

## REPORT OF THE DONORS CONFERENCE HELD BY CDA COLLABORATIVE LEARNING PROJECTS

October 8 and 9, 2009

### Introduction

The purpose of the CDA Donors Conference was to engage a select group of UN and donor representatives in assessing and responding to field-based evidence regarding two of the most challenging issues in the field of international assistance—namely:

1. The gap between policies that set out priorities and principles and the translation of these policies into programmes and actual field results; and
2. How to assess results in ways that match with and reflect the concerns of the people in the societies we seek to support.

For each issue, CDA presented a summary of broad field-based evidence drawn from the five collaborative learning projects.<sup>1</sup> Conference participants tested this evidence against their own experience for its validity and, then, discussed options and approaches for addressing the identified challenges.

#### Key -Conclusions

- The policy-programme gap is real, and is driven by the lack of alignment between the principled thematic policies to which donors have committed and the operational guidelines and unwritten codes and cultures that pervade within many donor organizations. This gap contributes to thoughtful policies not being translated into sound development outcomes.
- Most results-based management frameworks do not capture four important perspectives important for understanding the impacts of assistance, i.e. perceptions, relationships, unexpected impacts/effects and adding-up factors.
- Recipient communities expect donors to be more present and engaged.

#### Day I: Policy-Programme Gap

CDA presented the following evidence:

- A desk review of a number of donor policies carried out by CDA staff shows these policy documents to be thoughtful, well-written, focused and important.
- However, through all of our (and others') field-based work, we find a common failure of principled thematic policies to be translated into programmatic impacts. This includes policies

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<sup>1</sup> Descriptions of the five projects are attached.

dealing with gender, conflict sensitivity, participation and local ownership, etc.—that is, the policies that establish the principles of good development practice.

- There are a second set of policies (often referred to by donors as “operational guidelines”) that have to do with systems, procedures and accountability in programme design and implementation, which are applicable alongside the principled policies. These set parameters for funding, reporting, accounting and budgeting etc.
- Alongside the principled and operational policies, international assistance also functions under a set of unwritten codes, or modes of operation, that have to do with professional skills identification, hiring and criteria for promotion.
- Experience shows that, again and again, principled thematic policies are subordinated to operational guidelines and unwritten codes. Providers of international assistance may, for example, promote the principle of participatory development but because beneficiary selection criteria and indicators on which agencies report are written into project proposals, many programming decisions are made before field operations begin. This “pre-packaged” approach to assistance limits engagement of local people in early decisions about what to do, how and why. This may, in part, be attributable to lack of operational guidance within the thematic policies themselves.
- However, the invisibility of thematic policies may also be attributable to an emphasis on achieving the objectives of operational guidelines in individual performance appraisals. Project managers and donors also operate under the pressures of their systems to expend budgets within pre-determined timeframes. Emphasis within operational policies on speed and efficiency of delivery of services has often led to inadequate analysis (e.g., needs assessment that misses what is working and existing capacities) and “pre-packaged” agendas and programs. CDA’s Listening Project regularly hears people in recipient countries telling us to “slow down” in the delivery of assistance. For these people, “getting it right” is more valued than “getting it done in a specified timeframe”.
- Furthermore, the skills that are recruited for and rewarded are those related to delivery of goods and services on time and on budget. Traditionally, performance appraisal systems - as well as continuation of funding to implementing partners - have been based on delivery performance. Accordingly, compliance with operational guidelines has often been tracked more consistently and robustly than implementation of principled policies. Consequently, few (if any) questions have been asked about the impacts of the individual program decisions on intergroup relations (thus undermining conflict sensitivity policies), on gender relations, on participatory processes and on local ownership, or on other values represented by principled thematic policies. Although many donors are now re-aligning individual performance appraisal systems with results-based management frameworks in line with their commitments under the Paris Declaration, this process is in its infancy and is not yet uniform across all donor administrations.

## Discussion

The discussion that followed firmly validated the evidence, with participants saying that the processes reported through CDA projects resonated with their own experiences. Particular areas of discussion included:

1. *Importance of evidence:* A number of people cited the importance of finding ways to better gather the solid field-based evidence to inform both policies and programming and to incorporate it into planning and follow-up. Some noted that although increasingly evaluations of policy implementation are being undertaken, few actually look at whether the outcomes of the implementation of the policies—even if done—turned out to be as planned. Furthermore, few evaluations focus on how policies interact with each other when applied in the field (i.e. which take precedence over others). Most agreed that we need to improve our systems for tracking implementation of policies or the impacts of programs on the issues addressed by them. A key element of this process would be to ensure that all policies are underpinned by implementation plans with clearly defined targets and indicators.
2. *Skills:* The group analyzed which skills need to be recruited and strengthened in order to close the policy-programme gap and how best to accomplish this. Listening skills and analysis skills were among those mentioned by several participants, as well as skills in strategy development. There was a strong sense that much more needs to be done but we did not settle on specific skill sets to be prioritized and techniques for ensuring that all levels of people in the international assistance field gain and maintain these skills.
3. *Speed and budget spending:* The discussion noted that the call for donors “to slow down” was unexpected and required some rethinking of our current systems of providing assistance. People acknowledged that the pressures to expend budgets and achieve “results” within given (relatively short) time frames affect all levels of the international assistance system. While CDA’s evidence has predominately revealed examples of negative impacts of spending too much too quickly, we also acknowledged that we have some examples of rapid spending leading to positive impacts. But we do not yet have full clarity about when and under what circumstances rapid spending actually is beneficial and when it is not.

One suggestion for moving forward on this problematic issue involved adapting funding streams to allow variation in responses according to changes in the context. A metaphor used to describe this was that of a “tank” of funds with a spigot that could be adjusted to increase or decrease the rate of flow of resources. Donors would assign funds to fill the “tank” (preferably pooled in the spirit of donor harmonization exemplified in the Paris Declaration) and field staff would have the freedom to turn the spigot, varying funding flows over time in response to local analysis and capacities. An obligation to “empty” the tank might exist, but only over a longer time frame. Agencies would remain completely accountable for spending and reporting on the funds, but the rate of expenditure could be adjusted to encourage local ownership of planning and implementation, support of local initiatives, and reinforcement of intergroup connectors, etc. (i.e. principles).

4. *Alignment of policies*: Following discussion of how operational guidelines and principled thematic policies are often seen to contradict each other, the group began to explore how to align the two better (rather than to choose between them). The control over the flow of funding described above was one such idea. Another idea was to have a system of pre-project (or inception) grants from donors (for fairly short periods), which would allow operational agencies to spend time with people on the recipient side of the aid process before designing and proposing longer term efforts. All agreed that providers of international assistance need to be more creative in finding ways to pursue the principles that we know are important in good development work and, at the same time, reinforce transparency and accountability in relation to planning, funding, implementing, and tracking results.

## **Day II: Accountability, Results-Based Management, Tracking and Assessment of Effects/Impacts**

CDA presented the evidence from the five projects which showed that:

- Operational agencies find current results-based management systems cumbersome and not useful in capturing real effectiveness of international assistance efforts.
- People in recipient societies regularly note that what is measured in many of the systems used by international aid agencies does not match the set of issues that they consider important.

CDA evidence shows that four particular categories of indicators are missing and that if they were added to current impact assessment criteria, they would greatly correct the misunderstandings we have of actual impacts/effects experienced by people in recipient countries. These are:

- a. *Perceptions*: Most monitoring and evaluation systems do not capture people's perceptions of the impacts of international assistance. For example, if a security sector reform project intends to improve security by training a police force, in addition to tracking how many police receive how much and what type of training (outputs), it is equally important to gather perceptions of local populations as to whether – or not – they feel more secure after police have been hired and such training occurs. Numbers of trained police can be alarmingly misleading as an indicator of success if people do not feel more secure. Equally, a well-capacitated police force that is not accountable to higher authorities can leave people more—not less—fearful.
- b. *Two dimensions of relationships*:
  - i. Relationships of groups to each other in the society. This is a classic “Do No Harm” learning. Repeatedly CDA projects are told by local people that some interventions, judged by traditional evaluation criteria to have been successful (e.g., according to output-related indicators such as houses built or dialogues conducted, or outcome indicators such as rates of conviction, or crime rates as indicators of effectiveness of justice systems and police), also led to tensions and divisions among groups in the society. These tensions and divisions could have potentially dangerous implications for the stability of the community, and to miss this change in relationships is to miss a critically important negative impact.

- ii. Relationships between an assistance agency, the people receiving support and local intermediaries (local partners and host governments). There is strong evidence that international or local agency staff who do not relate well to the people whom their activities are intended to support actually undermine the outcomes. Both CDA's Listening and Corporate Engagement Projects consistently heard people in recipient communities emphasize the importance of being "respected," and the evidence is strong that implicit ethical messages illustrating a lack of respect (conveyed by agencies' own behavior both towards beneficiaries, partners and with their own staff) do affect development and peacebuilding outcomes.
- c. *Unexpected impacts/effects*: It is well known that all interventions have unexpected side effects—sometimes positive, sometimes negative. It is important to scan for these unintended impacts because to miss them is to miss a significant set of realities from which we could learn and for which we should be accountable. For example, when companies begin new operations in a region, they often provide employment opportunities for local people. However, these job opportunities attract an influx of people from other regions, causing a strain on the infrastructure and social makeup of the community. Companies that do not track, and make adjustments for, these unintended impacts lose the goodwill of the community members, who view the company as not taking broad accountability for the negative impacts caused by their presence.
- d. *Adding up/cumulative effects*: Finally, there are sometimes impacts that lie beyond a particular project or activity. In CDA's RPP project, we have examples of projects that, on their own, would have been judged as failures or ineffective. However, because of how they worked in relation to other projects and local dynamics, it is possible to see that they contributed to a momentum, or an "adding up" process by which the total effect of activities is greater than the sum of the individual projects. In Northern Ireland, for example, evidence suggested that the majority of projects funded by "Peace II" (a European peace funding mechanism which provided over 26,000 grants) did not, in themselves, generate outcomes that contributed to peace in Northern Ireland. However, the sheer volume of efforts, coupled with the degree to which people who received grants felt engaged with and part of the peace process, did contribute to momentum in the Northern Ireland peace process.

C and D are impacts that are not necessarily planned and cannot always be predicted in a results-based management system. They require attentiveness to the context in which activities occur. This can only be known through a scanning process that monitors and updates context analysis and the interactions of the programmes with the context.<sup>2</sup> It requires tracking of cumulative impacts as well as individual project impacts. To fail to pay attention to these cumulative impacts (and effectiveness or lack of it) is to miss significant realities that, if we, as providers of assistance, are really concerned with results, we should note and learn from.

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<sup>2</sup> CDA's Do No Harm and Reflecting on Peace Practice projects have gathered evidence on the shortcomings of existing conflict and context analysis methods, and their integration into programme monitoring and evaluation—all of which affect agencies' ability to identify these kinds of impacts. See RPP Participant Training Manual, [www.cdainc.com](http://www.cdainc.com).

Although international assistance agencies are often reluctant to assess “soft” indicators such as “relationships”, companies are increasingly clear that these are critical to track in order to know whether they have a “social license to operate.” Several companies in the private sector are developing quite rigorous, but doable, systems for tracking such impacts.

## **Discussion**

Discussion centered around these four additional dimensions to any adequate results-based management or monitoring system.

Some questions were raised about whether there is real evidence that better relationships with donors and implementing agencies actually leads to better outcomes for recipients. CDA’s Listening Project has found a strong and widespread perception among people in recipient societies that the two are connected, although as some discussants noted, the “how” of assistance does not replace the importance of the “what” of assistance. Without some real change and improvements in their lives, people can get very disgruntled with the process. These two aspects of international assistance—what we do and how we do it—cannot be separated. The Listening Project is repeatedly told this by local people in the communities where listening exercises have occurred.

The group also examined the difference between attribution and contribution of international assistance to changes in recipient societies. Insofar as reporting requirements emphasize traceable, attributable results to specific activities, we may be distorting our understanding of change and how it is accomplished. Improved monitoring and evaluation systems for results would recognize that the real goal is to contribute to, rather than to cause singlehandedly, a (positive) change.

Some discussed the importance of “keeping it simple” for those who are in policy positions, but also keeping it grounded in terms of factors that matter most to people on the ground. Sometimes these two imperatives may appear to be in contradiction. However, most agreed that it is possible to name categories of important factors (such as the four suggested by CDA evidence) at all levels, and to develop the details, including identifying indicators, for the specific context.

## **Discussion of Political Factors**

The group noted that some distortions in reporting results arise from the politics of the aid system and of the context. For example, in conflict-affected areas, host governments may be part of the conflict, and donor governments have social change agendas designed to address causes of conflict that are not consistent with those of the host government. There may be desired changes and impacts about which one would not want to report, as highlighting them could put people and positive change processes in danger. In these (and some other) situations, it was felt that one can monitor the direction and the rate of change on certain factors without having to add specificity (e.g., specific results or outcomes).

As for when to assess results, the challenge of timing was acknowledged as real. Nonetheless, the group generally agreed that even when all results are not clear, it is incumbent on those of us who cross borders to be helpful, and to stay alert to the results that are occurring in real time. To follow up with

ex-ante monitoring and evaluation is useful and important but such follow-up does not supersede the importance of watching for immediate, real time impacts along the four dimensions as well.

### **Discussion of Future Directions and Roles**

Finally, the two days ended with a discussion of next steps to be taken on the issues discussed and possible roles for different people to play, including CDA. Discussion centered around specific ideas that people in the sessions had for follow up in their own agencies. Current donor trends toward decentralization of decision-making and program management to country offices means that CDA may need to increase efforts to take key messages and learnings to donor field missions. Given this environment, there is a real synergism to be developed between CDA staff who travel often to field sites and headquarters staff of donor agencies who can use such visits to promote ideas and approaches to improve the effectiveness of their assistance efforts.

In addition to this decentralization trend, however, is the strong message gathered through CDA projects (especially the Listening Project) that people in recipient countries are mystified and concerned by the fact that “donors” do not “come back” to look at the impacts of the assistance they have funded. These local people believe they should and that accountability requires some degree of presence and engagement by donors. These observations appear to contradict one of the major principles of the Paris Declaration commitments i.e. to work through national systems. They imply a high degree of attention to understanding how people we intend to help, feel about what we are doing and developing skills and systems for building that understanding. Insofar as we let theories of change and the structure of the aid system impede attention to the impacts of our work as experienced and perceived by these people, we are not being the donors and implementing partners that we intend to be. Channeling support to people through national systems and partners does not appear to diminish the need (or expectation of communities) for donor presence or direct engagement with communities. The trend towards decentralization of donor decision-making is not incompatible with this expectation, and paying attention to the “how”, as well as the “what” is critical to knowing whether international assistance is perceived to be effective or not.

The group assembled for this Conference grappled with the complex institutional/organizational and moral challenges of how we work and for what ends, with honesty and clarity. Donors acknowledged the layered system that makes simple solutions impossible but the discussions helped disaggregate the complexity of these challenges in ways that suggest some options and approaches that, additively, could be helpful in changing the constraints. The conference helped to clarify the issues and energized some efforts to address the challenges.

From CDA’s perspective, it caused us to look more closely and deeply at the common messages emerging across all our projects as we look to the multiple issues that we may be able to assist our donor colleagues to grapple with in the future. We are extremely grateful to the group of concerned, experienced and engaged people from donor and UN agencies who made this possible.