

RESULTS IN DEVELOPMENT CO-OPERATION

Measuring and managing the results of multilateral contributions Perspectives and shared challenges

Discussion paper for the Results workshop on 29-30 October 2018, Paris

Abstract

This discussion paper is targeted at the OECD DAC Results Community and is intended to provoke discussion during the workshop session on “Measuring and managing the results of multilateral contributions – perspectives and shared challenges” on 29 October 2018.

Measuring and managing the results of multilateral contributions is important given the role of the multilateral organisations in delivering Agenda 2030 and the funding they receive, and becomes crucial as multilateralism is under threat.

Bilateral providers and multilateral organisations share the same overarching objective, aiming to achieve development results from the funding they provide and the programmes they implement.

Yet, if the overarching objective is common, respective needs of bilateral providers and multilateral organisations are different. Expectations therefore might differ. While the need of providers to report results to their domestic constituencies has translated into positive pressure to improve the results-based management systems of many multilateral organisations, their influence and the modalities of their support can at the same time undermine the need and efforts of the management of multilateral organisations to deliver and report on results in a consistent and efficient way across their organisation. Meanwhile the focus put on accountability between bilateral and multilateral institutions tend to undermine the key role partner countries should play at national level and in governing bodies.

This paper discusses related challenges from the sides of both multilateral and bilateral development co-operation providers, and offers solutions based on opportunities that could be seized to reconcile respective needs. It focuses on the relations between governments and multilateral organisations – excluding non-state actors that are providing funding to multilateral organisations. The paper looks at results from both core and earmarked funding provided by bilateral providers to multilateral organisations. It looks not only at how results are assessed, but also at how they are used. As back-up information, an annex describes how multilateral organisations assess their own development results.

The paper concludes with questions to guide the discussion at the workshop, summarised as follows:

1. How do bilateral providers incorporate the results of their funding to multilateral organisations into their overall approach? How can they support efforts of multilateral organisations to strengthen their results-based management system?
2. How do multilateral agencies reconcile donor accountability/reporting requirements, the need to align to partner country goals and results, and alignment to their own agency goals and strategies?
3. How can partner countries play a leading role at country level and strengthen their role as members or shareholders of multilateral organisations?

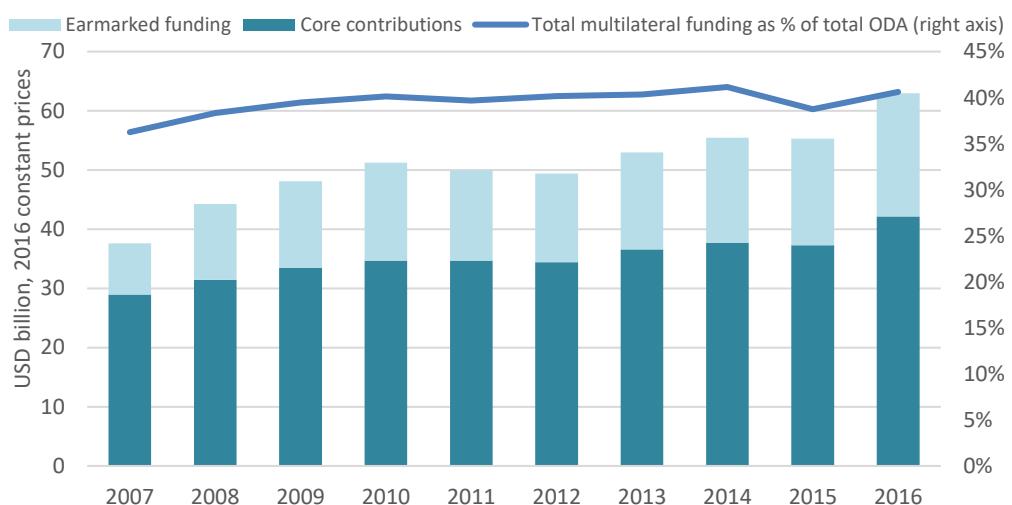
The paper draws on work from various workstreams within and beyond the OECD as well as other sources to underline the importance of measuring results of multilateral contributions and to explore how to improve current practices.

1. Why is measuring and managing the results of multilateral contributions important?

The Sustainable Development Goals (SDGs) and Agenda 2030 call for collective efforts from all development stakeholders. **Multilateral organisations are already key players in development co-operation**, both in terms of the level of development finance they channel and their role in setting international norms and standards. Their influence is likely to increase in the context of Agenda 2030: their expertise and convening powers as well as their ability to work across borders enable them to provide the collective solutions needed for achieving the ambitious SDGs and for addressing global public goods.

DAC countries value multilateral institutions (OECD, 2018a & 2018b), contributing USD 63 billion in 2016 (an increase of +14% in real terms compared to 2015 levels). They continue to allocate a fairly stable and important share of their official development assistance (ODA) (41% on average) to the multilateral development system.

Figure 1. Funding to multilateral organisations



Source: OECD, 2018b

Yet multilateralism is at stake. The capacity of multilateral organisations to deliver results effectively and efficiently in the new global environment is being questioned by important stakeholders, and the need to reshape the foundations of multilateralism is widely recognised (Kharas, 2017; OECD, 2018a). While bilateral providers continue to fund multilateral organisations to deliver development co-operation for a variety of reasons (Gulrajani, 2016; Greenhill & Rabinowitz, 2016), they are under increasing pressure to show the results of their investments. Meanwhile making good use of this results information to learn what works and what does not, and take strategic decisions accordingly, will be crucial to boost the capacity of the multilateral organisations to deliver on their mandate and increase their contribution to sustainable development.

2. What are the challenges?

This section discusses the respective challenges faced by multilateral organisations and by bilateral providers in measuring and managing the results of multilateral contributions.

Bilateral providers and multilateral organisations share the same overarching objective since both aim to achieve development results from the programmes they implement and the funding they provide. They even implement a number of development co-operation programmes jointly in partner countries. The governance structure of multilateral organisations ensures a regular dialogue between the governing boards - where providers set direction and play their oversight role - and the management of the organisations. This dialogue should ensure that robust results-based management systems are in place so that programmes are implemented efficiently and deliver quality development results, reported by multilateral organisations and used by both their management and the providers. This requires a clear theory of change articulating how the objectives of the multilateral organisations will be reached; appropriate funding modalities; and adequate systems in place to measure, report and make use of results. The annex of this paper presents an overview of how multilateral organisations are progressing in managing for results.

Yet, if the overarching objective is common, respective needs of bilateral providers and multilateral organisations are different. Expectations therefore might differ. The needs of providers to report results to their domestic constituencies has translated into positive pressure to improve the results-based management system of many multilateral organisations. At the same time, their influence, the modalities of their support and the nature of their requests for accountability can undermine the need and efforts of management of multilateral organisations to deliver and report on results in ways that are consistent and efficient across their organisation, and that align with and support partner country results frameworks.

2.1. Challenges faced by bilateral providers in reporting results of their multilateral contributions

Bilateral providers face three main challenges, which are described below. One relates to their institutional structure regarding multilateral engagement, while the two others are about their need for accountability and the way they make use of evidence.

Ensuring consistent results reporting in scattered configurations

Bilateral providers have different institutional arrangements for managing their engagement with multilaterals. These differences shape their understanding and priorities as well as the way they engage with multilateral organisations and monitor the results of their multilateral contributions (MOPAN, 2018a). While the Ministry for Foreign Affairs often sets policy directions, it is current practice that several provider agencies and institutions within a country extend funding to multilateral organisations - up to 15, and seven on average for all DAC countries, according to the latest OECD Multilateral Development Finance report (OECD, 2018b). Linkages with quality assurance/results-based management departments also vary a lot from a donor country to another. Scattered funding makes it more difficult for bilateral providers to maintain coherence and consistency in the overall results reporting and management of their multilateral contributions. In practice this can also translate into parallel requests for reporting made by several agencies from within the same provider on the multilateral organisations they fund. In coming years, the broad and integrated nature of the 2030 Agenda could increasingly lead to line ministries establishing direct partnerships with the relevant international institutions to advance specific SDGs, further strengthening

the case for measures that enhance strategic coherence and consistency of donor engagement, including in terms of results reporting and management.

Meeting accountability and communication needs

Bilateral providers aim to optimise the impact of their development co-operation funding and they need to justify their support to specific multilateral organisations. These accountability and communication needs drive the way they engage with multilateral organisations and their reporting requirements. Most bilateral providers do not rely entirely on the evidence generated by the results-based management systems of the multilateral organisations and request additional reporting and assessments.

The more funding donor Governments provide, the more important it is for them to show results. This explains the correlation between the volume of funding provided and the number/percentage of donor assessments conducted by a specific donor. The Joint Inspection Unit (JIU) of the UN system found that 80% of the bilateral assessments conducted by donors between 2011 and 2016 were carried out by seven donor governments and the European Commission (JIU, 2017c). These bilateral assessments, coming on top of joint assessments, are costly both for the bilateral providers and for the multilateral organisations they assess (Box 1).

Box 1. Bilateral assessments of multilateral organisations

To meet their accountability needs and fulfil their responsibilities and obligations as donors, bilateral providers assess multilateral effectiveness collectively through the Multilateral Organisation Performance Assessment Network (MOPAN, a network of 18 donor countries), and/or individually.

Alongside evidence on the organisational effectiveness of multilateral organisations, MOPAN assessments provide information on the actual results achieved by these organisations, using results evidence from their corporate reporting as well as evaluations. MOPAN assesses results against 4 key performance indicators measuring the level of achievement as well as the relevance, efficiency and sustainability of the results achieved¹. To better respond to the needs of its membership, MOPAN has extended the scope and number of organisations assessed. These include UN organisations, Multilateral Development Banks, and global funds. By the end of 2018, MOPAN will have assessed 26 organisations (12 in 2015-16 and 14 in 2017-18).

Most bilateral donors also conduct individual assessments of the multilateral organisations they support². These assessments take different forms and differ in terms of scope and coverage³. They mainly focus on institutional and performance aspects (alignment of objectives, governance arrangements, accountability framework, due diligence, etc) rather than on the results achieved. While many bilateral assessments are essentially desk reviews, some put large burdens on the reviewed multilateral organisation because of the primary data collection involved. A number of MOPAN members conduct such extensive assessments, using MOPAN as a source of evidence in their own assessment process rather than as a replacement for bilateral assessments.

Source: MOPAN, OECD, 2018b

¹ See MOPAN Methodology Manual for the full list of key performance indicators (MOPAN, 2018b)

² Over 2011-18, ten DAC members conducted bilateral assessments of multilateral organisations, 8 of them being MOPAN members (OECD, 2018b).

³ e.g. corporate review assessing the overall performance of an organisation (Australian multilateral assessment, UK Multilateral Aid Review (MAR) and upcoming US MAR), review of the performance of a single operational unit; assessment of the implementation of a thematic or a country programme.

Meanwhile a number of providers find it difficult to demonstrate how their relatively small multilateral contributions contribute to development results in a way they can effectively communicate to their taxpayers. Demonstrating the results of earmarked support is considered easier – which means it is increasingly favoured (see below). But with donors arguing that non-core funding is not subject to oversight by the internal and external oversight bodies in the same robust way as the regular budget, the increase in earmarked funding reinforces the proliferation of bilateral assessments of specific programmes (JIU, 2017c).

Making full use of results evidence

Alongside accountability purposes, it is not clear how evidence is used by bilateral providers to improve performance of multilateral organisations, i.e. how results information is used at board level by bilateral donors for steering and direction, including in improving coherence and promoting learning from what works and what does not. The JIU found that opinions diverge between the UN system organisations and donors over the degree to which results of assessments are used as a basis for dialogue on an organisation's performance (JIU, 2017c). It suggests that member states use the evidence generated mainly for accountability purposes, favouring form (getting the information corresponding to their need) over function (using the information to drive progress and improve development results) (JIU, 2017b).

The strategic review conducted by MOPAN reinforces this point. It concludes that, up to now, MOPAN serves better the *accountability or compliance* function (i.e. demonstrating that taxpayer funding routed through multilateral organisations delivers adequate returns) than the *learning or self-improvement* function (i.e. informing the quest for improvement by multilateral organisations themselves, either through members engagement in the organisations' boards or through direct support to internal change effort led by management). The review also notes that MOPAN is still weak in *supporting system coherence and reform*, a function that becomes more important as the overall multilateral architecture becomes more complex (MOPAN, 2018c).

2.2. Challenges faced by multilateral organisations in managing for results

As shown by a number of assessments, including a recent review of the RBM function of the Global Environment Facility (GEF), multilateral organisations face the same challenges as bilateral providers in establishing and making full use of results-based management (Box 2)⁴. This paper focuses on the specific implications of donor Governments and their funding model on the ability of multilateral organisations to manage effectively for results.

As outlined above, bilateral providers have pushed multilateral organisations to manage for results, and the organisations themselves recognise the positive impact this has had on their management procedures and practices. However, the way bilateral donors engage with multilateral organisation can reduce this positive impact in several ways. These different factors are set out in detail below.

⁴ In particular, it is widely recognised that the RBM systems have not lived up to their potential so far, with the information generated being used mostly for accountability and communication purposes rather than for actual decision making and learning. For instance, the World Bank case study notes that « use of results information for steering and learning at country and project level, and across countries and projects is an area of ongoing improvement and development (OECD, 2017)

Box 2. 2017 Review of results-based management in the GEF – Main findings

The latest review of the RBM function was conducted by the Independent Evaluation Office as part of the sixth Comprehensive Evaluation (OPS6), and was published in November 2017. It recognised that, thanks to increased attention to RBM over 2014-18 (GEF-6 period), several gains were achieved, in particular corporate results reporting has improved. Overall, the RBM system has played a strong role in supporting reporting, accountability and communications, while its role in supporting evidence-based decision making and learning has been so far limited. Lack of a clear theory of change, long duration of the feedback loop, need to incorporate the relevant SDG indicators in its results-based management framework, lack of focus on the most strategic information, gaps in tracking tools, poor quality of information, and need to adapt to the growing expectations from the partnership were the key shortcomings highlighted by the review. A number of recommendations were made to address them.

Source: GEF, 2017

Disempowering effect

Donor governments are driven by their need for accountability for the use of their own resources by multilateral organisations, and this can influence the way multilateral organisations manage for, and report on results. The JIU notes in its report that this focus on reporting for accountability purposes, while important, has proven to have a disempowering effect and to limit the added value of RBM in UN organisations. It reports that this focus has produced organisations that focus on what can be measured (therefore outputs rather than outcomes), and leadership that is responsive but not responsible: “It has led to the development of organisations that operate with external locus of control, as they seek to address the power dynamics governing their respective organisations. It has limited trust, as well as creativity and innovation”. The report however mentions recent evolutions in the interactions between a number of member states and UN institutions, with a stronger attention to contribution rather than attribution, a focus on learning what works and what does not, and a recognition of the complex nature of development processes (JIU, 2017b).

Huge transaction costs constraining staff capacity to focus on delivering programmes

Results and performance data collection has huge transaction costs. Multilateral organisations are subject to multiple assessments required by providers. These come on top of their internal corporate results-based management system and the audits, evaluations and inspections commissioned as part of their broader oversight architecture. Bilateral assessments of multilateral organisations continue to proliferate, and totalled 128 in 2015-18 – with a peak of 49 in 2018 (OECD, 2018b). Many multilateral organisations complain about the number of reports they have to provide and the various assessments they are subject to, noting that some of them overlap in both their timing and content. For example, one organisation reported to the JIU that in addition to the audit by the internal oversight office, one of its field operations was simultaneously reviewed by two bilateral donors and the Board of Auditors (JIU, 2017c). These and other reporting requirements involve intensive use of the professional capacities of multilateral organisations’ staff for reporting on their performance and the results achieved. They risk diverting staff from efforts to be context-based, adaptive and innovative in the way they design and manage programmes.

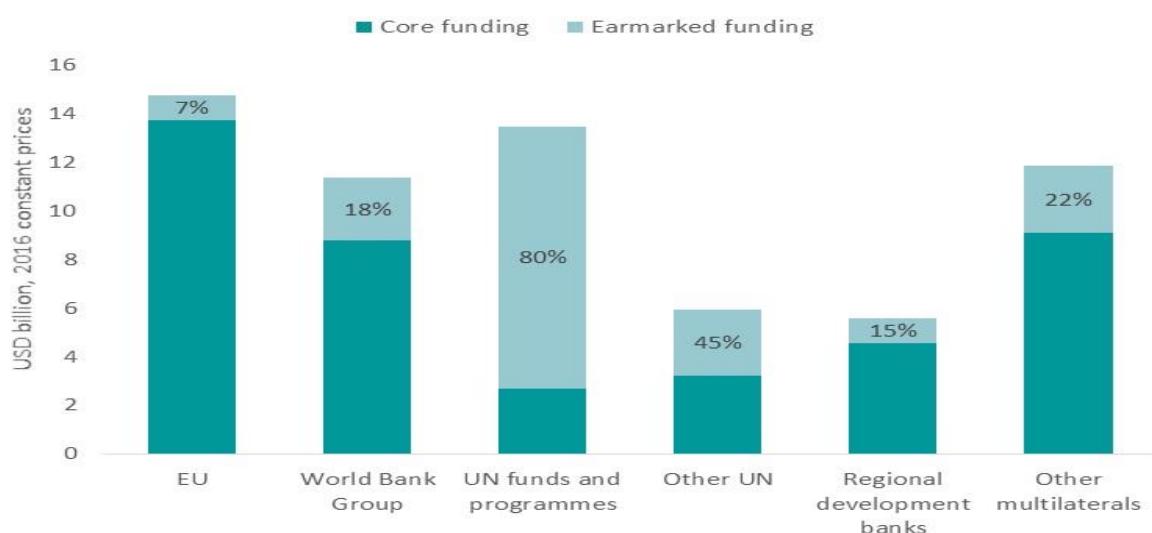
Funding model hampering organisation-wide approaches to managing for results

As mentioned above, when providing funding to multilateral organisations, bilateral donors tend to increasingly earmark resources for specific purposes. The share of earmarked resources (also referred to as non-core funding) increased from 23% of total multilateral financing in 2007 to 33% in 2016. If, overall,

multilateral institutions still receive two thirds of their contributions as core funding, some organisations, in particular the UN funds and programmes, rely on earmarked funding to a very large extent (80% in 2016, compared with 18% for the World Bank Group) (Graph 2).

For multilateral organisations, this financial situation risks putting their neutrality and multilateral nature at stake, and, in limiting predictability and flexibility, hampers their ability to deliver effectively upon their mandate. But it also interferes with the efforts of multilateral organisations to adopt organisation-wide approaches to managing for results, limiting the level of core resources available to build a strong RBM system, and encouraging scattered approaches in responding to individual requests for reporting on specific, earmarked funding. When reviews are carried out by large providers to the organisations, who attach conditions regarding the implementation of the review's recommendations, there might be frictions between the reform agenda decided for the MO by the full membership and what is unilaterally suggested through such reviews. UNICEF, in its management response to the 2015-16 MOPAN assessment, mentions that with 75% of UNICEF funding being earmarked, "in itself, it limits the capacity of any organisation, including UNICEF, to effectively map out and implement effective results-based budgeting on a large scale. Within this context we are currently exploring internally and with partners a multi-year flexible funding approach that will help system-wide efforts to strengthen predictable funding and in turn, strengthen our own results-based budgeting" (UNICEF, 2017).

Graph 2. Share of core and earmarked funding per type of organisations



Source: OECD, 2018b

Reduced attention to partner countries' needs

The UN agencies and the World Bank Group have taken steps to align their results frameworks to the national goals of developing countries and to harmonise their reporting on results achieved at partner country level (Box 3). Yet more is needed to ensure strong alignment and support to partner country results frameworks.

For UN organisations, a Quadrennial Comprehensive Policy Review (QCPR) monitoring survey conducted by UNDESA in 2017 shows that special attention needs to be given to ensuring more complete coverage of the UN system in reporting results and to establishing firmer linkages to national development results. Still many governments called for increased use of national systems, including strengthening monitoring and

reporting systems (UNDESA, 2018). For the World Bank Group, the Country Partnership Framework process shows that balancing and harmonising different parts of the World Bank's work in partner countries while also ensuring the Bank's alignment to a country's own goals and results framework is challenging (OECD, 2017).

**Box 3. Efforts made by the World Bank Group and the UN System
to harmonise reporting on results at country level**

As part of a new approach to country engagement set in 2014, the World Bank Group pulls together its different institutions to engage at country level under a joint Country Partnership Framework (CPF). The CPF identifies the key objectives and development results through which the WBG intends to support a member country in its efforts to end extreme poverty and boost shared prosperity in a sustainable manner. It articulates a results-based engagement, centered on a results framework that lays out the objectives that the WBG activities are expected to help the country achieve. Each CPF objective is linked to the country's development goals. The approach creates a platform for the WBG to engage with the country in a continuous process of results monitoring and learning from implementation. Every two years during the implementation of a CPF, or at mid term, the WBG engages with the country to produce a Performance and Learning Review. This is followed by a Completion and Learning Review (CLR) at the end of the CPF that draws upon the results framework. Considered a tool for both accountability and learning, the CLR assesses the CPF along three dimensions: i) Development Outcomes – the extent to which the CPF was successful in achieving its stated objectives; ii) WBG performance – how well the WBG designed and implemented the program; and iii) alignment with the WBG Corporate Goals – how well the CPF program as implemented was focused on assisting the country to reduce poverty and boost shared prosperity in a sustainable manner. IEG reviews the final CLR and provides an independent validation of the country team's self-assessment.

Within the UN system, the UN Development Group Standard Operating Procedures were endorsed by 18 UN agencies in 2014 to operationalise the UN "Delivering as One" approach. This involved a strong push for the UN to work and be accountable for shared results at country level, including through enhancing the decentralised evaluation function and ensuring its quality, integrity, visibility and added value. A meta-evaluation of the UNDAF evaluations covering 2009-14 showed a limited number of UNDAF evaluations being conducted, poor quality and limited evidence on which to make statements about results and contribution to the achievement of national poverty alleviation goals and strategies. Underlying factors included a UNDAF framework reflecting the fragmented/functional structure of UN system operations at country level and extremely low level of financing for UNDAF evaluations, as well as huge transaction costs incurred by the large number of disparate country level evaluations conducted by corporate evaluation offices. UN country teams are now required to share with partner country governments a report on joint UN results achieved on an annual basis - compared with at least once in an UNDAF cycle until 2017. A QCPR Monitoring Survey of Programme Country Governments conducted by UNDESA in 2017, showed an increase in transparency (with 60% of governments indicating that they have received such a report in the previous year). In addition, 56% of governments agreed that the reports had drawn on national monitoring and reporting systems, and 72% of partner countries with an RBM system agreed that the UN is working with them on promoting compatibility of RBM systems. However, little is said about the quality and level (outcomes/outputs) of the reporting.

Source: WBG, 2014 & 2018; UNDESA, 2018; JIU, 2014; JIU, 2016; UNDOCO, 2016

Efforts to align to national results framework can also be undermined by the requests coming from donor governments: they tend to influence organisations so that they focus and demonstrate results corresponding to their own priorities. In the case of the MDBs, shareholders tend to prioritise programmes ensuring financial stability and economic returns (Lee, 2018), and the way results are measured reflects their strategic priorities. In aligning their results frameworks to the needs of their stakeholders, multilateral organisations risk diverting their attention from the needs of partner countries and the necessary alignment to their results reporting requirements. This requires managing competing priorities.

3. What are the opportunities?

This section looks at existing opportunities in an attempt to seek ways to reconcile the needs of both multilateral organisations and bilateral providers in terms of results-based management.

- **Agenda 2030** is a game changer that demands greater focus on impact and sustainability and calls for wide partnerships where contribution is valued over attribution, and adaptive management is required to address complexity.
 - Progress towards the SDGs can be used to inform the dialogue between the management of multilateral organisations and their executive boards, enabling more use of results-based management systems to respond to these needs, balancing better requests for accountability and the imperative of multilateral organisations to be context-based, adaptive and innovative, which requires emphasising learning.
 - Donors and multilateral organisations should work together with partner countries to use the SDGs prioritised by partner countries as a common framework for shared results.
 - As part of Agenda 2030 and in line with the Busan development effectiveness principles, results monitoring and evaluation of multilateral organisations' programmes should be done at country level and support in-country accountability. Donors and multilateral organisations should work together to enhance results-based management capacity in partner countries. This involves strengthening national statistical functions and systems (in terms of data collection, validation and analysis) and reinforcing the national evaluation capacity, for both accountability and learning purposes.
- **Calls to revitalise multilateralism and ongoing reforms reshaping the multilateral/global system** should be seized as opportunities for both bilateral providers and multilateral organisations. This involves in particular reinstating trust and shifting the multilateralism paradigm from entitlement to collective accountability for use of resources and results.
 - ▶ The current context invites providers to revisit their engagement with multilateral organisations. This involves:
 - **Theory of change:** developing a clear theory of change articulating how their expected results will be achieved through multilateral organisations, and clarifying the results evidence they need and the best way to gather such evidence (with due regard to complexity)
 - **Delegation to multilateral organisations and capacity enhancement:** limiting and streamlining reporting requests and assessment processes - relying as far as possible on evidence generated through internal and external material (evaluations, reporting processes and assessments) - to make them more cost-effective for both providers and multilateral organisations. This requires agreement on quality outputs for multilateral organisations, and involves developing best practices related to the use of earmarked funding
 - **Consistency:** wherever needed (in particular where funding to multilateral organisations is scattered among different agencies), set up adequate internal co-ordination mechanisms to ensure consistency in results approaches – within and among donors

- **Shared assessments:** continuing to strengthen the methodological robustness of shared assessments like MOPAN's in order to make more use of them. Joint assessments are of value in providing a unified assessment tool for multilateral organisations, driving coherence in donor monitoring and evaluation requirements. They provide good value for money for providers while reducing the fragmented and high transaction costs associated with individual donor assessments⁵
 - **Sharing information:** sharing more widely donor assessments and facilitating access to this information (e.g. through an on-line repository of information) in order to enhance transparency and information sharing, thereby reducing the need for specific, ad hoc requests for evidence
 - **Balancing accountability and learning:** besides meeting accountability needs, ensuring mechanisms are in place to enable use of results evidence for learning and informing discussions in the executive boards of multilateral organisations.
- This context also invites multilateral organisations to:
- **Streamline, wherever necessary, the approach to donor assessments** with a centralised function in charge of all donor assessments; in this regard, reinforce the internal and external oversight and evaluation functions and capacity for measurement, evaluation and coherence for both internal and external assessment
 - **Strengthen the reporting systems and ensure results frameworks are aligned to the SDGs** so that these are increasingly used as a common framework for shared results by partner countries, multilateral organisations and bilateral providers
 - **Enhance organisational transparency and accountability** with quality and up to date results data available on line
 - **Enhance the use of the assessments and change management processes' findings** to strengthen organisational learning and support reform processes aimed at improving development impact.
- This context finally invites partner countries to:
- Strengthen when needed country-led results frameworks and **take a leading role to enhance alignment** of development partners to these frameworks and strengthen mutual and collective accountability as well as learning for development
 - Enhance their participation in the governing bodies of multilateral organisations to **broaden the dialogue and move beyond the focus on accountability between bilateral and multilateral organisations.**

⁵ As illustrated by Gavi's management response to the MOPAN 2015-16 assessment, multilateral organisations would "welcome the opportunity for a multi-donor assessment and hope that MOPAN members will consider this assessment as relevant to inform bilateral reviews and avoid duplication" (Gavi, 2017).

4. Conclusion and questions for the panel and discussion at the OECD/DAC Results workshop

The suggestions above could form the basis for a strategic dialogue aimed at developing principles for good multilateral engagement on results-based management. The questions below could help to shape further such a dialogue.

1. How do bilateral providers incorporate the results of their funding to multilateral organisations into their overall approach? How can they support efforts of multilateral organisations to strengthen their results-based management system?
2. How do multilateral agencies reconcile donor accountability/reporting requirements, the need to align to partner country goals and results, and alignment to their own agency goals and strategies?
3. How can partner countries play a leading role at country level and strengthen their role as members or shareholders of multilateral organisations?

Annex

Results-based management systems of multilateral organisations

All multilateral organisations assess their own results using their corporate results-based management systems, and are subject to independent evaluations and oversight mechanisms that they have set in place. Multilateral organisations are diverse in terms of governance structures and financial and business models, with implications on the way they manage for results. They are divided in this paper into three categories, Multilateral Development Banks (MDBs), UN organisations and vertical funds⁶. MDBs and UN organisations are both governed by boards that represent their member states, but while UN bodies depend primarily on grants from donor budgets, MDBs borrow a large share of their resources on capital markets. Vertical funds, which rely mainly on public and private donations, have a more diverse constituency that is reflected on their managing board - as an illustration Gavi is an international coalition of partners comprising governments; philanthropic institutions; civil society; the vaccine industry, research and technical health institutions; UNICEF, WHO and the World Bank - and their operating model is often more complex, involving various structures and stakeholders. For instance with regards to the Global Fund for AIDS, Tuberculosis and Malaria (GFATM), each implementing country creates a national committee, or Country Coordinating Mechanism, to submit funding requests on behalf of the country as a whole and to oversee implementation once funding is received.

2.1.1. Multilateral Development Banks

MDBs have put in place robust corporate scorecards/results measurement frameworks that collate and present development results achieved by partners and clients with their support. They have specified several indicators to track the long-term impact and relevance of their activities, as shown in the case of the World Bank Group scorecard (Table 1).

MDBs primarily use these aggregate results to communicate to their boards and through annual reports the scale and reach of the Banks' operations globally and demonstrate how the institutions' operations impact development effectiveness. Meanwhile the Banks recognise the need to better integrate lesson learning into the design of interventions and programmes. A platform for knowledge sharing, the Multilateral Development Bank Working Group on Managing for Development Results (MDB WG on MfDR) enhances collaboration among members to strengthen MDBs' corporate results frameworks, improve indicator design and measurement, and identify best practices to reinforce the results culture across MDBs.

All MDBs have independent evaluation functions. Alongside corporate performance, they assess the extent to which the Banks are achieving their outcome targets, e.g. through conducting impact assessments. Most produce an annual results and performance report (e.g. WBG, 2017). In 1996, the MDBs' independent evaluation structures established the MDB Evaluation Cooperation Group (ECG) to develop good practice standards and share knowledge and experience. The importance of the coordination between the independent evaluation function and results management was reaffirmed at the first joint meeting of the Multilateral Development Bank Working Group on Managing for Development Results and the Evaluation Cooperation Group (ECG) (Manila, 30 May 2018).⁷

⁶ Given its dual role in development assistance, the European Union is not considered in this paper.

⁷ <https://www.adb.org/news/ifis-reaffirm-commitment-coordinate-results-management-and-independent-evaluation-better>

Table 1. World Group Corporate Scorecard Structure

| Tier | Purpose | Indicator sub-headings | No. of indicators* | Example indicator |
|---|---|---|--------------------|---|
| Tier one: Development context | <i>Reports the long term development outcomes that client countries are achieving</i> | <ul style="list-style-type: none"> • Goals • Growth • Inclusion • Sustainability and resilience | 26 | <i>Under 5 mortality rate.</i> |
| Tier two: WBG supported results | <i>Reflects results reported by WBG clients implementing WBG-supported operations</i> | <ul style="list-style-type: none"> • Growth • Inclusion • Sustainability and resilience | 15 | <i>People who have received essential health, nutrition and population services (millions- disaggregated by sex).</i> |
| Tier three: Operational and organizational performance | <i>Tracks measures of operational and organisational effectiveness</i> | <ul style="list-style-type: none"> • Development impact • Strategic context, operational delivery for clients • Financial sustainability and efficiency; Managing talent | 32 | <i>Satisfactory outcomes of WBG operations (%).</i> |

* The number of indicators is based on the revised WBG CSC FY18

Source: Results in Development Cooperation - Provider Case Studies: World Bank Group (OECD, 2017).

2.1.2. UN Organisations

The United Nations initiated results-based management systems in the late 1990s. While there is no official Results Management Group, an informal yet well developed and active UN Strategic Planning Network was set up in 2007 to support strategic planning and results-based management across UN system organisations. In 2011, the UN Development Group (UNDG) developed a results-based management handbook relying on commonly agreed concepts and approaches (UNDG, 2011).

Meanwhile the Joint Inspection Unit (JIU)⁸, has been promoting since 2004 harmonization and coherence in the development of results-based management in the UN system (JIU, 2004). The JIU has conducted extensive work over 2016-17 to develop a high-impact model for managing for achieving results. This model developed in collaboration with UN system organizations seeks to enhance coherence and effective collaboration across the UN system, guiding implementation of results-based management and enabling assessment of progress in the development of the RBM system and its use or added value. It includes a benchmarking framework and a methodology for assessing the stages of development of RBM (JIU, 2017a). The JIU used the model to assess the level of development of the RBM system in 12 organizations. The results of the review are referred to in this concept note.

At the system-wide level: Two features are significant:

- a. At country level, reporting is done under the One Programme and the UNDAF system-wide results. This is complemented by UNDAF evaluations. The quality of such systems including the

⁸ The JIU is the independent, external oversight body mandated to do single organization as well as system-wide evaluations, inspections and investigations. It coordinates its work with the Office of Internal Oversight Services OIOS, an internal oversight body oversight body for the UN Secretariat.

development of national systems should be part of the ongoing reform of the UN development system.

- b. The UN development system has developed a QCPR Monitoring and Reporting Framework. The framework has 99 indicators addressing operational effectiveness, organizational effectiveness, support for development results in the following areas: Funding; Capacity Development and Operational Effectiveness, Improved Functioning of the United Nations Development System. The results of the monitoring system are incorporated in the Annual Report by The Secretary General to the General Assembly - Implementation of General Assembly Resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR): 2018

The UN system is part of the assessment of MOPAN and other bilateral and multilateral organizations addressing both organizational effectiveness criteria and results.

The evaluation of results and outcomes of operational activities are carried out by corporate or central evaluation units, as well as by decentralized evaluation units. The JIU Report on The Analysis of the Evaluation Function in the UN system of 2014 presents the quality and value of the system and its products (JIU, 2014).

2.1.3. Global Funds

Examples of the Global Environment Facility (GEF) and Global Fund for AIDS, Tuberculosis and Malaria (GFATM) show that these more recent organisations tend to follow MDB practices when establishing their results-based management systems, and that the newest organisations (e.g. the Climate Investment Fund) have integrated RBM in their institutional design from the start.

The GEF's approach to results-based management has evolved over time. A corporate results framework was introduced for the period 2010-14 and a Corporate Scorecard in 2016. The Independent Evaluation Office of the GEF plays an important role in documenting on impact of GEF activities through impact evaluation, country portfolio evaluations and other programmatic evaluations. It also conducts a review of results-based management in the GEF on a regular basis. The RBM system now provides information for two key reporting instruments to the GEF Council: the annual portfolio monitoring report (APMR) and the Corporate Scorecard.

GFATM also publishes its results annually and attempts to track contributions and attribution, with high-level results on the number of life saved. These data are the product of a statistical modelling system that draws data from the country level, UN agencies and other sources. Like other global partnership entities, GFATM has an independent evaluation office, the Technical Evaluation Reference Group (TERG). The office initiates independent evaluations of the Secretariat and country programmes, including five-year impact reviews. However coverage is not yet comprehensive , and lessons from previous evaluations are not very well integrated in the design of new programmes (MOPAN).

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