a discussion of enabling local ownership, implications of harmonized funding and institutional alignment. Also in the Kenya PALWECO programme there is an aid effectiveness checklist, which outlines the PD indicators and outlines how the programme will contribute towards achieving each indicator. An example from this checklist is shown in Box 4.

Box 4 Example from Aid Effectiveness Checklist PALWECO.

Paris Declaration Indicator	Approach of PALWECO
1. Partners have operational development strategies — Number of countries with national development strategies (including PRSs) that have clear strategic priorities linked to a medium-term expenditure framework and reflected in annual budgets.	GoK has developed both national and sectoral policies and strategies relevant to PALWECO. GoK has prepared a medium-term expenditure framework every year since 2000, but until recently the MTEF objectives have not been reached. Despite the improvements since 2005-06, challenges remain in weak linkages between policies and government annual budgets. While many of the ministries in rural development sector have prepared explicit strategies, very few of them include a realistic MTEF. PALWECO adheres to the principles and priorities defined in Kenyan policies and strategies.
2. Reliable country systems — Number of partner countries that have procurement and public financial management systems that either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.	Kenya public financial management systems have serious shortcomings, as indicated by various studies, development partners' experiences, and frequent mismanagement cases exposed by the media. GoK launched a PFM reform programme in 2005, chaired by the MoF. While the reform programme has adequate objectives and a wide coverage, the pace of its implementation has been slow. For these reasons and because efficient and reliable financial flows are indispensable for the Programme, the GoF contribution to PALWECO is not channelled through the through the GoK revenue and disbursement systems.
3. Aid flows are aligned on national priorities — Percent of aid flows to the government sector that is reported on partners' national budgets.	All the aid flows through PALWECO will be registered in the GoK budgets. GoF contribution will be registered as appropriations in aid.

Source: PALWECO Programme Framework Document, June 2010

4.3 Design Process

The design process assesses the extent to which project and programme design allows for a results based approach and results based management. The main issues that were addressed are outlined in Box 5 and relate to the extent to which systems are in place to capture results, whether a results based approach is mainstreamed throughout the project cycle, the role of cross-cutting issues and use of risk management systems.

Box 5 Evaluation questions on the design process.

- | |
|---|
| <ul style="list-style-type: none"> i) Do current design policies and strategies and guidelines provide for results-based approach and results based management? ii) Are appropriate systems in place for capturing and transmitting results in place? iii) How does the results based approach reflect itself in financing, implementation and follow-up through different phases of the project cycle and are they used in a systematic way and do they provide a basis for evaluability? Are parameters/indicators clear and suitable for measuring results and achievements? iv) What role do cross-cutting issues play in a results based system? |
|---|

- v) What role does the resource allocation play in design and follow up? Is financing realistic also from the point of view of the partners country and in the right balance with planned activities and intended results?
- vi) What kind of risk management system has been built into project design? How is it utilised?
- vii) Is the project framework focusing on a governments sector objectives and highlighting clearly the degree to which Finland intends to contribute with its aid
- viii) To what extent have the durability and predictability of support been considered in the planning of aid interventions?

4.3.1 Existence of Results-based Approach and Results-based Management in Policies, Sector Guidelines and Country Plans

Most projects and programmes had no evidence of the existence of a results based approach. Of the 17 projects and programmes reviewed, only two were rated as highly satisfactory and one as satisfactory. Eight programmes could not be assessed using this criterion, as the wider documentation about the existence of a results-based approach was not available.

Good examples of where there were clear, objective and measurable objectives set out in development policy, sector guidelines and country plan documents were found in the Zambia ESSP and the Andean SFM. In the ESSP as this was a SWAP, there were clear objectives established linked to the sector education plan, which were in line with national objectives and priorities. In the Andean SFM there is a clear explanation of how the programme relates to wider sectoral forestry sector objectives, Finnish forestry sector guidelines and UN forest sector objectives (Box 6). These objectives are clear and measurable as noted above in section 3.

Box 6 Policy analysis in the Andean sustainable forest management programme.

The programme document for sustainable forest management in the Andean region illustrates a well structured approach that presents a logical thread via Finnish and international policy. For example: ‘The Finnish development cooperation in forest sector is guided by recent (2009) Development Policy Guidelines for Forest Sector that in turn supports the operationalisation of Finland’s current development policy programme (2007). The development policy emphasizes sustainable development with its three dimensions: ecologic, economic, and social in accordance with the UN Millennium Development Goals. Poverty reduction is the overall goal of the policy. Finland subscribes to the global forest processes and respective agreements and principles, such as the four Global Objectives on Forests set out by the United Nations Forum on Forests, UNFF (2006). p4

‘The objective of Finnish development cooperation in forest sector is to strengthen the conditions for SFM and thus achieve fair economic growth, reduce poverty and prevent environmental hazards.’ p4

National policies in each of the four countries are described and analysed (pp22-27) and the planners then conclude that: ‘The programme planning mission can confirm that the themes of the present Programme: (i) Sustainable forest management, (ii) climate change and forests, and (iii) forest plantations, are high priorities also for the four Andean countries. This conclusion is supported both by the discussions held during the preparation mission and by the problem analysis.’ p36

Source: MFA 2010f Sustainable forest management in the Andean region. Programme document.

4.3.2 Appropriate Systems for capturing and transmitting Results

On balance the majority of programme documents had developed arrangements for project/programme and country reporting. In three cases it was not possible to make a judgment on this as M&E systems had not been yet been developed. This was the case in Kenya PALWECO, Nepal RWSS-WN and in Nepal IFAD, as M&E arrangements were not specified. In the highly satisfactory cases such as the Ukraine Cleaner Production project there were well-specified systems for M&E and reporting. Similarly in Zambia PRBS there were systematic arrangements developed for monitoring results through the programme assessment framework, annual and sector reviews which are joint donor-government arrangements.

The Ukraine Cleaner Production project arrangements were outlined in the 2010 project proposal as follows:

Monitoring of Project activities and outputs will be managed through an internal project database. For companies receiving in-depth, tailored support, the initial CP audit will produce baseline data on the CP practices and performance of the company. The Project plans to incorporate a post check-up (within 12-18 months of the audit) in the plan of cooperation with such clients. During the post check-up the progress and results achieved will be assessed. This information will be presented to company management and used for IFC monitoring and reporting.

4.3.3 Results Based Approach in Different Phases of the Project Cycle

Owing to a lack of documentation it was not always possible to know whether a results based approach was used in each stage of the project cycle. This was because there were very few monitoring or evaluation reports provided or the programmes had only recently begun. Out of the 17 programmes, 7 were not possible to review on this basis. Of the remaining 10, only one was rated as highly satisfactory with the rest either unsatisfactory or highly unsatisfactory.

The second phase of the Zambia Private Sector Development Reform Programme was rated as highly satisfactory as there was a logframe with indicators that provide a good basis for providing results and quarterly and annual reviews. The evaluation of phase 1 was also undertaken using OECD/DAC criteria.

There was a tendency to integrate explicit performance criteria into monitoring frameworks, particularly those that related to the 5 OECD/DAC criteria. In the Vietnam innovation partnership there was reference made to various performance criteria in terms of OECD/DAC criteria and Finnish value added, as well as medium-term targets provided that give criteria that can be used in clear objective and measurable ways.

The Ukraine Cleaner Production project also used project performance criteria that were directly related to coherence, complementarity and effectiveness (Box 7).

Box 7 Ukraine Cleaner Production Project Performance Criteria.

The design and implementation of the Ukraine Cleaner Production Project follows the subsequent guiding principles of development policy:

- *Coherence.* The goals and objectives of the Project are consistent with Ukraine's development priorities. IFC's programmatic approach will help comprehensively address the development challenges in focus.
- *Complementarity.* The scope and focus of the Project strongly complements the existing and foreseen efforts of other bilateral and multilateral donor-funded initiatives.
- *Effectiveness.* The Project is expected to deliver strong results. The Project aims to facilitate at least \$45 of cleaner production investments and avoid 0.7 tons of lifetime carbon dioxide equivalent (CO₂e) emissions per dollar of donor funds.

Source: IFC 2010 Advisory Project Proposal.

4.3.4 Role of Cross-cutting Issues

Best practice suggests that explicit reference is made to cross-cutting issues and where appropriate indicators will be included that monitor the effects on various aspects of cross-cutting issues. This is not an aspect that is integrated particularly well in MFA programmes. Twelve of the 17 projects were assessed as unsatisfactory or highly unsatisfactory. An exception to this is the Kenya PALWECO programme where indicators are included that relate to equality, gender and vulnerability, social exclusion, HIV/AIDS, with disaggregation of some indicators by sex (Box 8). Other programmes such as the Vietnam Innovation Partnership use indicators disaggregated by gender, the environment and socio-cultural aspects, whereas in the Zambia budget support there are a number of indicators disaggregated by gender, social equity, environment and HIV/AIDS.

Box 8 Approach to cross-cutting issues in Kenya PALWECO.

The project document states that cross-cutting issues will be ‘clearly defined and made explicit in all undertakings’. These include:

- promotion of the rights and status of women and girls, and promotion of gender and social equality;
- promotion of rights of groups that are easily excluded, particularly children, persons with disabilities, indigenous peoples and ethnic minorities;
- promotion of equal opportunities for participation; and,
- combating HIV/AIDS as a health problem and as a social problem.

Indicators are then used in the logframe which are disaggregated by these four cross-cutting issues

Source: PALWECO Programme Framework Document, June 2010.

4.3.5 Resource Allocation

There was limited information provided in project documents on the resources allocated to RBM/M & E and whether financing is realistic given planned activities and results. Overall only one programme was rated as highly satisfactory (Vietnam Innovation) and three as satisfactory (Nepal RWSS, Kenya PALWECO and NEPAL IFAD). For example in the Nepal IFAD project there was funding provided for a M & E officer and a data management officer. In the Nepal RWSS-WN there was a budget line included for evaluation, monitoring and supervision, whereas in other programmes there was little information given on how RBM activities would be funded. This finding is more or less in line with the staff survey results which found that only 36 per cent of staff either agreed or strongly agreed that an adequate budget is made available for operating results based management (34 per cent disagreed/strongly disagreed and 30 per cent didn't know).

4.3.6 Risk Management System

Risk management systems were not adequately included in the design of projects and programmes, with only three projects judged to have satisfactory systems. These were the Zambia PRSDP II, the Nepal RWSSP-WN and IFAD programme Nepal, as each programme had a risk management matrix that assessed potential risks, likely consequences and a risk mitigation strategy. There was no mechanism included for monitoring the matrices however.

An example of the table developed in the Nepal IFAD programme is shown below. This was used to identify risks, their probability and mitigation strategies to be put in place.

Table 2 Example of Risk Identification Table from the Nepal IFAD.

Risk	Impact	Probability	Mitigation
LF alone is not able to address the poverty issues	Loss of faith in the programme	Fairly large in certain parts of the country e.g. Far Western region	Integration into other programmes and addressing the issues also on farms
LFLP benefits may not be adequate in the long-term	Loss of interest in the programme	Probable where other opportunities may emerge	Scale up micro-enterprises and business models, including benefits from tree crops
Top-down, hierarchical structure of the DoF	Restrict empowerment of communities and undermine local level planning and activities	Low	Train DoF staff in participatory approaches
Rivalry between leasehold forestry and community forestry participants	Resentment between groups might arise	Probable where benefits from LFLP are seen as significant	Greater integration between CF and LFLP planning and implementation
Continued dominance of social elites in CF and LF areas	Programme may not succeed	Fairly large in certain parts of the country e.g. Far Western region	Need for promotion of social change and also for political ownership at local levels
Lack of data or difficult to collect data	May lead to wrong inferences	Probable everywhere	Rigorous approach towards data collection and sampling, and making use of empirical information
Lack of competent persons for various jobs	Delay or non-implementation of programmes	Fairly probable	Capacity building

Source: Draft Project Document, Technical Assistance for Leasehold Forest and Livestock Programme (LFLP) in Nepal 2009-2012.

4.3.7 Focus on Government's Sector Objectives and Level of Finland's Contribution

Programme documents were reviewed to check the extent to which programme frameworks focused on government sector objectives and highlighted the degree/level to which Finland intends to contribute with its aid. In most cases there was either no information available to make a judgment on this or it was dealt with unsatisfactorily. In some ways it is surprising that Finland does not do more to highlight its contribution vis-à-vis government or other donors. Only in two programmes (Nepal RWSS-WN and Kenya PALWECO) was this mentioned, and then briefly. In PALWECO the programme document outlines how the programme fits with government interventions and aligns with other Finnish interventions, while the extent to which Finland is contributing can only be found in the budget table where Finnish and government contributions are given separately. In the RWSS-WN the programme document focuses on government sector objectives and highlights the Finnish financial contribution as well as Finnish advisors to be provided. The relevance to other sectors is also assessed with the highlighting of links to the infrastructure sector, decentralisation and local government discussed.

4.3.8 Durability and Predictability of Support/Exit Strategies

There was not much specific information given on the extent to which the design and predictability of support had been considered in planning aid interventions or exit/phasing out considered as part of the project design. In 11 of the programmes considered there was no information given on this, while in 3 programmes the discussion was unsatisfactory. Only in two programmes (Kenya ECODE and Nepal IFAD forestry programme) was the consideration given to these aspects considered to be satisfactory.

In the Kenya ECODE programme the economic and financial sustainability of the project is discussed in annual reports, with the project activities designed to be self-sustaining after the project as they will be taken over by local communities. In the NEPAL IFAD Forestry Programme it was commented that:

The overall exit strategy is to make sure that the stated objectives (to support the Department of Forest in maintaining and building up institutional and technical capacities and planning tools at grass-roots, district and central levels to support the implementation+n, institutionalization and scaling up of the poverty reducing leasehold forestry programme in the country) are achieved (Draft Project Document 2009-2012, p26).

4.4 Key Points

- A little over half the projects reviewed were assessed as satisfactory for the results focus of the project design (a sound logframe, logical hierarchy of objec-

tives, well expressed indicators, and treatment of risks). Despite clear and comprehensive guidelines, good standards of project design are not consistently applied.

- More recent projects are better designed. The review of the design of development interventions illustrates a wide variation in terms of how well programmes have been designed. It is notable that projects developed more recently were more likely to be better designed than those developed in the past. A good example of this is the Kenya PALWECO programme. This was designed in 2010 and is a very good example of design that is focused on results. The project document states that it has tried to encourage a '*results orientation*' as opposed to an '*activity orientation*' and the document clearly outlines the programme theory, cause and effect linkages, as well as providing a log frame which can be used for results based M&E. In particular the results are mainly impact orientated, as opposed to activity orientated, which was a flaw in the design of many programmes.
- Similarly the Sustainable Forest Management in the Andean Region was developed in 2010 and is another good example of a well-designed programme in terms of clear objectives and a good logframe and good policy coherence. The Vietnam Innovation Partnership Programme Framework Document was also developed in 2010 and provides a good logical framework, which supports results based planning and monitoring.
- Some second phase projects exhibit a better results-orientation. This improvement over time in terms of the development intervention design reflects lesson learning, particularly when there has been more than one phase of the project. For example, in the Zambia PSDRP, there were two phases of the project. In the first phase, which ran from 2005-2008, there was no logframe in project documents and no M&E system developed. Other key elements such as the project purpose were not well thought through and results were not clearly linked to measurable indicators. In phase two there was a marked improvement based on the lessons learned in phase 1 and a logframe was developed that clearly specified objectives, outputs and activities which were coherently linked together providing a well-developed logic for programme activities. In phase 2 there was also a better developed analysis of how the project was to be contextualized within PD and AA principles. This also occurred with the Strengthening of Environmental Administration and Management at the Local Level (SEAM-N2), in which there was a marked improvement in terms of project design over SEAM-N1.
- It appears that weak programme design has been dealt with by the MFA through either employing consultants to review programme documents and make recommendations on how to strengthen them, such as in the case of SEAM II or programme documents have been revised after the beginning of

the project and the interim report then becomes the final project document as in the case of RWSS-WN. The latter approach tends to extend the inception phase of the programme and means that programme activities start later than anticipated.

- There appears to be some difference discernable in the programme and project design depending on the type of project. In the sample assessed there were two SWAps (Zambia Education Sector Support Programme and Mozambique PROAGRI), both of which had reasonably well-defined objectives and logframes. This to a certain extent would be expected given that they are joint donor programmes and significant resources would have gone into their specification. On the other hand, the documentation seen for the only example of a general budget support programme in Zambia was particularly weak, given that there was no explanation of the purpose of the intervention, the logic for intervention or any coherent framework for M&E. The Embassy in Lusaka states that they were in fact closely involved in the more specific aspects of the Environmental Appraisal and Environmental chapter.
- It is also notable that ICI projects do not have any project documents associated with them or any attempt made to develop logframes or other associated elements necessary for good project design. The only documents available are the proposals from the Finnish or partners country institution. Where these have any element of results or monitoring this is either activity based or linked to the production of reports. This is a weakness given that there is no framework by which these projects can be assessed for achievement of results.
- The only NGO project included within the sample was not designed well. A logframe was not developed at the beginning of the project, the overall objective was not clearly specified, while reporting was mainly activity based. This means that it is difficult to see how results can be measured and this was confirmed from comments from MFA staff who noted that NGO projects tend to be under-designed.

5 MONITORING, REPORTING AND EVALUATION

5.1 Introduction

M&E and reporting systems should be established by projects to assess the intervention in the context of objectives, results and activities, in order to monitor progress in terms of implementation, impact and effectiveness based on the logical framework. The MFA guidelines recommend that reporting take place through progress reports, annual monitoring reports and financial reports. The 2007 Policy document makes it

clear there is a structured process with dedicated responsibilities for M&E. Decentralised evaluations of projects and programmes are commissioned by operational units and embassies. Centralised evaluations are carried out by EVA-11 which has a system of arranging a public seminar or dissemination of each evaluation.

In the sampled projects there was a lack of information available to the team which meant that it was not possible to review all aspects related to M&E and reporting. It is not clear whether this is due to systems not being able to retrieve this information, or whether it is a symptom of a general lack of interest in monitoring and reporting that the reports relevant to the programmes could not readily be located. In the past the system did not require documents to be saved electronically in the internal system and it has been observed in many evaluations by EVA-11 that information is missing, including items such as minutes of steering committee or supervisory body meetings. Few evaluation reports were available as most projects were still being implemented.

There were however some reports or information on systems for monitoring and reporting provided for the Vietnam Innovation Partnership, Zambia PSDRP I and II and Mozambique PROAGRI. This section draws on a review of these programmes, as well as interviews and the results of the staff survey undertaken.

5.2 Monitoring and Reporting

5.2.1 *Extent to which Current monitoring and reporting can produce Proof for Qualitative and Quantitative Results*

Among the projects reviewed, the Mozambique PROAGRI programme was rated as satisfactory in terms of the extent to which current monitoring and reporting could provide proof for qualitative and quantitative results. All the other programmes were rated as unknown, apart from Kenya ECODE, Vietnam Enerfish and Vietnam Audit which were scored as unsatisfactory and highly unsatisfactory respectively, owing to the lack of systems included within the design to monitor and report adequately.

In the Mozambique PROAGRI programme monitoring of the original logframe gave an indication of progress towards meeting objectives and results, which provided a quantitative assessment of results, while the mid-term review also provided an assessment of results based on stakeholder judgments. The review team noted that:

“The PROAGRI MTR, details results in both a qualitative and quantitative way, with a narrative section 5 that provides a synthesis of stakeholder judgments’ and normative statements concerning the success (or lack of success) the project has had so far. Quantitative proof or results is provided in the comparative logframe which details tangible results so far compared with the original PROAGRI logframe. Here is clearly presented objective results, although many of the boxes do remain blank at the time of the MTR”.

This is not to say that there was no reporting in the other programmes, but there were not sufficient examples available to make an overall judgment. However, various progress reports were provided for some programmes and these tended to be mainly focused on reporting on activities and financing. For instance the Kenya ECODE quarterly project reports mainly on activities undertaken, as does the reporting for the Zambia ESSP.

In the case of the ESSP Zambia, MFA internal documents note that in the 2007 Joint Annual Review (JAR):

“the JAR should have had more content on results achieved in line with indicators and targets and it seems that currently reports from the MoE [Ministry of Education] do not reflect a results based reporting system”(MFA Mission Report, 2 March 2007 p 3).

This was confirmed in interviews where it was suggested that the Zambia ESSP suffered from reporting that was ‘delayed and of low quality’. Attempts to improve reporting had not been successful as although the MoU stated that disbursements would be made only after certain reporting standards were met, the payments still took place. Part of the problem was that in practice quarterly reporting systems were felt to be too time-consuming for the recipients, so the project tended to focus on outputs, not on outcomes. Also in a joint donor programme such as the ESSP, Finland had less influence over reporting than it would have had as a sole funder.

Projects follow a pattern of quarterly and annual or semi-annual reporting. Some 53 per cent of advisors and 70 per cent of team leaders/desk officers agree or strongly agree that these are effective at reporting project contribution towards project purpose and goal. Commitments under the PD include trying to harmonise reporting with other donors and use country reporting systems in order to reduce the burden of donor reviews. Despite these intentions, 71 per cent of advisors consider that Finland’s monitoring and reporting is not well harmonised with other donors nor does it make use of country systems. Team leaders/desk officers are less critical, with only 45 per cent holding the same views. Staff based at embassies also take a slightly more positive view than do those based at headquarters, but the overall trend is the same.

One of the reporting proforma in the MFA Project Cycle Management (PCM) guidelines (MFA 1998) is the ‘Intervention Profile/Performance Summary report, which is designed to document an assessment of performance. The evaluation team found very few completed examples of this tool in the projects that were reviewed, a finding reflected in the survey where 42 per cent of respondents did not know about the report. Of those that did know about it, 57 per cent did not consider it to be effective. Discussion in interviews reveals that it is not used consistently across projects and does not form the basis of an organised performance assessment procedure.

5.2.2 Types of Administrative and Management Structures and Guidelines used in Implementation and Monitoring and Evaluation of Bilateral Development Cooperation Interventions

There was not very much information given in project documentation on the type of administrative and management structures to be used in implementation and M&E. As it was mainly project documents that the team reviewed, these types of structures had often not been established at this point.

It is normal practice for a bilateral project to have a steering committee and a supervisory board. The steering committee deals with routine operational issues whilst the supervisory board normally meets annually and has an important role to scrutinise performance and make decisions regarding use of resources and implementation. In projects which have an extended inception phase the supervisory board approves the final revised project document. It is a key recipient of monitoring reports and has the power to influence the results focus of reporting. Advisors interviewed at headquarters consider that the supervisory boards should play a more active role to improve the quality of reporting.

Relevant information was available for a few programmes which had appropriate structures and guidelines for implementation and M&E. The Vietnam Innovation Partnership is a good example, where a steering committee had been established along with specific roles for decision-making and operational management that related to implementation and monitoring. There were also mechanisms within this programme to adjust the intervention if there was an obvious need for change. For example, the programme document states that:

“The programme Framework Document describes only a framework for Phase I and leaves space for modification of the programme during the annual planning cycles”, (Programme Framework Document, Draft February 2010 p45.)

Another interesting example is the Zambia PSDRP, where in the first phase there was no management structure developed, which could be used in implementation or the M&E of interventions. The lesson was however learned for phase II and a steering committee, sector advisory groups and technical working groups were put in place along with a structure for monitoring and mechanisms for reporting. As the PSDRP II programme document notes:

“The PCU will be responsible for the coordination, monitoring and integration of the reporting on the progress of results. The PCU will produce semi annual and annual progress reports against the logical framework. Beneficiary Ministries and regulatory authorities will be required to submit reports to the Steering Committee on a quarterly basis”. (p 34 PSDRP II 2009-2014 Programme Document, Revised September 2007).

Clearly in joint donor programmes it can be more difficult to strengthen monitoring and reporting if problems occur with established mechanisms, but it is possible to ad-

dress these issues in bilateral interventions. It is possible that a lack of evidence related to reporting is due to lack of interest at higher levels. Results from the staff survey indicate that only 38 per cent of staff agreed or strongly agreed that managers at country and headquarters level respond in a timely and effective way to monitoring reports, while 36 per cent either disagreed or strongly disagreed.

In terms of joint donor programmes it was pointed out in interviews that the MFA guidelines and systems for management have tended to be focused on bilateral project interventions. This means that there is not much guidance that is appropriate to other aid modalities such as budget support and pooled funding. As a result, Embassies in country have tended to develop their own management and reporting systems to make the implementation of these programmes more effective. This was commented on by a member of MFA staff at country level who noted that:

The guidelines and development cooperation management systems of the Ministry do not enter to the details of the day-to-day work concerning General Budget Support and Sector Common Funds. The best practices are to a certain extent created at the Embassy level (Source: email to evaluation team).

5.2.3 Possibilities to influence the Quality of Plans and Monitoring and Evaluation Mechanisms

Programme documentation was reviewed to examine how donors used possibilities to influence the quality of plans and M&E mechanisms and the extent to which they can interfere. There was not much evidence of whether and how this occurs, although as noted above with the Zambia ESSP, this can be difficult when a donor is involved in a joint programme.

There were however some examples, of evaluations being used to influence the quality of plans and M & E mechanisms for follow-up phases of programmes. A Finnish evaluation of the completion phase of the SEAM project resulted in a revised project document for SEAM II with an improved results framework with a clearer objective, purpose and indicators. The evaluation noted that:

the purpose of the evaluation of the completion phase in association with the appraisal of Phase II was to utilise the lessons from SEAM N I in the appraisal and –ultimately- in the implementation of SEAM-N IP, (p 2 Final Evaluation of the Completion of the Piloting Phase (2006-2007) and the Appraisal of the Draft Project Document for the Second Phase of the SEAM-N Project).

Also in Zambia PSDRP II the evaluation undertaken of phase I was used to make significant improvements to the phase II programme and ensure that a log frame and associated monitoring and reporting mechanisms were included in the next phase.

5.2.4 Public reporting

Two examples of material prepared for public consumption were examined. The Development Policy Committee report for 2010 (KPT 2010) and the 2009 report on Finnish Development Cooperation by MFA (MFA 2010d).

The Development Policy Committee is made up of a broad spectrum of Finnish society and prepares an annual assessment of the development policy programme. These topical studies are not based on or supported by information from M&E. The Foreword to the Development Policy Committee report notes in the second paragraph that the results of development policy should be evaluated from a wider perspective than just the level of resources committed. It asks ‘Are the objectives of development policy being sufficiently achieved? What indicators are there of permanently reduced poverty and better living conditions?’ (KPT 2010, p3). Unfortunately, the rest of this interesting report does not then pursue concerns about effectiveness and impact in any way, but reviews issues concerning the funding of development cooperation, policy coherence, and policy issues with regard to the private sector, security and crisis and multilateral cooperation. In none of these areas is any discussion given over to effectiveness or how it can be measured.

The 2009 annual report on Finnish development cooperation gives a comprehensive overview of the development policy programme, cooperation by region and cooperation with partners. The report is descriptive, using brief sketches to illustrate examples of projects and programme. The report does not attempt to report on the development effectiveness of Finland’s programme of cooperation. Neither in the main text nor in the appendices is there any factual data on the make-up of the development cooperation programme or its performance. For example, no mention is made of findings from evaluation studies nor of the trend of performance quoted in the meta-analysis of development evaluations in 2007 and 2008 (Williams & Seppänen 2009), described in the next section of this report. Whilst the report does provide a comprehensive description it does not provide sufficient information for the public to assess the nature and achievements of the contribution being made by Finland.

5.3 Evaluation

As noted above, a structured system is in place whereby all projects and programmes are evaluated under arrangements organised by the regional departments through the desk officers or directly by embassies. The work of the specialised evaluation unit EVA-11 deals with evaluations of aid modalities and different aid instruments, country programmes, individual themes, sector evaluations (which in a way are a combination of meta-evaluation and sector policy and development policy programme evaluations) and sector strategies. It also collaborates in international evaluations jointly with other development partners. In addition, EVA-11 commissions meta-analysis of the project and programme evaluations. From the perspective of a result-based management system, the meta-analysis of development evaluations is an important tool

because it provides a mechanism to take stock of analysis across a wide range of operations and consolidate findings onto a comparable basis. The most recent meta-analysis was published in 2009 although this approach has been used twice before in 1996 and 2006. The TOR for the most recent analysis noted little improvement in terms of sustainability and impact across the two previous studies. Accordingly, the evaluation team has examined the Meta-analysis of development evaluations in 2007 and 2008 (Williams & Seppänen 2009).

The report examined a non-random selection of 33 reports, of which 20 were evaluations including mid-term, final, ex post or *ad hoc* and 13 were appraisal or pre-appraisal documents. The documents were assessed using review checklists for quality of the report against OECD/DAC evaluation quality standards, and for the quality of the aid interventions using OECD/DAC evaluation criteria plus additional criteria including Finnish value added. The assessments were summarised using a three-point ordinal rating scale of poor, good and very good. Where information was not available no rating was made. The authors identified a number of limitations about the approach: it was not possible to assess how representative the sample was; the documentation provided rarely included background material including the project or programme document; TOR for the evaluations being reviewed were also not available for nine of the 33 reports; and the sample of projects was sufficiently varied as not to be able to draw conclusions about countries, sectors, aid instruments or types of evaluation.

The use of ratings is an interesting initiative to bring the findings of evaluations to a common basis for comparison. However, there are a number of issues about the approach taken that diminish the utility of the analysis. Firstly, it is unusual practice in reviews to combine appraisals with evaluations in the same review. Although the words are synonyms in English it is more common in development evaluation to distinguish between appraisal as an ex ante tool and evaluation as ex post and apply comparable but different criteria to a review of their quality. Secondly, the use of a three point ordinal scale is of limited practical value for the ratings. A single point distinction between, say, poor and good is simplistic and hard to understand without access to the underlying workings. A three point scale also permits selection of a mid-point which can blunt critical judgement. An even-numbered scale avoids that pitfall. Ordinal data should be analysed by modal class but the data are averaged and then presented in frequency distributions that are not continuous, with classes that differ from the original three-point scale (for example, Williams & Seppänen 2009 pp 52–53).

The study concluded that in line with previous findings the quality of evaluation reports was variable but generally good. Improvements were needed in the management of evaluations and in sharing information and lessons more widely. As regards the quality of aid, evidence about impact and efficiency was weak compared with relevance and policy coherence. The evaluations appear to have focused primarily on the needs of management rather than accountability. The report includes the harsh statement that ‘The overall usefulness of the development evaluations is difficult to assess.’ (Williams & Seppänen 2009 p 74).

5.4 Key Points

This chapter has found limited evidence relating to monitoring and reporting owing to the fact that few monitoring reports were accessible with the programmes reviewed. This suggests a low priority is given to monitoring and reporting and the fact that they are not easily accessed means that information is restricted to a narrow group of implementers and desk officers. Where examples of reporting were found, most were activity-based or financial and there was little reporting against logframes. It appears that evaluations and appraisals of programmes and project documents have more impact in terms of altering programme design and activities than monitoring throughout the programme cycle.

- The MFA has established a structured system of M&E and reporting. But the system favours information about individual projects or thematic areas. It does not add value by drawing findings together to analyse effectiveness or trends over time for the whole portfolio of interventions supported by the MFA.
-
- Monitoring reports are not readily accessible from office systems at MFA headquarters. Few examples were found for analysis under this evaluation and the same criticism has been made by other evaluators. There is no mechanism to aggregate results from monitoring reports to look at performance by country, region or thematically.
-
- MFA staff consider that the current arrangements for reporting are effective, but they also think that monitoring is not well harmonised with other donors and does not make enough use of country systems, both of which Finland is committed to under the PD.
-
- Steering committees and supervisory boards are important structures with the potential to improve quality of reporting and act on report findings. There is some evidence that evaluations have been used to influence subsequent phases of projects.
-
- Comprehensive reports are available for parliament and in the public domain. But these do not utilise findings from monitoring and evaluation reports and do not provide sufficient information for the public to assess the nature and achievements of the contribution being made by Finland.
-
- Meta-analysis of evaluations commissioned by EVA-11 every second year attempt to take stock of analysis across a wide range of operations and consolidate findings onto a comparable basis using a rating system. But weaknesses in the sampling of projects and rating methodology limits the usefulness of the findings.

6 INSTITUTIONAL CULTURE AND SUPPORT SYSTEMS

6.1 Introduction

This evaluation has examined aspects of RBM through inspection of a sample of project documents, and review of guidelines and reports. All the aspects examined thus far are in areas where specific guidelines exist to influence the ways in which interventions are planned and results are set out, or of specific tools and processes that make use of results, such as M&E and reporting.

However, as noted in Chapter 1, managing for results depends not only on technical methodology, but also on the way the development cooperation programme is organised and managed. This chapter looks at the results environment and examines management culture and office systems. The information here is drawn from a mixture of documentation produced by the MFA, interviews with staff and responses to questionnaire surveys of staff and senior managers.

Respondents to the survey represent a significant level of experience with the MFA. Among the director level and above (all of whom were based in Helsinki) all have worked for the MFA for more than 10 years. Amongst advisors 60 per cent of replies were from staff based in embassies; the equivalent proportion was 27 per cent for desk officers. Some 60 per cent of advisors have been with the MFA for 2 to 5 years; only 11 per cent have worked for more than 10 years; among desk officers the proportions were 50 per cent and 33 per cent.

6.2 Management Culture

6.2.1 *Leadership and Direction*

Are Results Important?

The efforts staff make about concentrating on results might reasonably be influenced by the extent to which managers emphasise results. The survey explored this through four questions and found a mixed message that results are said to be important, but not sufficient to justify taking risks and not vital to inform future policy. Some 70 per cent of directors and desk officers agree that senior managers make a priority of the need to achieve development results. Advisors agree less about that; only 45 per cent hold that view. However, staff consider that achieving results is not more important than following process and implementing activities, although 60 per cent of directors think achieving results is more important. Important or not, the MFA is a risk averse organisation, over 80 per cent of all respondents said that the MFA does not encourage risk taking and mistakes in the pursuit of results. And although results are seen as a priority, only 40 per cent of directors and 50 per cent or less of other staff think that policy and planning decisions are informed by empirical evidence on past performance.

The MFA is not organised and managed to deliver Results

In view of the policy-driven approach of the MFA, it is interesting to examine how well MFA is organised to deliver on policy. Directors are divided in their views, with 50 per cent thinking the MFA is structured to deliver the objectives of the 2007 policy and 50 per cent thinking otherwise. That uncertainty is shared by advisors and desk officers. Given that implementation of interventions takes place at country level, it is desirable that staff at headquarters and embassies share the same priorities. Opinions about this are also divided. Over half of advisors think that priorities are not the same, whilst half of desk officers think they are. More than half the advisors think that management of country programmes is focused on implementation rather than achieving outcomes. The views of desk officers are less clear with a staggering 44 per cent recording 'Don't know' to this question. It appears that achievement of results is not a driving factor in the work of MFA.

Results are used by Managers

The structured system of committees and reporting required of interventions will only be of value if the findings in reports lead to action and action that can be taken by relevant staff. Views about the response by managers to monitoring reports vary by type of staff. Directors and advisors think that managers do not respond in a timely and effective way to monitoring reports. Desk officers think the opposite. Most staff, 70 per cent of desk officers and 48 per cent of advisors think that desk officers lack the latitude, flexibility and authority to arrange resources in pursuit of outcomes, a view shared by directors.

Evaluation reports provide important lessons to guide interventions. But 71 per cent of advisors think response to evaluations is ineffective. Desk officers and directors are divided equally in their views about this. The question did not distinguish between evaluations conducted by EVA-11, for which there is a newly introduced requirement for a formal management response by the Under-Secretary of State, and evaluations conducted at the instigation of desk officers or embassies, for which a response would come from managers in the regional department. But few of the surveyed staff would be familiar with the management response to EVA-11 evaluations. Over 60 per cent of advisors think that information is not used to foster learning amongst staff. Again, desk officers and directors are equally divided as to whether it is or is not used.

Perceptions about the management culture in the MFA clearly differ between the advisory staff who have technical skills in development interventions, and desk officers, team leaders and directors, who are predominantly generalists and deal with all aspects of the wider functions of MFA.

6.2.2 Views of Senior Managers

Senior managers (directors and above) are very clear in their views about the importance of information. All say it is important to have regular information on the performance of aid interventions. Some 80 per cent consider that they have a clear idea what information they need to manage for results and 70 per cent state that aid effec-

tiveness is a regular topic for discussion among senior and middle level management. But concerns clearly exist about the management culture in the MFA and the effect that has on managing for results.

6.3 Office Systems

It is clear that managers identify with a high priority for a results-based approach even if it is not followed through in practice. Making such an approach work can be dependent on work processes and systems. This section starts with project cycle management, the sequence of actions that create and implement interventions, then goes on to look at human resources and information technology.

6.3.1 Project Cycle Management

Planning for Results

The evidence for the 17 projects reviewed in Chapter 4, is that despite the MFA adopting comprehensive and well-structured guidelines for programme design and M&E, they are being applied well in only a little over half of all operations. There may be a trend for improved design in more recent projects and performance appears to be better in joint donor interventions. This poor performance is at odds with staff's own assessment of their knowledge. Without a random sample to ensure a representative assessment of projects it is not possible to be confident about trends.

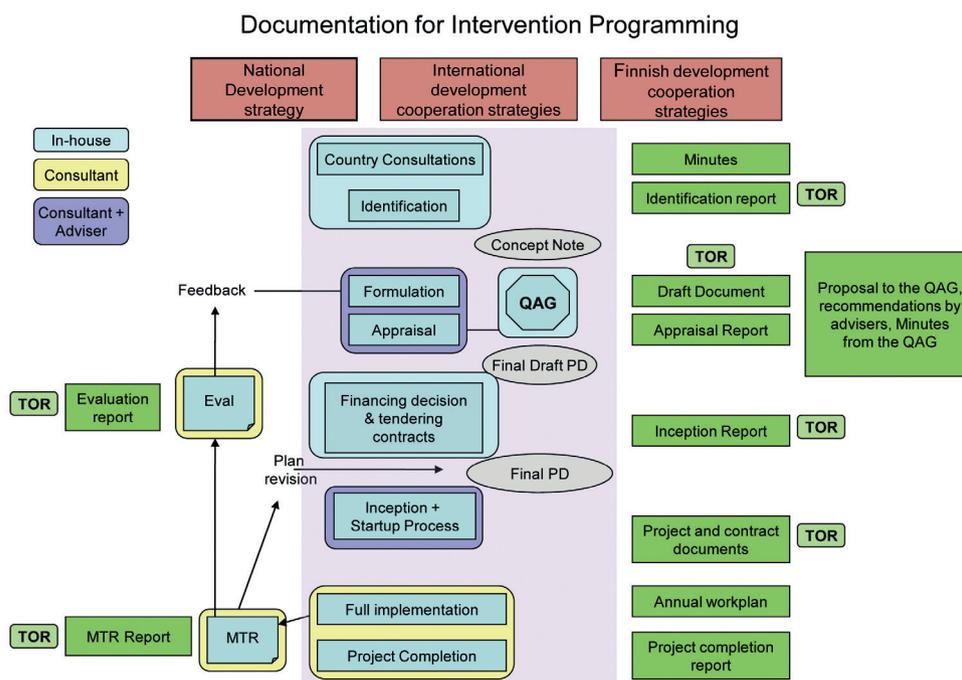
Over 80 per cent of advisors think they have a good working understanding of the guidelines, can distinguish between an output and an outcome and can explain the logic of a development intervention (theory of change). Desk officers and team leaders are similarly confident, at slightly lower levels of 66 to 69 per cent. It seems paradoxical that self-perceptions are so high, when performance is in general weak and suggests that mechanisms to set and maintain standards are not effective.

Quality Assurance Board

Sometimes known as the Quality Assurance Group or QAG, this committee plays a key role in the project cycle by intervening after formulation of a new intervention and before appraisal. The documentation and process to programme a new intervention is extensive as the various elements in Figure 3 illustrate.

Advisors prepare short assessments of document quality and the QAG then provides guidance about the planned design, the focus of an appraisal mission and the need for an extended inception phase to help develop objectives and indicators in more detail. The QAG makes a recommendation for a financing decision by the Minister of State. QAG is the only point of scrutiny in the design phase of the project cycle. Although the title focuses on quality assurance, the committee in fact acts as a project approval committee. The focus of the Board is on specific interventions, there is no thematic analysis of quality issues.

Figure 3 Documentation and processes in the project cycle.



Source: Evaluation team interpretation.

Despite a policy of concentration in the aid portfolio, the MFA supports a large number of interventions, estimated at 2,000 in 2010. As a result, the QAG faces a high workload and devotes only a small amount of time to considering each proposal. Opinions about the effectiveness of the QAG are divided. Amongst advisers, only 32 per cent consider that it provides a timely and effective function. But 55 per cent of desk officers think that it does. Staff based at embassies are as critical as the advisers in their judgment of the QAG.

A Desirable System for Managers

From the review of M&E in Chapter 5 and the work of the QAG in the previous section it emerges that the only times at which information from across many projects, organised geographically or by themes is brought together to give an aggregated view of performance, is in the sector and country programme evaluations and meta-analysis of evaluations conducted by EVA-11. At all other times information is only available for individual projects. This raises the question as to whether such an approach is adequate for managers dealing with such a large number and diverse range of projects. A system that brings together results and ratings across all individual projects in a systematic way would enable comparisons to be drawn and a more coherent approach to managing the portfolio of interventions.

We have seen in a previous section that most directors feel that they have a clear idea what information they need to manage for results. Yet in the same survey 80 per cent

said that they don't have clear and effective guidance on results management, nor do they have sufficient means for tracking information on performance. When asked about performance information, 80 per cent thought that a rating system would help in focussing efforts on weak areas of performance. Half the directors thought that performance reporting should inform about the percentage of projects performing well/ satisfactorily/ or badly, but 30 per cent said they didn't know.

Understandably, it is difficult to know if some form of aggregated rating would provide a more effective tool for managers when that approach has not been tried. The question also arises as to whether a system that identifies poorly performing projects would be effective in the risk-averse organisational culture of the MFA. Some open-ended suggestions about how to improve results monitoring from the survey of directors are reproduced in Box 9.

Box 9 Ideas from directors on practical ways to improve monitoring and reporting systems for results.

- More training in project design and evaluation issues
- New instructions to quality assurance board to focus on results instead of activities, as presently
- New culture of risk taking and critical thinking to be introduced in the MFA
- More active use of outside experts to bring new thinking to the MFA
- More focus on results at the macro/country-level, not only performance of individual projects. These should be taken into account in programming and consultations with partners.
- By setting this as a priority for the senior management level of the MFA
- By requiring systematically RBM reporting from the units/departments/delegations

Source: Questionnaire survey of directors, question 31 (Annex 5).

6.3.2 Human Resources Management (HRM)

The way in which staff are recruited, managed, promoted and remunerated is a fundamental aspect of the way in which MFA functions. HRM is complicated at the MFA, not least owing to changes that came about when the former development department, Finnida was dissolved and parts of it integrated into MFA's geographical lines of activities so that all operational activities are now in different regional departments. HRM became complicated with this integration as the career diplomats started to compete with and occupy positions formerly held by the development cooperation specialists and no new personnel having real development cooperation experience was recruited. Slowly, as the old development cooperation specialists left the MFA or retired, inexperienced career diplomats and new staff with no career perspective and with no permanent position came to replace the old cadre of development experts.

In recognition of the continuing challenges, a new Human Resources Strategy for the period 2010 to 2015 was published in 2010 (MFA 2010e). This recognises many of the issues identified in this section but thus far only identifies topics that need attention, without specifying what exactly will be done. This section looks at some characteristics of HRM such as job description and performance assessment in the context of RBM.

Staffing and Job Descriptions

MFA employs about 1,500 staff plus a further 1,200 recruited locally at embassies, consulates and representative missions. There are at least two basic forms of employment: a work contract that can be for a fixed term or open-ended; and a career appointment as a civil servant. Advisory staff are recruited on work contracts, most others are on career appointments but there are exceptions such as the new cadre of ‘aid administrators’ for whom special conditions apply.

Job descriptions are a starting point to orientate staff towards objectives such as RBM. Key issues are the extent to which managing for results is highlighted as a feature of a job and the ways in which accountability for development effectiveness is expressed. According to staff in the MFA who deal with HRM, job descriptions are phrased in very general terms and do not make explicit reference to RBM.

Reference to RBM may be absent, but job descriptions are part of the make-up of roles and responsibilities, a key feature of accountability. Some 60 per cent of directors and 52 per cent of desk officers think that roles and responsibilities are clearly set out and are known to staff. But 78 per cent of advisors disagree.

Numbers of staff are reported to have not varied much in recent years but there is a sense amongst staff dealing with development cooperation that workloads are increasing and the evaluation team understands that there is a concern among staff that the portfolio needs to be reorganised to have fewer, larger projects. When asked whether the MFA is adequately staffed to meet current policy objectives for development cooperation and follow an RBM approach, over 70 per cent of directors, advisors and desk officers disagreed and said not.

Performance Assessment

An underlying tenet of RBM is that some form of reward or incentive can be linked to good performance. The reward could be in the form of a direct financial payment, or as a factor influencing promotion, or just recognition for work well done. Performance assessment in respect of development cooperation in MFA is in disarray at present. Staff on work contracts have limited scope for promotion and no scope for their performance to influence their salary. Staff on career appointments have some scope for good performance to influence salary through a points system, but the evaluation team was told that such payments are made ‘routinely’ and rarely is there any action for adverse performance.

In the survey 90 per cent of directors, 89 per cent of advisors, and 66 per cent of desk officers disagree or strongly disagree with the statement that the MFA's rewards systems provide real incentives for strengthening a results culture within MFA. As regards promotion, 70 per cent of directors, and 45 per cent of advisors disagreed that a proven ability to deliver development results is a key factor in enhancing promotion and advancement. A further quarter of all advisors and 56 per cent of desk officers said they 'don't know' if delivering results enhances promotion.

Training

Regular training courses are conducted by a separate unit with technical support from the Department for Development Policy, dealing with policy, and project management and administration. These are important, especially in view of the proportion of staff who have worked for the MFA for less than one year (as high as 20 per cent of advisors at embassy level). The survey results show that 58 per cent of staff report having attended the policy course and 74 per cent the course on project management. However, these do not seem to have been instrumental in preparing staff for RBM. Although 60 per cent of directors say they have received adequate training to plan and manage for outcomes, only 50 per cent of desk officers and 38 per cent of advisors share the same view.

Learning

Formal courses are a key component of continuing professional development for staff. But so is learning from experience from the aid portfolio. Staff interviewed for the survey feel that this is not adequately provided for in their units. Some 89 per cent of advisors and 66 per cent of desk offices disagreed that adequate time and structured occasions are made available to learn from results and evaluations.

6.3.3 Information Technology

Document Retrieval

Computerised information systems have been in use for some years in order to document the aid portfolio and in particular manage the financial aspects. At the time of this evaluation a new system with the acronym AHA, is nearing readiness for roll-out so arrangements will change considerably during 2011. The need for change is not disputed. At the time of the survey 70 per cent of the directors thought that the information management system of MFA was not functioning well.

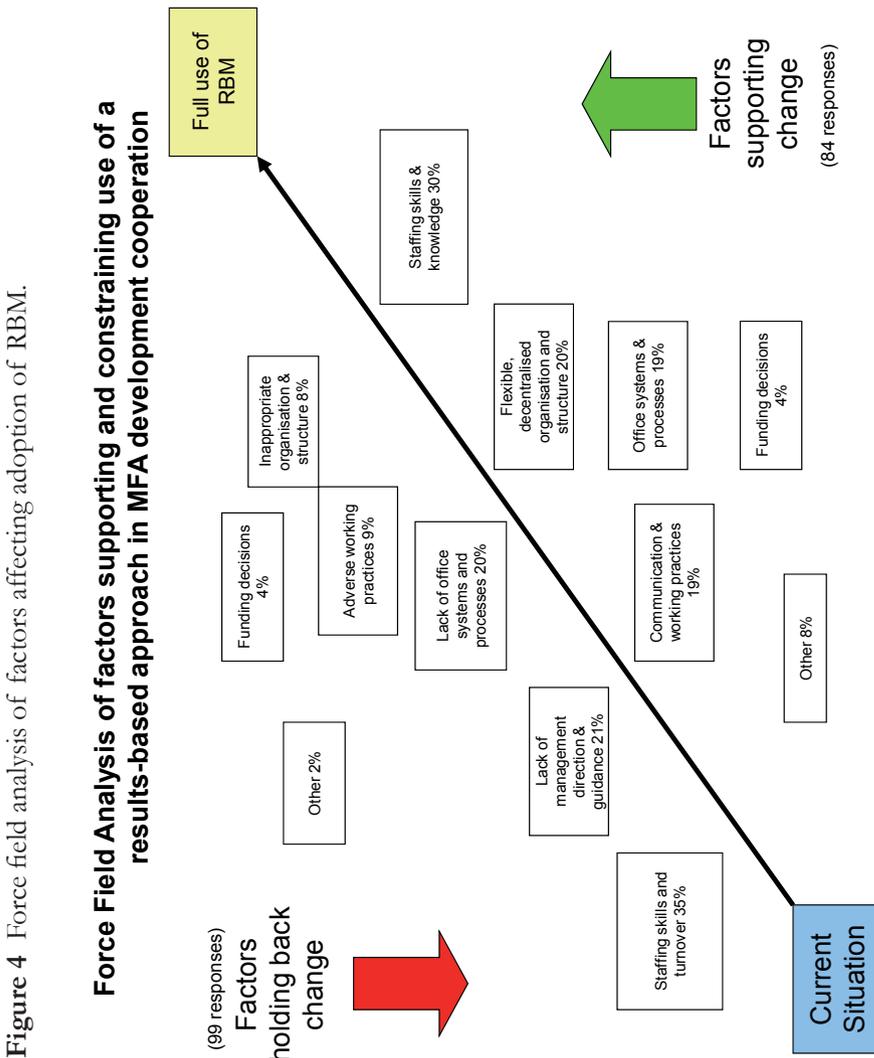
This is particularly true of information about project performance. All of the directors, 91 per cent of advisors and 72 per cent of desk officers said they could not easily find information about the performance of a project towards its objectives, from office systems. In addition, only 28 per cent of advisors and 22 per cent of desk officers said they can easily find information about experience from other projects to help in their work.

In preparation for this evaluation, when documents were being reviewed to choose

the sample of projects for study, over 900 documents were collected from the system for some 62 projects. But of these, none had a complete basic set of documents covering: project/programme document; logframe; appraisal report; mid-term review or annual/semi-annual report. A project document or a logframe could be found for 44 of the projects and a QAG report for only 14 projects.

6.4 Perceptions of Staff

As part of the staff survey, respondents were asked to list three factors that they believe support the introduction of a RBM system in the MFA and three factors that hold back such a change. The responses have been analysed and are presented in Figure 4 as a 'Force Field Analysis'. This portrays the factors as opposing forces in a process of change.



Source: survey analysis.

Each text box in Figure 4 has a short phrase describing the factor and a number that indicates the percentage of responses. Thus 30 per cent of all the comments about factors supporting change were about staff skills and knowledge. The analysis is interesting. For example, a number of factors such as staffing and office systems appear on both side of the diagram. This highlights a theme that emerges in several ways in this evaluation. In many respects the basis of working systems are in place, but are not effective. The most significant factor only to appear as a force holding back change is ‘lack of management direction and guidance’.

6.5 Key Points

Managing for results depends not only on technical methodology, but also on the way the development cooperation programme is organised and managed. The analysis in this chapter has shown that the culture and systems of MFA do not support managing for results.

- The culture of MFA treats development results in a superficial way. Senior managers (directors and above) are clear in their views about the importance of information but that is not followed through into the way people work. Concerns clearly exist about the management culture in the MFA and the effect that has on managing for results, with examples given about the burden of administrative work and inflexible working methods. The approach is very risk-averse and little effort is made to use results from past experience to inform future policy.
- Response to findings in M&E is generally not thought to be adequate. Most staff think that desk officers lack the latitude, flexibility and authority to arrange resources in pursuit of outcomes.
- Despite evidence of poor results frameworks in around half of all projects, most staff think they have a good grasp of results structures and logic. This suggests that mechanisms to enforce standards do not work. At present the QAG is the only point of scrutiny in the design phase of the project cycle and opinions are divided about how effective it is.
- Meta-analysis and thematic evaluations by EVA-11 provides the only aggregate view of project performance. Directors think they know what performance information they need and yet also say they lack guidance in RBM. A rating system might provide the missing information, but questions arise about how effective this would be in the risk-averse working culture of the MFA where there is little practice of using evidence to guide policy and planning.
- Perceptions about the management culture in the MFA clearly differ between the advisory staff who have technical skills in development interventions, and desk officers, team leaders and directors, who are predominantly generalists and

deal with all aspects of the wider functions of MFA. The contrasting views suggest a major divide between these groups of staff. Advisors and desk officers hold contrasting views over:

- The extent of senior management prioritisation of a results focus
 - Whether priorities for results are the same at country and HQ
 - The clarity of roles and responsibilities
 - The effectiveness of action in response to monitoring reports
 - The effectiveness of action in response to evaluations
 - Whether the QAG is effective in its role
- And in addition, advisors are employed on a non-career contractual basis, different to other staff.
 - A new Human resources Strategy is being implemented and will tackle many of the issues identified in this evaluation. At present job descriptions do not include reference to managing for results in the development cooperation aspect of the work of the MFA. Achievements in delivering results do not attract incentives or rewards and are not a factor to improve chances of promotion. The rewards systems do not provide incentives for strengthening a results culture within MFA. There are few opportunities provided for learning from results and evaluations.
 - The information management system is also currently being revised and will bring new facilities during 2011. The system that has been in operation does not function well and is not effective at storing and retrieving information about current and past project performance.

7 EXPERIENCE OF OTHER DEVELOPMENT PARTNERS WITH RBM

The TOR for this evaluation specify that the consultants should ‘include also relevant interviews ... among selected number of other donors to identify their practices and possible on-going reform plans. The main focus of this phase of the evaluation is on donor behavior and on retrieving information and evidence on present mechanisms in planning, M&E and management.’

The evaluation team contacted the evaluation departments in Norad, Sida and Danida for assistance and received examples from Norad. Information has also been gathered from personal and published sources about the approaches used by AusAID, DFID and Irish Aid.

Australia – AusAID

The Government has taken a range of measures to improve the effectiveness and efficiency of the aid programme. The Office of Development Effectiveness (ODE), which was established in 2006, has completed a number of reviews and evaluations of the programme, including the Annual Review of Development Effectiveness, which is tabled in Parliament. The findings of this analysis are used to improve aid programme planning and implementation. AusAID, the lead agency within the Government on the aid programme, has rigorous systems and processes in place to ensure that the aid programme is well managed and prioritised. These systems are reviewed and improved regularly. A review of advisers engaged under the aid programme is currently being conducted jointly with developing country partners, and a review of procurement and agreements processes has commenced. An audit of the aid programme by the Australian National Audit Office in 2009 found that AusAID had effectively managed the increases in the programme up to that time.

A Performance Management and Evaluation Policy was drafted in 2009 (AusAID 2009). It aims to continually improve performance by assessing whether objectives are being achieved and whether they remain relevant. Implementation of this policy plays a major role in meeting accountability requirements to the Australian Parliament and public. Assessing performance is designed to serve three purposes, management, learning and accountability.

To ensure that the further increase in the aid budget to 2015-16 is well managed and meets the Government's objectives, a review of the aid programme will be conducted. This will be the first independent public review of the aid programme commissioned by the Australian Government since the Simons Review in 1996.

Republic of Ireland – Irish Aid

Irish Aid moved towards a managing for results policy arising from the 2003 OECD/DAC Peer Review which recommended improving Irish Aids Country Strategy Processes by strengthening results and performance management. The 2006 Irish White Paper on Development Cooperation responded to this and set out the main principles, commitments and requirements for aid programmes, which were operationalised in the Irish Aid Plan 2008-2012, which emphasised results based management.

Country Strategy Papers (CSPs) are main instrument through which a strategy for managing for development results is implemented, as the CSP guides each country programme. All CSPs have to contain the features of RBM. This includes among other things, adherence to the PD Principles, evidence of lesson learning, a rationale for proposed interventions and an explanation of Irish Aids contribution to achieving results.

The key tools used for RBM in CSPs are logic models, which are developed for each CSP. This provides a framework for working though how the programme goals and objectives will be achieved by assessing cause and effects of interventions and the linkages between the inputs used to carry out actions or activities which the generate

results or outputs. These outputs, then, contribute to the achievement of outcomes, which in turn contribute to the achievement of the overall goal.

Logic models are then complemented by results frameworks, which are used to monitor progress towards achieving outputs and outcomes. The results framework includes a baseline that CSP is starting from, the strategies to be employed, the year-on-year results being sought and the indicators, which provide information as to whether the plan is on track.

The methodologies by which the CSPs are developed also reflect a results-based approach and include joint analysis and programming with development partners, use of participatory methodologies, teamwork and training and support.

The CSPs provide a basis for ensuring a results based approach is integrated throughout the Irish Aid Project cycle, with implementation, monitoring and reporting and evaluation reflecting this methodology.

Norway – Norad

Norway's approach to results management is set out in a practical guide published in 2008 (Norad 2008). This technical document deals with methodological issues, working through setting of objectives, defining outcomes, choosing indicators, the importance of having baseline values, the analysis of risk, and a M&E plan. The way in which results management is brought into the different phases of the project cycle is also explained. No reference is made to accountability, learning and incentive systems.

Although there has not been a general review of results management, Norway has taken RBM one step further to work through results-based financing in health. This text draws heavily on a report produced by Norad (Olsen 2009) which describes recent work and draws some lessons.

Result-based aid implies a relationship where a donor agency provides support based on achieved objectives. Although this is not a common means of development support, a well known example is GAVI Immunization Services Support where countries receive \$20 per extra vaccinated child (DPT3) over an established baseline.

International attention on result-based financing (RBF) as a strategy for achieving specific objectives in the health sector appears to be increasing. In addition to other activities Norway has established a multi-donor trust fund in the World Bank where central objectives are to work on different types of RBF, technical and financial support to implementation and research in 6-7 countries, as well as global learning.

The terms Result-based Financing, Performance-based Financing and Pay-for-Performance (P4P) are used interchangeably. RBF may also be viewed as a part of the wider result focus, for example as a part of result-based management.

Experiences with RBF in the health sector in low- and middle income countries are increasing, but formally published evidence in this area is still limited. Methodologi-

cally sound studies of RBF are few; with the result that documentation about effects is weak. Although this in itself can not be used as an argument for or against RBF, the basis for deciding whether and how to introduce such schemes remains insufficient.

A review commissioned by Norad concluded that financial incentives seem to be effective in the short term for simple and clearly determined behaviour objectives. There is less experience as to whether financial incentives can provide longer term changes. RBF in low- and middle income countries has usually been part of a larger package of interventions or reforms, making it difficult to isolate the effects of RBF from those of the other interventions. There are usually no control groups or areas in RBF schemes which makes hard evidence of the effect of RBF difficult to isolate and demonstrate scientifically.

The report goes on to draw a number of general conclusions (Olsen op cit pp. 5-6): There is sufficient evidence to claim that RBF has a strong potential to achieve short term results in terms of volume of services delivered (effectiveness) and the quality of these.

- RBF may increase the overall focus on problem solving (as opposed to more programmed or regulated behaviour), but this requires that the recipient is given sufficient authority to act as well as capacity to solve problems.
- Result focus often engenders a stronger focus on problem solving and may increase attention on results or performance in general.
- RBF has potential to improve health worker motivation due to a combination of financial incentives, close monitoring and supervision. Health workers may feel more visible and valued.
- An adequate health management information system (HMIS) is necessary
- Certain forms of RBF have also led to higher degrees of decentralised decision making and management.

The report acknowledges that RBF may have unintended negative effects, for example by contributing to unintended behaviour including *distortion* (important duties or activities are ignored due to the fact that they are not rewarded), *“gaming”* (data or reporting fraud to receive higher rewards/payments), *corruption*, *“cherry picking”* (choosing patient groups that make it easier to achieve the targets, as opposed to the more difficult or resource demanding patients), *increasing the gap between rich and poor*, *dependency on financial incentives*, *demoralization* as a result of feeling unfairly treated, and may also lead to *bureaucratization* (Olsen op cit pp. 6).

United Kingdom – DFID

DFID has been developing approaches to results management for some years. Systems were strengthened following a series of reviews in 2001 and 2002. A peer review by the OECD/DAC in 2001 found that M&E of portfolio performance had little ownership by DFID staff, resulting in low compliance rates (DAC 2001). The study identified a need to reconcile the targets in the Public Service Agreement (PSA) with DFID’s longer-term development objectives. A DFID Development Effectiveness Report raised concerns about the use of self-assessment, concluding that operational

staff need more support to achieve adequate coverage, consistency, timeliness and quality of reporting (DFID 2002). A National Audit Office review in 2002 found strengths in DFID's approach to performance management but called for a stronger focus and more direct relationship with performance management in order to influence resource allocation and choice of activity (NAO 2002).

DFID has long been committed to using the logframe and in 2009 embarked on a more quantitative, results-oriented version ('Using numbers logframe') and has also introduced some standardised indicators. An example of the logframe format is shown at Annex 6. The main elements of the performance management system have evolved over many years and revolve around country strategies with measurable objectives, monitoring of projects through an annual Output to Purpose Review (OPR – now called the Annual Review), monitoring of country programme performance, mid-term and completion evaluations of projects, and thematic and country programme evaluations commissioned by the Evaluation Department. The National Audit Office undertakes periodic assessments of DFID's work, based around systems and themes. Recent NAO reports include reviews of: Engaging with multilaterals in 2005; and, Performance management 2009. Plus, the NAO produces Value for Money (VFM) studies on: Budget support, 2008; Aid to Malawi, 2009; Support to Education 2010. The VFM studies are put before the Public Accounts Committee.

DFID has worked under a Public Service Agreement (PSA) with the UK Treasury, to deliver performance in the aid programme. That agreement comprises a mixture of elements including progress towards internationally agreed Millennium Development Goals by countries supported by the UK aid programme, progress towards aid effectiveness as set out in commitments made under the PD and AAA, and a Value for Money indicator measured partly from records of new commitments and partly from on scored assessments of performance by DFID staff using the OPR. Targets under the PSA were cascaded from DFID as a whole through regional departments to country offices and are reflected in the performance assessments of senior managers.

Key reports comprise an Annual Report – reporting progress towards the Public Service Agreement targets; DFID Resource Accounts – primary financial statements recording the full costs of activities, DFID's assets and liabilities as well as providing information on how resources have been used to meet objectives; and the Autumn Performance Report (APR) – produced annually, laid in parliament and made available publicly. It details DFID's progress in relation to the Public Service Agreements and the Efficiency Programme.

The new coalition government in the UK in 2010 has revitalised attention on the effectiveness of British aid and specifically has raised questions about demonstrating value for money. As part of a suite of reforms currently underway, DFID is re-examining operational planning, to replace country plans and be used across the department as a whole; a new approach to appraising new interventions, setting out a business case in line with wider domestic UK government practice; and a revised approach to scoring project performance.

The government has also appointed an Independent Commission for Aid Impact (ICAI). The Chief Commissioner will report to the Chair of the International Development Select Committee in parliament. The Select Committee will hold the Chief to account for the performance and work of the ICAI. The intention is that this will strengthen independence and accountability. The Board of Commissioners will take strategic decisions on what should be evaluated, reviewed and investigated; gather evidence about results and oversee a contracted-out service provider. They will be responsible for the publication of reports and making all information accessible to the British public and partner countries. The intention is for ICAI to provide strong feedback from independent evaluations and reviews into government decision making, to ensure that recommendations lead to change.

7.1 Key Points

The review of donor practices is neither comprehensive nor representative. Care must also be taken in assessing the suitability of systems as the scale of country development programmes and the resources available for management vary widely. But some interesting observations can be made.

- Organisations are actively involved with results management systems that are designed to improve aid effectiveness and contribute to greater efficiency.
- There is interest in portfolio-wide reviews of development effectiveness and reporting to parliament is part of that process.
- Managing for results is closely associated with questions of efficiency and concerns about value for money.
- New tools are continually being developed such as the modified logframe by DFID.
- More direct links between results and development financing are being explored through approaches such as results-based financing.
- RBM systems have several dimensions, including routine performance assessment, independent evaluations and external management audit, such as for value for money.

8 CONCLUSIONS AND LESSONS

Each chapter has set out a number of specific findings developed from the material in the evaluation. This chapter goes further and identifies eight broad conclusions which form the basis for recommendations in Chapter 9. The conclusions follow logically the presentation in the text. Following the conclusions, three lessons are put forward.

8.1 Conclusions

8.1.1 Policy on RBM

At present, MFA does not have a well-functioning RBM system. Current arrangements at best only support the management of individual projects. There is no information system to inform the policies and strategy of MFA nor is there a conduit for learning. The adoption of RBM and the approach to be followed has never been defined in a policy statement for MFA so there are no objectives or standards against which current systems can be judged. Comprehensive technical guidelines define the approach to project planning, M&E and to sectoral themes, but not to managing for results. This is an important omission because it results in RBM being seen as little more than an exhortation to staff and fails to bring together tools and methods with the way of working in MFA. Such a policy needs set out a clear purpose for following a results-based approach.

8.1.2 Strategic Results Framework

The absence of a development cooperation strategic results framework for MFA or for regional or country programmes creates a void and means that the unit of analysis for performance remains at the level of individual projects and programmes. There are no higher level objectives against which the development programme can be assessed country by country, even for the eight partner countries.

The main problem arising from this gap concerns work at country level. Here, some staff face a complicated challenge to manage their time between development cooperation and other duties, though other staff are dedicated solely to development cooperation. The absence of clear development objectives makes prioritisation of resource allocation more difficult and reduces assessment of the value of Finland's development cooperation to questions of whether specific projects have succeeded in their objectives, rather than whether the partner country has benefitted from Finland's support.

At present, most sector guidelines are technical descriptions of ways of working. There is scope to develop approaches used for forestry and water to establish some overarching objectives, set out the rudiments of theories of change that project designers can build on, and establish guidance on indicators.

8.1.3 Project and Programme Design

The quality of project design from a results-perspective is unsatisfactory as demonstrated in the sample of 17 projects reviewed for this evaluation, together with findings reported by EVA-11. There is some evidence that designs might be improving, based on recent new designs and second phase projects. But this needs to be confirmed. Design standards are not required consistently across all types of interventions, including NGO projects and the new ICI.

The Quality Assurance Board is overworked and ineffective at setting and maintaining standards. Senior managers may not be fully aware of the mixed quality of development projects because apart from meta-analysis by EVA-11 there is no consolidated performance assessment across groups of projects that would reveal a trend.

The MFA has worked with a practical and thorough set of project design guidelines which are now being updated by a working party. The quality of the guidelines is not at fault, it is the way the project cycle is managed.

8.1.4 Monitoring, Reporting and Evaluation

A low priority appears to have been given by managers to monitoring, reporting and evaluation. The extent and quality of reporting is inadequate to hold MFA accountable for the development programme. At project level reporting is of poor quality and deals primarily with implementation of activities. There is little reporting against higher level objectives from the logical framework, although some good practice examples have been seen. Staff suggest that the situation is rather better where civil society are actively involved. Despite a structured reporting system, there is little value added by comparing and contrasting project or country performance. Reporting to parliament does not provide sufficient information to assess the nature and achievements of Finland's development cooperation.

8.1.5 Institutional Culture and Systems

The institutional culture of MFA is not supportive of managing for development results. The style of working is characterised as highly bureaucratic and risk averse. There is a major gulf in approach between staff employed as technical advisors, who hold the institutional knowledge and skills for development cooperation, and career diplomats who manage the development programmes.

Although a high proportion of staff have been trained in RBM-related topics and consider themselves to be competent, observed practice suggests they lack the practical skills or application to manage the design and implementation of results-based projects. Directors recognise that they themselves need more guidance in results management and practical tools to assess project performance.

Changes in human resources management are expected with the advent of a new policy, but existing systems do not give prominence to managing for results and lack provision for incentives and rewards. Information management is also undergoing a change. The current system does not provide an adequate service for document retrieval or comparative analysis of development interventions.

8.2 Lessons to be learnt

Three lessons arise from this evaluation. Firstly, that having technically sound guidelines and a body of advisors who are technically proficient is not sufficient to ensure that project and programme designs comply with good practice and deliver a results-oriented portfolio. A sound hierarchy of strategic objectives and systems to manage for results is necessary as well.

Secondly, RBM is about more than technical tools and depends on the way staff are managed, and the incentive and accountability systems in place.

Thirdly, the MFA faces a particular challenge. The MFA is not a development agency, but a foreign ministry with multiple goals and agenda. In the absence of an RBM policy the opportunity has not been taken for MFA to develop practical ways to manage for results on all strands of MFA's work.

9 RECOMMENDATIONS

These recommendations follow from the conclusions in Chapter 8. They take as a starting point, the view that MFA wishes to create an effective approach to managing for development results. Each recommendation is accompanied by a brief description and a note about responsibility for implementation.

At the request of EVA-11, in response to an earlier draft of this report, the recommendations have been expanded to include more detailed suggestions. However, these are made with the caveat that the MFA needs to adapt the chosen approach to blend with the management culture of MFA. The suggestions put forward here are a starting point for that adaptation.

◆ Establish a formal approach for adopting results-based management

The approach could consist of a policy statement followed by a strategy for implementation. There needs to be a clear high-level directive setting out that the work of MFA will be managed for results and defining how accountability will be interpreted at headquarters and country levels. It should establish what the objectives of MFA are and how MFA will be held to account for achieving those objectives. In some countries this forms an agreement between development cooperation and MFA of finance, but that is a matter to be decided. What it must do is put forward an approach that is internally consistent for MFA. This would be the responsibility of a high level body reporting to the Secretary of State and perhaps interacting with the Development Policy Committee. The policy could include establishing a working party on RBM that would oversee many of the recommendations made here.

◆ **Develop a strategic results framework**

This could be based on the 2007 Policy and Regional Policies, or better, incorporated as the new 2011 development policy. This is an important aspect of the system because this would present an opportunity for constructive thinking about the aims of Finland's considerable financial commitment and how to express Finland's added value. The strategic results framework should define how Finland's development cooperation links to international goals and treaties, and what Finland's contribution is expected to achieve over a medium to long-term period. Whilst it would not be possible to attribute change to Finland's programmes, their contribution can be phrased in terms of improving trends in sector performance indicators and suchlike.

There should be sufficient detail to act as a guide for regional and country level strategies and with objectives that can be measured from international or national statistics. Finland's Aid for Trade Action Plan is an attempt in this direction as are Finland's AFT seminars, especially those in Hanoi and Dar es Salaam, which produced clear objectives with follow-up matrices.

The good work done to develop sector guidelines can be continued under this initiative to set objectives in terms of outcomes rather than indicators, to develop theories of change that project designers can build on for the major initiatives that Finland intends to support, and to give examples and establish guidance on indicators. Lessons can be learned from the experience of other development partners.

◆ **Reorganise country-level planning**

As part of the results framework the current system of country-level planning needs to be reorganised to identify measurable objectives and indicators. A major decision is whether there should be a country strategy document or a rolling programme of objectives, both over a three to five year period. The country plan should set objectives for the sectors that Finland will support, indicating how Finland's contribution will be measured against indicators of performance at country level. Formal consideration can be given to how attribution is subsumed into joint donor and recipient country systems.

◆ **Improve the quality of project design.**

This is a task to be led by the Department of Development Policy, working with desk officers and advisors at embassies. It can be tackled in four ways.

1. Firstly, the guidelines that are currently being revised (Manual for Programme Design and Implementation, currently in draft and excluded from review under this evaluation) need to deliver succinct messages that can be understood and put into practice by non-specialist staff with little experience of development and possibly high turnover in post. Ease of uptake is more important than theoretical underpinning so investment needs to be made in layout and presentation for self-learning. A help-desk might aid staff who are unfamiliar with project design concepts. The evidence from this evaluation is that there is a foundation on which to build better quality and the challenge is not so much to change the current guidelines as to find ways to ensure they are followed.

2. Secondly, many good practice examples exist and these need to be available and accessible, ideally through the new AHA system. Development of more results-oriented sector guidelines will provide practical examples for staff to follow and learn from.
3. Thirdly, a common standard should be applied across all interventions, including NGO and ICI projects. Developing a logframe is not onerous and in fact simplifies the process of project design. It should be a universal requirement for all interventions. It might be of value for staff of the MFA to be introduced to the DFID 'Using Numbers' logframe to explore ideas about a stronger focus on indicators.
4. Fourthly, the project cycle process should introduce a quality assurance (QA) review. A first decision is whether the current QAG can perform this role or a separate process should be arranged. We recommend a separate process because the timing can then be de-linked from the project processing cycle and a separate QA process would be able to undertake or commission comparative reviews into the portfolio as a whole, to ensure that findings about project design quality are representative of the portfolio. A revamped QA needs to deal both with process issues such as quality of objectives, indicators and means of measurement; and with aspects of technical design linked to the sector guidelines. If that course of action is taken it would be better to acknowledge the role of the QAG as a project committee and rename it, making separate arrangements for quality assurance. QA could be managed as an internal function or contracted out. The aim is to set standards and learn from good practice.

◆ Re-design reporting

Standards of monitoring and reporting are low. Better design of projects will help, but reporting needs to be re-designed to be shorter and more analytical. This is something for a task force to tackle, building on the views and experience of directors, desk officers and advisors. Consideration should be given to using rating systems that enable comparisons to be made across projects, countries and time. Lessons can be learned from the experience of other development organisations and of current work in other countries to evaluate influence in diplomacy.

Improvements are needed at three levels: project reporting and the role of the supervisory board; semi-annual reporting from embassies to HQ; unit scorecards.

1. A central feature of a new system is that reporting of projects should be done against the logical framework. The primary source of information comes from projects and good quality has to start here. The aim at project level should be to set standards for project reports and make project supervisory boards responsible for the quality of project reporting so that information received by desk officers is of satisfactory quality.
2. Semi-annual reports are the key document for a results system. These should contain a mixture of three elements. Firstly, reporting of achievements against indicators set out in the project design and derived from project reports; secondly, a judgement by the reporting officer (advisor, desk officer or team leader) about the likelihood the project will achieve its purpose (outcomes) as planned;

thirdly, a system of ratings to accompany that judgement so that results can be summarised country by country, region by region or for sectors.

3. Unit scorecards can be retained but need to be revised to give targets that reflect project performance and to summarise the results from semi-annual reporting across the unit as a whole. A ratings system for individual projects will make it easier to summarise performance. For country-based unit, this will be all projects or programmes in that country. For HQ units reporting would be by sub-region or region as appropriate.

Such a system could be introduced with minimal addition to current practice but with clearer lines of responsibility and a greater focus on analysis.

◆ **Improve comparative analysis from evaluations**

Most important is to establish more efficient, performance-based reporting so that senior managers and parliament recognise the value from an improved approach. The valuable work of comparative analysis through the medium of thematic and meta-analysis evaluations conducted by EVA-11 should continue. A performance rating system for completed projects should be adopted building on experience of other development organisations, and greater attention should be given to analysing trends of performance.

◆ **Improve the institutional culture**

Possibly the biggest challenge concerns the working culture of MFA. The new HR policy provides an opportunity to tackle all aspects of employment and consider how to create incentives and clear lines of accountability for all staff. Job descriptions need to include reference to managing for results and annual performance assessments should take into account the performance of development projects.

◆ **Train managers for RBM**

Associated with this is the need to maintain training programmes and continuing professional development, and to create new training that prepares managers for their role in an RBM system to enforce high standards of quality, make appropriate demands for information about outcomes and use that information to guide and direct planning and resource allocation. Whilst HR needs to define the standards and approach, technical content would be from advisors.

◆ **Improve information management**

It has not been possible to comment on the new AHA information system owing to the ongoing stage of development. One feature that needs to be available under an RBM system is a way of storing, retrieving and analysing information about project performance that links ratings in reports to indicators in projects. Arrangements for AHA need to include this level of detail.

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ANNEX 1 TERMS OF REFERENCE

Results-based approach and M&E of Development Cooperation Interventions (89887401)

Rational for the Evaluation

The mission and task of the development evaluation of the Ministry for Foreign Affairs (MFA) is to provide the management and staff members of the MFA with credible and reliable information about the results and achievements and lessons learned of the development cooperation. The aim is to enhance the possibilities of utilizing evaluation results for institutional learning and to improve the quality of the aid.

In the Ministry for Foreign Affairs the operational departments and units have the responsibility for planning and design as well as for project level appraisals, mid-term reviews and end of project evaluations (i.e. decentralized evaluations) in accordance with the design, monitoring and evaluation guidelines (1999). The independent development evaluation (EVA-11) under the Under Secretary of State concentrates on evaluations that have wider perspective (thematic, aid modality, country programmes, aid instruments, strategies etc.) i.e. evaluations of more strategic and policy nature. EVA-11 has developed new evaluation guidelines in 2007 (Evaluation Guidelines, "Between past and future"; MFA 2007b), which are expected to benefit the work by operational departments and units.

The International Roundtables on Managing for Results in 2002 and 2004, Marrakech Memorandum and Paris Declaration and Accra Action Plan have turned the attention towards results and effectiveness of the international aid. The donors and aid partner countries alike are acutely aware of the need to find effective ways to assist the poor and reduce poverty. The traditional approaches have not always led to the intended results. There is growing expectation for development to be more accountability-driven. The results-based management practices generate demand for well-established, reliable monitoring and evaluation (M&E). This again calls for a clear results-based planning, where causal-effect links have been logically worked out.

The current onus of development cooperation of Finland is on results-based management. The fact is, however, that results frameworks and results monitoring is not always in place and in use. In general, according to recent evaluations of EVA-11 the development intervention design method applied by the MFA is claimed to be very cumbersome and time consuming and the project documents rather narrative than analytical. Moreover, the evaluations have come to the conclusion that the evaluations are often difficult to carry out due to the lack of proper means and baseline for measuring the change. The latest Meta-evaluation of the evaluation reports of the operational departments in 2008-2009 refers to similar deficiencies.

In summing up, the recent evaluations have arrived for instance at following conclusions including:

- Base-line data, indicators, intended impacts, effectiveness and sustainability etc. are not defined accurately enough to ensure a logical framework for implementation; moreover, the indicators and monitoring are to a great extent activity-based (Meta-evaluation 2009; Agriculture evaluation 2009; Water sector 2010; Ethiopia country programme evaluation);
- In general, the M&E system is weak (Ethiopia country programme evaluation 2010; Agriculture evaluation 2010);
- No management formats have been developed to provide information on follow-up (Meta-evaluation 2009);
- No efforts are made to share lessons learned from evaluations and appraisals (Meta-evaluation 2009);
- The MFA information management system should be improved (Water sector evaluation 2010)
- There is a need for more emphasis on and training in managing-for-results (Meta-evaluation 2009; Water sector evaluation 2010)

All the above mentioned factors may jeopardize the accuracy and reliability of information on the basis of which conclusions and decisions shall be taken.

When aid is harmonized and aligned to the developing country systems the question of feedback and reliable M&E becomes central. With the welcome shift towards development country driven approaches come also the burden of accountability. UNU-WIDER (Research Paper No.2007/52) believes that several of the weaknesses currently identified with programme-based approach can, in fact, be traced back to M&E issues (low quality of annual reports, inconclusive reviews of national or sector programme-based approaches). The same research paper states that a growing number of leading aid officials has adopted “a very simplistic ‘alignment’ mantra to the point of denying the considerable political, institutional and technical weakness of partner countries”. Without a convincing recipient M&E the donors cannot assess how their aid resources were used and it is impossible to establish what the impact has been or why eventually things went wrong. The World Bank noted already in its CDF (comprehensive development framework) study in 2003 that M&E is one of the areas where donors have made least progress in harmonizing practices and where consequently the burdens on recipient government are great.

According to the UNU-WIDER study one of the most common weaknesses in the M&E is that both functions are confused with each other or that one is subsumed in the other. When there is hardly any attention to the linkages between monitoring and evaluation and if a donor is leaning more towards monitoring at the expense of evaluation, the result may be that the focus is more on pure stocktaking of performance instead of questioning underlying reasons for (non-)performance or relevance and usefulness of some of the targets and activities designed to arrive at them.

A small donor like Finland is capacity constrained and in need of clear guidance for results-based approach. The MFA has initiated a process of reforming its internal administrative guidelines. This evaluation could assist and up-scale the process with latest information and experience available on the international fora.

Purpose of the Evaluation

- The general purpose of the evaluation is to assess the planning and design of the present bilateral project and programs, especially from the point of view of the results-based approach. The evaluation shall provide guidance on how to improve the results-based design, implementation, monitoring and evaluation as well as management and point out benefits and advantages for results-based approach and institutional learning.
- The evaluation shall explore the ways, approach and role adapted in case of the new aid modalities, especially in the planning phase and in the M&E and propose ways how to rectify or improve them.

Overall Objective

The overall objective of the evaluation is to deepen the understanding of the results-based approach and management requirements. It will give guidance on what kind of design tools, guidelines and instructions of monitoring and evaluation will lead to results-based system and how to use them so that there is an underlying theory based project/program, which facilitates proper monitoring and evaluation. In the end the goal is to maximize the internal learning and integration of lessons learned in the decision making and planning.

Objective of the evaluation

- Clear guidance on reforming or establishing a results-based system within the planning of development cooperation interventions and programmes, and on modalities enabling better accounting and management by results.

The evaluation results will serve the internal learning purposes of the MFA.

Scope and Focus

The evaluation shall be mainly a desk study whereby both bilateral aid projects and new aid modalities are studied:

1. The study of bilateral projects and programs, which shall base on a sample of documents from different sectors (health, education, forestry, energy, environment, water, etc.) from the period 2000-2009. The sectors and the documents shall not been chosen by EVA-11. EVA-11 will collect only a random sample from among which the evaluators shall select those they find the most relevant for the purpose of this evaluation. The material will include project/program documents, appraisal reports, mid-terms reviews, minutes of steering and/or supervision boards and decisions taken at different levels etc.
2. The study of a couple of sector programs (SWAPs) or other aid interventions where new aid modalities are used (basket or pooled funding) and the assessment of the role Finland has chosen in relation to the design, monitoring and

evaluation. The material will be collected in the same manner as in case of bilateral projects.

3. The desk study shall include also relevant interviews within the MFA and also among selected number of other donors to identify their practices and possible on-going reform plans. The main focus of this phase of the evaluation is on donor behavior and on retrieving information and evidence on present mechanisms in planning, M&E and management.

The evaluation shall bear in mind especially the international principles of Paris and Accra Declarations and their affect on the planning of aid interventions and their M&E. There is on-going multi-donor and –stakeholder (altogether 30) evaluation (Phase II) of the implementation of Paris Declaration. The focus of this evaluation is on development results.

Tasks of the evaluation

- Assessment of the key factors of both the M&E for traditional bilateral projects and of new aid modalities as well as management methods & management information systems where reforms or improvements are needed;
- Assessment on how to keep balance between the two basic functions of feedback and accountability of the M&E (M&E and its accountability function calls for independence from senior management but on the other hand for learning purposes close linkages with management are essential);
- Meta-analysis of current practices related to results-based approach of a selected number of other donors;
- Facilitating a seminar where the results are discussed; drawing of conclusions and recommendations on the outcome of the seminar and feeding them in the final evaluation report.

Evaluation questions

The following questions/described tasks serve as the basis for carrying out the evaluation. However, the evaluators can complement the questions according to their professional experience and knowledge and in consultation with EVA-11. The evaluators shall prepare an evaluation matrix, which will accommodate a versatile study of all aspects relevant for successful evaluation.

General aspects to Design framework

- Is there a unified model for development intervention logic and does the structure of the logical framework support results based planning, monitoring and evaluation?
- Does the design of development interventions enable the verification of policy coherence for development?
- Are the MFA headquarter and the field office aligned in cooperation and dialogue with the nationals for the joint goals?

- To what extent the possibilities for mutual accountability of Finland and the developing country are evident or secured in the design of the logical framework?
- To what extent the design of project documents has contextualized with the other Paris Declaration principles and Accra Agenda i.e. ownership, alignment, compatibility and harmonization as well as mutual accountability?
- How does the general framework for Finnish interventions position itself to those of donors who have successfully applied results based framework?

Design process

- Do the current design policies and strategies and guidelines provide for results-based approach and results-based management? Are appropriate systems for capturing and transmitting results put in place?
- Is the project framework focusing on a government's sector objectives and highlighting clearly the degree/level to which Finland intends to contribute to with its aid? Is the possible relevance of other pertinent sectors/themes analyzed?
- What is the role and significance of each and every party involved in the design of aid interventions (desk officers and their directors, advisors of the MFA, external consultants, partner country officials, stakeholders and beneficiaries) and how do they influence the outcome of financing, planning and design as well as monitoring and evaluation?
- How does the results-based approach reflect itself in financing, implementation and follow-up through different phases of the project cycle (design, appraisals, mid-term reviews, end-of-project evaluations and ex-post evaluations)? What criteria are used (5 OECD/DAC criteria, 3 EU criteria and Finish value-added?) and are they used in a systematic way and do they provide the basis for evaluation? Are parameters/indicators clear and suitable for measuring results and achievements?
- What role do the cross-cutting issues play in results-based system?
- Is there flexibility inbuilt in the designs to facilitate the possible need for changes in plans during implementation?
- What role does the resource allocation play in the design and follow-up? Is financing realistic also from the point of view of the partner country and in right balance with planned activities and intended results?
- What kind of risk management system has been built in the project design? How is it utilized?
- To what extent the duration and predictability of the support have been considered in planning of the aid interventions? Has the exit/phasing-out been considered or defined as part of the design phase?
- Would there be a need for streamlining the project planning process i.e. making it simpler and shorter?
- Does the Finnish framework provide a good basis for communicating with various stakeholders?

Monitoring and reporting

- To what extent do the logical frameworks of the projects provide for cause-effect linkages i.e. is there a clear underlying program theory, which would facilitate results-based M&E?
- To what extent the current monitoring and reporting can produce proof for qualitative and quantitative results? Evidence for strengths and weaknesses.
- What kind of administrative and management structures and guidelines are used in implementation and the M&E of bilateral development cooperation interventions? Are they effective and efficient and facilitating the participation of the national authorities and stakeholders? How are the information on progress and relevant decisions taken during implementation documented? What is the mechanism to adjust interventions if there is an obvious need for changes?
- To which extent shortcomings referred to in the monitoring and review reports and in steering and supervision meetings are utilized to rectify the observed deficiencies and errors? What is done in case of positive experiences/best practices and methods?
- What kind of system/mechanisms the MFA and the embassy officials use to secure that there is an uninterrupted document trail available for each funded project/program?
- What is the role and significance of the national stakeholders in the M&E? Is the information they provide results-based?
- What kind of mechanisms have the donors adopted for monitoring and reporting in case the donor support is integrated into the national system? To which extent can the donor coordination groups enhance the national M&E systems?
- How do the donors use possibilities to influence the quality of plans and M&E mechanisms? To what extent can they interfere?
- To what extent is the information from M&E integrated into the knowledge management system? Is such a system in place? How the accumulated information has been used and how can it be verified and how is it documented?

Structure of Work, Reporting and Time table

The evaluation will focus both on bilateral and new aid modalities. During the Inception phase relevant documentation shall be collected with the assistance of EVA-11. EVA-11 will provide electronically or on a memory stick basic documentation on a random sample of projects.

After assessment of documentation the evaluators shall select a random sample of projects for closer study. The evaluators are also expected to complement the information and documentation of selected projects through various available channels and means. For the purpose of comparison the documentation of experiences of other donors shall be sought through available means.

The Draft **Inception Report** will be prepared after initial assessment of the background documentation. The Inception report shall include approach and draft evaluation framework based on the objectives and evaluation questions, data collection methods and instruments and a tentative proposal how the operational departments and units could better utilize the results of their evaluations (appraisals, mid-term reviews, completion reports etc.) for institutional learning. After discussions with EVA-11 the Draft Inception Report shall be finalized and the evaluation will continue with further data collection and in-depth document study.

The Draft **Desk Report** shall be prepared and discussed with EVA-11 on basis of a power-point presentation. After this a decision will be taken on how to continue the process: whether additional information or interviews are needed or whether the draft desk report is informative enough for a seminar to be held. The consultant shall prepare a plan for seminar arrangements and submit it for EVA-11 for approval. EVA-11 will take care of the practical arrangements.

As the evaluation is basically a desk study (including interviews and the meta-analysis of other donors' practices) it shall be carried out within maximum of four to five months period from the signing of the Contract.

Evaluation Team

The team shall be composed of one, maximum two experienced experts who have solid knowledge and experience of results-based design, monitoring and evaluation methods and their application in practice. The team member(s) shall belong to the staff of the tendering institution to benefit fully from the collective expertise of the institution. The team can also be assisted by an internal or external junior expert fluent in Finnish.

The team as a whole shall have practical experience in development research and evaluation and experience with both individual donor projects and sector programs and sound knowledge and experience of planning and M&E mechanisms of the donors and developing countries. Moreover, the team member(s) must have extensive experience in institutional learning and in capacity development and as facilitators of processes.

If the team consists of more than one expert the tenderer shall decide how to use the specific skills and experience for the evaluation (see also the Instructions to Tenderers in the chapter 12.6. of the ITT, Annex A). The division of work must be such that at least one of the team members is capable to collect and familiarize him/herself with the existing material in the MFA. The majority of background documents are in English i.e. project documents, appraisal and review and evaluation reports, supervision/steering committee minutes and progress reports etc. The team members (if more than one is proposed) shall complement the education, skills and experience of each

other. The consultant shall present external quality assurance from recognized institutions or otherwise give sound proof of their quality assurance systems (peer quality assurance or similar). The team members cannot act as the quality assurers of their own work.

Budget

The budget of the evaluation is maximum 160 000 Euros.

Mandate

The evaluation is a desk study and its focal point is EVA-11. The team is entitled to contact and discuss with persons or institutions pertinent to the evaluation only after EVA-11 has given its approval for it and made arrangements to facilitate smooth contacts with the intended stakeholders. The evaluation team is not allowed to make any commitments on behalf of the Ministry.

Aira Päivöke
Director
Development Evaluation

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Development evaluation

PL 512
00023 GOVERNMENT

Telefax: (+358 9) 1605 5651

Operator: (+358 9) 16005

<http://formin.finland.fi>

Email: eva-11@formin.fi



MINISTRY FOR FOREIGN
AFFAIRS OF FINLAND