DEVELOPMENT CO-OPERATION DIRECTORATE
Development Assistance Committee

Working Party on Aid Effectiveness

OVERALL PROGRESS REPORT OF THE JOINT VENTURE ON MANAGING FOR DEVELOPMENT RESULTS (SPRING - SUMMER 2007)

16 October 2007 at the OECD in Paris

This document is submitted FOR INFORMATION to the meeting of the Joint Venture on Managing for Development Results on 16 October 2007.

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JOINT VENTURE ON MANAGING FOR DEVELOPMENT RESULTS

OVERALL PROGRESS REPORT
(SPRING – SUMMER 2007)

Introduction

1. The direction of current work of the Joint Venture on Managing for Development Results (JV MfDR) is framed by three backgrounds:

   • The Third International Roundtable on Managing for Development Results in Hanoi, 5-8 February 2007, set the international results agenda for the years to come by focusing discussion and outcomes along five core themes: (i) Leadership and Accountability, (ii) Monitoring and Evaluation, (iii) Mutual Accountability and Partnerships, (iv) Planning and Budgeting, and (v) Statistics.

   • The subsequent JV meetings identified the need to deliver useful products to the Third High Level Forum on Aid Effectiveness in Ghana in September 2008 (HLF3). It was agreed that the principal objective of the JV should be to focus its attention on what it could do to help partner countries and donors address the closely linked pillars of the Paris Declaration on Managing for Development Results and Mutual Accountability. The JV MfDR also agreed to focus its future work around the need to identify emerging good practice and provide for its proper dissemination, develop some guidelines and principles how to move the MfDR agenda forward and act as a prime advocate for MfDR.

   • The Working Party on Aid Effectiveness (WP-EFF) at its meeting in March 2007 encouraged the JV MfDR to:

     i) help in documenting good practice and evidence that could feed into the Monitoring Survey indicator 11 on results-oriented frameworks and indicator 12 on mutual accountability;

     ii) take up the issue of accountability, looking beyond government at the role of parliament and civil society;

     iii) explore the implications of results-based approaches for aid conditionality;

     iv) provide clear directions on addressing capacity development; and

     v) share the task in moving the work on incentives in aid agencies forward.

2. Based on this thematic framework the JV MfDR has structured its work plan 2007 – 2008 in the following way:
A Conceptual and Technical Guidance on MfDR
   A1 Conceptual Clarification on MfDR
   A2 MfDR Country Capacity Assessment Tool

B Promoting Accountability for Results
   B1 Mutual Accountability at the International Level
   B2 Mutual and Domestic Accountability at Country Level

C Improving Agency Effectiveness for Results
   C1 Assessment of Agency Effectiveness
   C2 Incentives and Procedures in Donor Agencies

D Mutual Learning and Communication for Results
   D1 Asian Community of Practice
   D2 African Community of Practice
   D3 Latin American Community of Practice
   D4 JV MfDR Communication & Cooperation Tool
   D5 Third Edition of a Sourcebook on MfDR

A Conceptual and Technical Guidance on Managing for Development Results

Conceptual Clarification on MfDR (A1)

3. An informal discussion on the status of the “Conceptual Clarification on MfDR” work stream took place with interested participants on 29 August 2007 in Bonn (Germany). Intended outcomes of the work stream were discussed (an addendum to the already existing “DAC Glossary of Key Terms in Evaluation and Results Based Management”; an analytical report on critical factors, challenges and tested solutions for the introduction and strengthening of MfDR; a contribution to an improved assessment methodology for indicator 11 of the Paris Declaration). The need to further more work towards a technical level guidance manual was emphasised. The work process was clarified. A task team comprising all JV members interested in this work stream will take up work at a meeting on 15 October 2007 in Paris, based on a revised concept note and draft Terms of Reference. Agenda items include the formation of a reference group, clarification of contributions from participating JV members and discussion of draft Terms of Reference for a consultant.

MfDR Country Capacity Assessment Tool (A2)

4. The task team on MfDR Country Capacity Assessment Tool met in Washington on 12 July 2007 and 6 September 2007. The team agreed that instead of creating a completely new tool, the work should aim at a “package of tools” that would include the already existing capacity assessment tools and put them in a common thematic framework articulated using the five MfDR core themes as discussed at the International Roundtable in Hanoi: Leadership and Accountability, Monitoring and Evaluation, Mutual Accountability and Partnerships, Planning and Budgeting, and Statistics.
5. The core element of the “package of tools” will be a “scanning methodology” that would allow partner countries to conduct a quick self-assessment (ca. a week) to provide them with a clearer view on (i) where they have capacity gaps, (ii) what actions they wish to take to fill these gaps, and (iii) in which areas they may wish to ask for donor’s support. After this scanning exercise, the countries may wish to go into a deepened analysis by using the existing tools according to their particular priorities and needs.

6. The task team has revised the work plan as well as the Terms of Reference for the “scanning methodology” and the “package of tools”. Both will be submitted to the JV MfDR for approval. The JV MfDR will also be invited to suggest pilot countries where the assessment methodology could be tested.

B Promoting Accountability for Results

Mutual Accountability at International Level (B1) and at Country Level (B2)

7. On 28 and 29 August 2007 members of the JV MfDR met in Bonn (Germany) to kick off the new work stream “Mutual Accountability for Development Results”. This topic of the JV work programme covers two work plan items: “Mutual Accountability at Country Level” and “Mutual Accountability at International Level”. The objectives of the meeting were: (i) to identify the interfaces of these two items, (ii) to agree on the intended products to deliver (especially to the HLF3) and (iii) the organisation of the work.

8. The workshop yielded the intended results with regard to the clarification of the content, the key questions to work on and the process of the proposed work stream. The participants agreed that the intended value-added of the work should be (i) a deeper and operationally relevant understanding of the concept of mutual accountability; (ii) the identification of the necessary changes to be made in development cooperation; (iii) the development of guidance for policy makers and practitioners how to implement the concept. The two task teams on mutual accountability at country and international level will ensure close cooperation and exchange of experiences. Timely and intensive integration of partner countries will also be necessary.

Mutual Accountability at International Level (B1)

9. Terms of Reference for the study on existing mechanisms to promote mutual accountability between donors and partner countries at the international level have been revised on the basis of both verbal and written comments made by JV members and in-depths discussions. The accountability working group met in Bonn on 28-29 August and noted that all the main concerns had been addressed. The revised draft ToRs were put out to tender and the funders Sweden, Spain and UK assessed a number of bids. The successful bidders are due to commence by middle October after the JV MfDR.

Mutual Accountability at Country Level (B2)

10. A revised concept note taking on board the comments received during the JV MfDR meeting in May 2007, as well as reflecting the discussions of the kick-off workshop in Bonn have been circulated to JV members. Similarly Terms of Reference for the contracting of consultants have been submitted for approval to the task team members. Products, the working process and deadlines have been defined and are awaiting approval of the task team.
C Improving Agency Effectiveness for Results

Assessment of Agency Effectiveness (C1)

11. On 20 June 2007 the UK hosted a meeting on Multilateral Effectiveness and Financing. The objective for the meeting was to discuss common challenges (developing clearer criteria for making decisions on aid allocations between the multilaterals, including the major replenishments coming up in autumn 2007); to share experience, tools and methodologies for assessing effectiveness; and to explore the appetite for further work on the subject. The discussion helped improve mutual understanding of the criteria used by different donors for decisions on aid allocations.

12. There was broad support for work by the DAC including provision of technical assistance and updating and refining statistics on the various ways that donors finance the multilaterals. There were also a number of parties interested in taking forward work on developing a common balanced scorecard type assessment tool, paying particular attention to indicators around results. CIDA funded work looking at existing donor instruments for assessing multilateral effectiveness will be taken forwards into a second phase to look at the indicators used in the existing tools and the potential for harmonisation. This will be done under the auspices of the MOPAN group. The JV MfDR at its next meeting on 16 October 2007 will review what further needs to be done to take this agenda forward for the HLF3.

Incentives and Procedures in Donor Agencies (C2)

13. The WP-EFF discussed ‘A Draft Good Practice Note on Incentives for Harmonisation and Alignment in Aid Agencies’ in March 2007 and agreed that the JV MfDR should broaden the scope of the framework, include MfDR and possibly the other dimensions of the Paris Declaration to cover aid effectiveness as a whole, and to extend to other types of aid agency. UK and the World Bank are leading this work and produced Terms of Reference and a draft set of guidelines which will be tabled at the JV MfDR meeting on 16 October 2007. The aim is to produce a set of good practice guidelines and a self-assessment tool to assist donor agencies to develop incentives for increasing aid effectiveness and meeting the agency commitments in the Paris Declaration. These should be tested with local aid co-ordination groups and launched at the HLF3. Input from other members of the JV will be crucial in ensuring that the guidelines are relevant for all types of donors.

D Mutual Learning and Communication

Community of Practice Asia-Pacific (D1)

14. The CoP-MfDR Asia-Pacific was launched in March 2006. It is a virtual learning network that promotes knowledge exchange among MfDR practitioners from 14 developing countries in the Asian region and is organised, managed, directed and supervised by its own Coordinating Committee. The activities include both online discussions and yearly face-to-face events where members present their MfDR work, learn from each other, and build stronger relationships. ADB, through a Regional Technical Assistance, is providing financial support for its operations from 2007 to 2009.

15. CoP members played a prominent role at the Third International Roundtable on MfDR in Hanoi, both as developing country representatives and as MfDR experts. They stressed the need to stay focused on MfDR on the ground, and highlighted MfDR issues in the Asia and Pacific context.
16. The virtual learning network has become a forum for peer-to-peer learning, particularly among working-level MfDR practitioners in the region. To date, the network has carried out six online discussions focussing on various MfDR topics. The CoP Coordinating Committee encourages members to actively participate in the dialogue, raise questions, and share good practice stories. The overarching discussion theme for the year 2007 is “Establishing a Results-Based Monitoring and Evaluation (M&E) System on the Ground”. The network aims at reaching the targeted MfDR indicator stated in the Paris Declaration, i.e., establishing results-based M&E systems at both the national and sector levels in developing countries. To this end, the network created several online sections. It also collaborated with other development partners and academic institutions in establishing a sustained regional training program on how to establish a results-based M&E system.

*Community of Practice Africa (D2)*

17. Participants at the Mutual Learning Initiative on Managing for Development Results (MfDR) in June 2006, identified the need to build regional capacity and requested the establishment of an African Community of Practice on MfDR (CoP-MfDR). Since the Third International Roundtable on MfDR in Hanoi (February 2007), an Interim Management Team has been formed to start implementing a two year pilot of the African CoP-MfDR. This team is made up of seven members from Uganda (2), Ethiopia, Tanzania, Senegal, Mali and Niger. During the first part of summer 2007, the focus has been on bringing in donor commitments to fund the first year of the CoP. In August, the focus shifted to implementing the first phase of the planned programming, which includes: planning for the first annual African CoP meeting this December, development of a second generation website, expanding membership, identifying regional experts, and developing the CoP library. A first issue of a periodic newsletter was published in September 2007.

*Community of Practice Latin America (D3)*

18. The IDB will report verbally on progress regarding the Community of Practice Latin America at the next JV MfDR meeting on 16 October 2007. Reference is made to the status report presented to the JV MfDR at its last meeting on 22 May 2007 and submitted as document DCD/DAC/EFF(2007)29.

*JV MfDR Communication & Cooperation Tool (D4)*

19. The JV Secretariat has refurbished OECD-DAC website on MfDR (www.oecd.org/dac/effectiveness/results) that is now providing updated and more user friendly information on MfDR issues that is of interest to a general public. In addition, the Secretariat is working on a “hidden website” and a “discussion platform” to which access will be given only to JV members and further partner country and civil society representatives that are directly involved in the work of the task teams. Operation of these tools that are meant to support the JV work in between the meetings will soon be launched. The Secretariat is also preparing a very first draft of a Fact Sheet on “Managing for Development Results – What is it all about and why is it important?” It will be circulated for discussion very soon.

*Third Edition of a Sourcebook on Emerging Good Practice in MfDR (D5)*

20. A Sourcebook Task Team will take up work in October 2007.