Working Party on Aid Effectiveness and Donor Practices

SUMMARY OF THE MEETING OF THE CORE GROUP ON MANAGING FOR DEVELOPMENT RESULTS

Held on Friday 3 October in Paris

On the basis of comments received at the first meeting of the Joint-Venture on Managing for Development Results on 5 November 2003, this summary has been amended and is now officially approved.

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DRAFT SUMMARY OF THE MEETING OF THE CORE GROUP
ON MANAGING FOR DEVELOPMENT RESULTS

1. Hans Pelgrom, co-Chair, welcomed participants ¹ and stated he would co-chair the meeting together with Yves Boulanger.

2. The secretariat explained that the current meeting was the result of the initiative taken by a core group of countries reacting on the invitation to do so by the first meeting of the WP-EFF, to prepare the ground for a sub-body of the WP on managing for results, and that the results of this initiative would be presented to the next WP-EFF meeting early November.

3. In a first round of exchanges participants agreed that the purpose of the meeting should be to prepare a draft TOR for the Joint Venture on Managing for Development Results. All participants agreed that the state of the art on this issue was not mature enough to aim for the development of best practices or guidelines; that it would be better to focus on the creation of a platform for sharing emerging practices and learning for each other; that the Joint Venture should not preach a new dogma but should support the application of a new management culture. There was no clear majority for the inclusion in the scope of work for an advocacy paper, but it was felt that the TOR, if well drafted, could serve that purpose by highlighting the importance of the issue, and the need to be engaged in this sharing and learning exercise.

4. Key in the Joint Venture should be to share emerging practices on how we can better contribute to work on the ground and support our partner countries by managing for results to achieve the MDGs. A second, and closely related issue to be addressed here should be how to help donors/agencies to monitor/account for their own performance in relation to the achievement of the MDGs.

5. Participants agreed that there could be scope for the development of a set of core principles for donors promoting a harmonised approach to managing for development results, and that such a set could well be the DAC contribution to the second Round Table on Results (Marrakech, 4 – 6 February 2004) on which the WB representative briefed the meeting.

6. The TOR for the Joint Venture would therefore have the following elements:

   • Elaborating a state of the art in managing for development results.
   • Proposing a core set of guiding principles.
   • Act as a platform for exchange of emerging practices and for learning.

7. The WB representative briefed participants on the way IDA works towards results. The implementation plan of January 2003 describes three pillars: 1. countries, and what we do there; 2. what we do inside our Agency; and 3. global partnerships and what we do together interagency-wise (for example: results reporting together and joint capacity building). The ADB and AfDB are considering to adopt the IDA model. She further briefed participants on the upcoming Marrakech meeting. The RDB and the Bank in Dubai formed a working group to be able to jointly respond to the call from the DAC to co-

¹ A list of participants is attached to the records.
operate on this issue. The working group currently prepared a proposal for a set of agreed common principles on managing for development results, which they hope to be able to share with the DAC at the Round Table. The main other purposes of the meeting were to take stock of the challenges at the country level, to reinforce donor commitments for results reporting and capacity building in this area and to agree on a global action plan.

8. The meeting then concentrated on the three questions they had put to themselves.

9. *What is the current thinking and implementation status of managing for development results within your organization following the adoption of the MDGs, the Monterrey Conference, and the first generation of PRSs?*

10. The **CIDA** representative noted that:
   - management for results as a Canadian policy has to be government-wide applied;
   - the unit of account has now to shift from the project/initiative level to the program level;
   - the first introduction of RBM in the mid 90s was successful largely because it implied strong management commitment and importance given to staff training; it may now be time for a second round;
   - in many ways, the approach had become too complex and expert oriented; it is necessary to go back to the basics and simplify the templates;
   - risk management has to be integrated with RBM and not dealt with separately.

11. **Danida** noted that they:
   - were an integrated Ministry, together with Foreign Affairs which gave special problems.
   - tried to use the same indicators as in the PRSP’s.
   - also monitored the performance of the various parts of their own organisation.
   - used organizational strategies for 19 multilateral organizations with a matrix of indicators.

12. **DFID** noted that:
   - they did not use the term RBM.
   - we should focus on supporting the field level to measure results on the ground.
   - we should keep it simple, try to learn, and not collect information for the sake of it.
   - one should try to use only key indicators, and not all possible indicators.
   - we should indeed also look at the multilateral organizations, and how to enable them to perform better.
   - one should create space to help staff to select relevant indicators from a list related to the MDG’s.

13. The **Dutch Directorate General for International Cooperation(DGIS)** noted that:
   - It is an integral part of the Ministry of Foreign Affairs, and that therefore alignment with developments in other DGs and to adopt Ministry broad initiatives is mandatory, and opportunities to move independent are very limited.
• The new strategic policy paper, gives as priorities: MDG’s and improvement of the quality and effectiveness of development aid and to make visible the efforts and results of Dutch aid.

• The institutional capacity to plan and manage based on results, will be further strengthened.

14. Several planning, monitoring and evaluation instruments have been introduced:

15. ‘Track Record’ and ‘Dutch appreciation PRSP’ to assess on an annual basis the eligibility of countries for receiving general budget support, ‘Sector Rating’ to assess policy development and implementation in the Dutch priority sectors in each country, and ‘Activity Rating’ to monitor financial contribution to GBS, projects and programs.

16. A pilot was started up to develop ‘multi annual strategic plans’ for each of the 35 partner countries, and special activities were started to define strategic result fields and indicators. So far three result fields have been defined: input indicators; process indicators and output/outcome indicators on specific MDG sectors.

17. A policy paper to strengthen the role of evaluations conducted within the compass of management responsibility has been approved and is being implemented.

18. NORAD noted that:

• Focus has shifted from progress monitoring to results monitoring; from reporting outputs to outcome/impact; from project level to strategic, country and regional level; thematic issues and channels.
• Their development co-operation partnership is based on the principles of shared objectives and different, agreed-upon roles and responsibilities.
• It is important to be clear on roles and responsibilities.
• In the result chain, NORAD/MFA is responsible for results at the level of inputs, activities/processes.
• Development partner is responsible for results at the outputs, outcome and impact levels.
• However NORAD/MFA is responsible for reporting internally and externally in relation to all levels of the result chain. As a donor we also have a reaction responsibility: to oversee that results are achieved, to carry out a dialogue with partners and to perform certain control functions.
• The system focuses on Norwegian "contribution" to development outcomes rather than "attribution".

19. The USAID indicated that:

• They had problems in defining the strategic objectives.
• Their indicators are project specific and therefore results can not be aggregated.
• They used a few as possible indicators and reporting is partially qualitative.
• One has to keep the system simple, but moreover that one has to do that without convincing the public and politics about the value of it.
• They lack suitable indicators for economic growth and private sector development.
• They see most value in the concept of strategic objectives and thinking on a higher level.
20. What are the specific challenges that your organization faces internally and externally as far as the managing for development results is concerned?

21. What are the barriers/obstacles that need to be alleviated to accelerate the pace of internal reforms in your organization and embed more tightly managing for development results into the PRS life-cycle?

22. Based on these two questions, the following issues were mentioned as input into future work of the group:

23. **Danida**
   - cultural change.
   - how to assist our organizations to better deal with multilateral organizations.

24. **NORAD**
   - building on partners systems and improving them
   - avoid overburdening partners, and tuning down one’s own ambitions
   - cultural change in NORAD
   - work on good governance indicators (suggestion USAID to look at MCA website which gives 5 indicators)

25. **WB**
   - how introduce incentives in our internal systems

26. **Netherlands**
   - how to deal with managing for results in an integrated Ministry of Foreign Affairs
   - which indicators should we use, especially for governance, coherence, lobbying policies (product as well as process indicators).
   - all donors should use the same indicators when working in a certain country

27. **USAID**
   - how can we develop this into successful instrument for learning?
   - can we quantify governance?
   - avoid that managing for results drives out evaluation

28. **DFID**
   - lets try to make indicators available as a global public good.
   - behavioral change as a result of the application of new management principles.

29. **CIDA**
   - agreed to also focus on how to deal with multilateral organizations as recipients of ODA
   - focus on the learning aspects of managing for results, as that has been the most useful
   - CIDA needs to update their training material and will be happy to share that with others
• CIDA is in the process of developing an integrated risk management framework to meet the requirements of the Treasury Board. This is critical to RBM and sound decision taking.

30. The secretariat was requested:

• to prepare, based on the discussions in the meeting, a more focused draft TOR for the joint venture, as well as a first draft for the set of core principles, for presentation to the next WP-EFF meeting;

• to arrange for a meeting directly after the next WP-EFF in November. That has meanwhile been arranged for 5 November.
### ANNEX 1: FINAL LIST OF PARTICIPANTS

#### RBM MEETING, 3 OCTOBER 2003

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