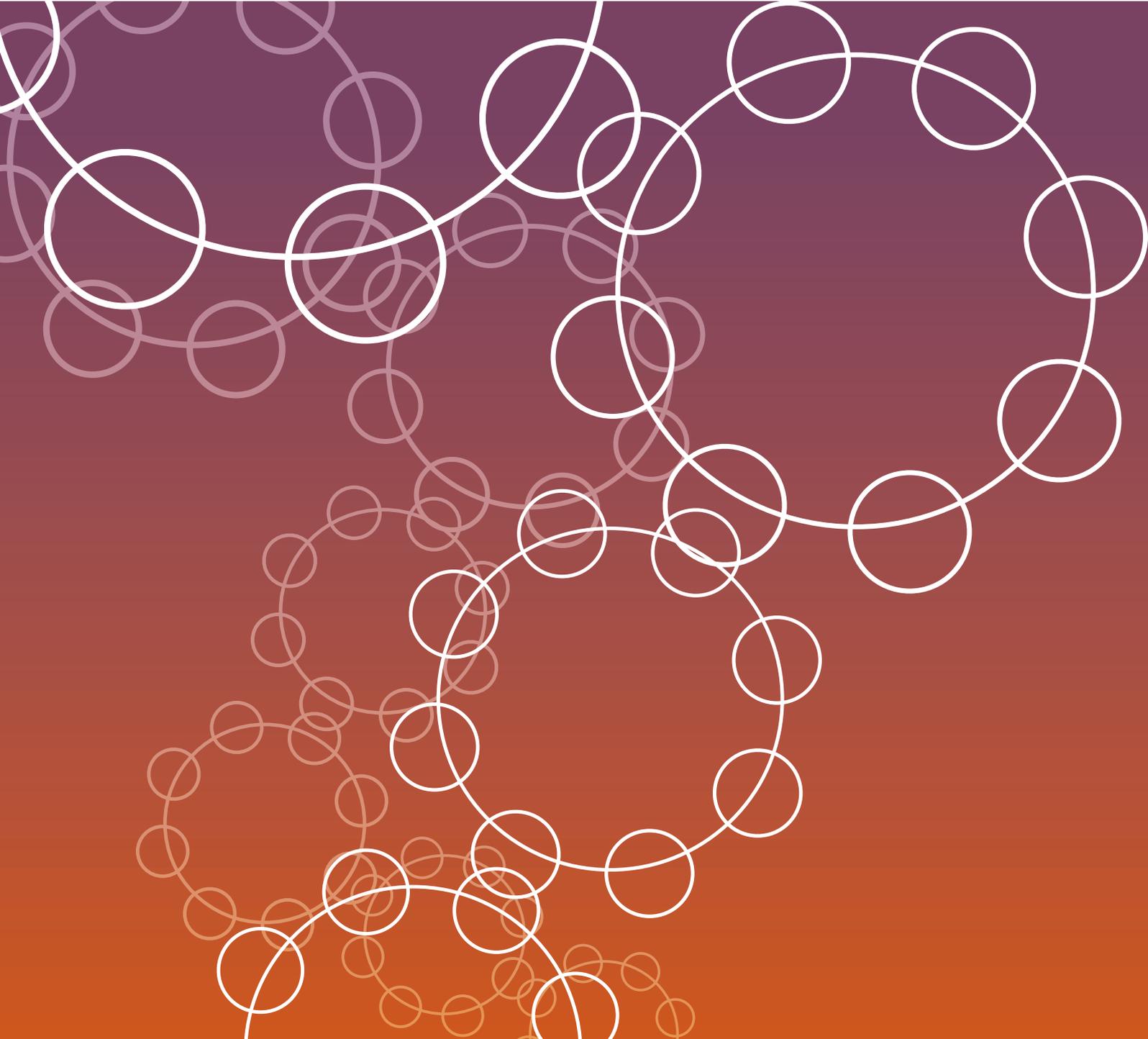


RESULTS IN DEVELOPMENT CO-OPERATION

Provider Case Studies: Sweden

*Ministry of Foreign Affairs and Swedish International
Development Co-operation Agency*



Case studies of results-based management by providers: SWEDEN

MAY 2017

This paper is one of a series of case studies that describe approaches to results-based management by development co-operation providers. The purpose of the case study project is to identify and document approaches, key themes, current challenges and good practice in results-based management. In particular, the case studies document how providers use results information for accountability, communication, direction and learning. The case studies and an accompanying discussion paper will be used as a platform for dialogue and to drive collective learning within the OECD Development Assistance Committee Results Community.

The case studies are based on a desk-based review of relevant material and telephone interviews with staff responsible for results.

The full set of case of studies (Canada, the Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom and the World Bank Group) and the discussion paper can be accessed on the [OECD results in development co-operation website](#).

OECD DEVELOPMENT CO-OPERATION POLICY PAPERS

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Executive summary

- ❖ Swedish development co-operation is guided by an overarching policy framework for development co-operation and humanitarian assistance. The framework is structured around eight thematic areas contributing to the overall goal of improving the living conditions of people living in poverty and oppression.
- ❖ The Swedish government (in place since 2014) emphasises that development co-operation should lead to sustainable results and that this is best done by adhering to the principles of aid and development effectiveness, including strong country ownership of results-based management (RBM). It favours contextual approaches and stresses the importance of taking a holistic view of development. Dialogue and learning are emphasised.
- ❖ Strategy and policy are developed by the Swedish Ministry of Foreign Affairs (MFA: hereafter referred to as 'the ministry'), while corresponding programming and implementation of the strategy is managed by the Swedish International Development Cooperation Agency (Sida).
- ❖ Forty-three strategies (mostly bilateral and global thematic) operationalise the policy. Reporting results, both overall and against these strategies, takes a context-driven approach. This is reflected in the fact there are no standard indicator sets, nor any corporate results framework structure.
- ❖ Instead, learning-based methods with a focus on partner dialogue and building capacity are favoured from project-level up. Adaptive management and flexible approaches are the cornerstones of the results approach.
- ❖ This approach means there are some challenges in presenting the totality of Sweden's contribution and reporting of results is largely qualitative, complemented with a limited number of quantitative indicators and examples.
- ❖ Country level results reporting is done against the strategies and objectives stated in these. However, as with other providers, there are challenges to building mutual accountability through results at country level. While country ownership and consultations with partner governments on country-level strategy and results are stressed, consultation can still sometimes be limited by internal processes and time constraints. The process and who is being consulted is also dependent on country context.

1. Overview of Results-Based Management

This section provides a brief overview of Swedish aid, and then describes approaches to results-based management at different levels.

1.1 Corporate level results

Management of Swedish development co-operation is divided between the ministry and Swedish International Development Cooperation Agency (Sida). The ministry has responsibility for overall governance, budget, policy and the elaboration of strategies while Sida is responsible for implementing the strategies. Actual programme implementation rests with implementing partners.

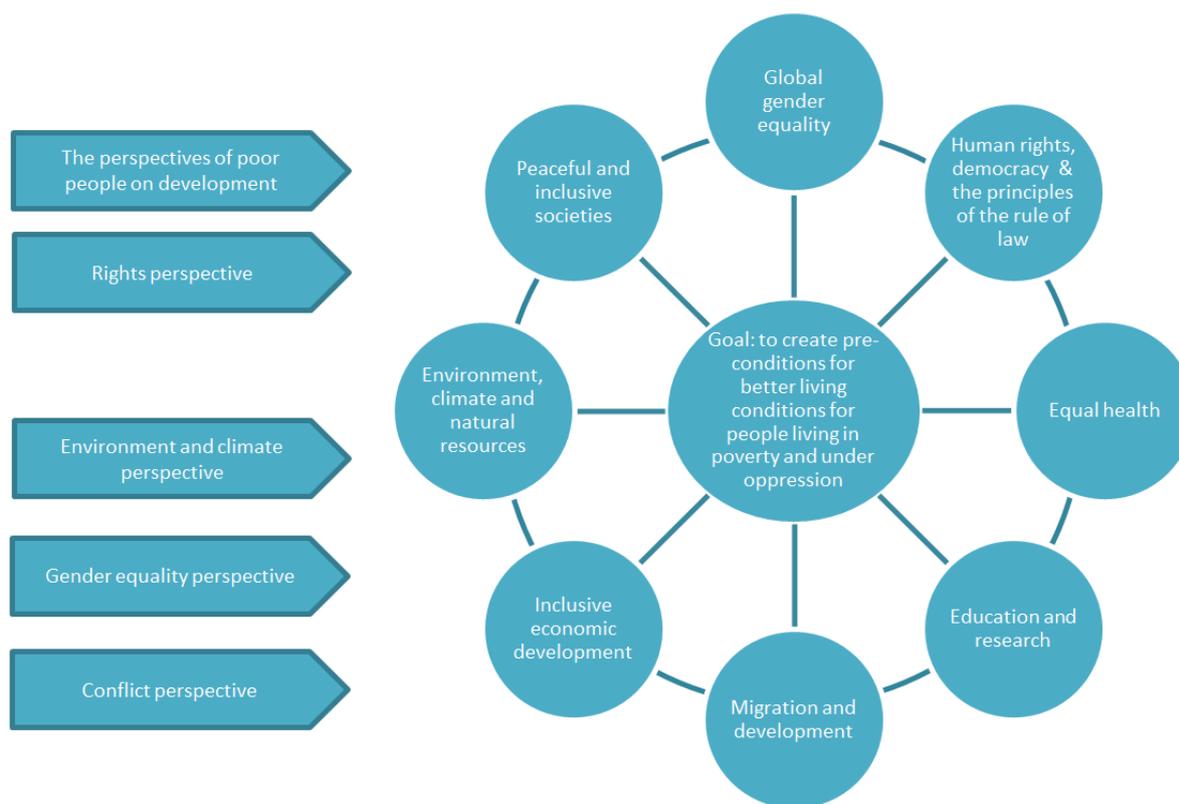
To give a sense of scale, in 2015 Sweden provided USD 7.1 billion in net official development assistance (OECD, 2016a: 263). Almost half of co-operation with partner countries was core support to multilateral organizations. Out of bilateral co-operation, approximately 40% was channelled through civil society organizations and approximately 30% through multilateral organizations (“multi-bi”). The remaining 30% of bilateral aid was primarily state-to-state cooperation (MFA, 2016b).

Sweden aligns with the results frameworks of multilateral organisations which are core funded and monitors results through their annual reporting, and as board members. The description below mainly relates to bilateral co-operation.

Development co-operation and humanitarian assistance is guided by an overarching policy framework originally launched in 2013. A new policy framework was launched late 2016 to take into account and reflect the new global goals (the Sustainable Development Goals (SDGs), Addis Ababa Action Agenda and Paris Climate agreement), input from a broad consultative process, and the perspectives of the current government. Overall, the updated policy framework stresses the need to take a holistic and contextual view on sustainable development. The policy takes a clear perspective that people themselves are agents of change; they can and should influence their own development (MFA, 2016a).

The figure below is an English translation of a diagram from the policy framework document. The figure articulates five cross-cutting perspectives, which inform eight interrelated themes, each contributing to the overarching goal of Swedish Development Co-operation: “to create pre-conditions for better living conditions for people living in poverty and under oppression” (MFA, 2016a, p. 16). The policy emphasises that the choice on which themes are prioritised should be guided by the priorities of the partner countries where Sweden delivers aid.

Figure 1. Thematic areas and perspectives that pervade Swedish development cooperation



Source: translation from Swedish Aid Policy Framework (2016)

The policy framework is translated into agency instructions, strategies with four to seven year duration and an annual letter of appropriation (specifying allocations and special reporting requirements). Of the 43 current strategies, 26 are bilateral strategies, five are regional and twelve are thematic.

The process for strategy development starts with the ministry setting the broader frames for the strategy. Sida is then tasked with making an analysis and presenting a strategy proposal. The government finalises and decides upon the strategy. The process, defined in strategy guidelines, includes consultation with stakeholders in Sweden and partner countries at various points. In 2017, these guidelines will be subject to revision to better reflect the government's view on RBM.

Once decided upon, Sida operationalises the strategies by developing an operational plan for each, and reporting back to the ministry via annual strategy reports. In these reports, the mainly qualitative analysis is summed up in "traffic light" style ratings for each expected result (based on available evidence) on 1) whether development is going in the intended direction and 2) on whether the portfolio of programme has been implemented according to plan. Sida also produces an overall annual report which includes reporting of results at a corporate level. The report includes disbursements per strategy and a "traffic light" assessment of strategy implementation as well as an account of results according to the thematic areas in the policy framework.

The ministry in turn presents a yearly summary results report to the Parliament, which is included in the annual budget bill. This is primarily based on the reporting received from Sida, multilateral organisations and the European Commission. Addressed to the Parliament, the report is in Swedish

and includes mainly qualitative reporting supplemented by certain quantitative data, which are mostly country and context specific. A limited number of quantitative indicators from multilateral organisations and the EU are included, reflecting snapshots of total activities, but there are no aggregate indicators for the bilateral cooperation. Sweden does not claim attribution for the results presented, instead it emphasises their contribution to the efforts of partner countries.

Box 1. Mapping of Sustainable Development Goals and targets (Sida, 2016a)

Sweden is one of the first DAC donors to have mapped its development co-operation against the SDGs (in 2016). This exercise was completed as part of a government-wide SDG assessment exercise, whereby government agencies were required to report on how they were contributing to goals and targets of Agenda 2030.

For Swedish aid, an assessment was made against each of the seventeen global goals of 1) the magnitude of international impact and 2) what Swedish development co-operation is doing in support of this goal, and whether this is considered sufficient (rated green or red). A similar analysis was also made at target level.

Overall, the exercise found that Swedish development co-operation covers all the goals except goal 10. The assessment concluded that "Goals 1, 5, 13, 16 and 17 are reflected in a large number of strategies, while for example goals 11, 12 14 and 15 are not equally well represented." Sida's programming was found to respond to several SDGs at the same time because of the mutually reinforcing nature of the goals.

On a broader level, the analysis also found that the "leave no one behind" principle which underpins the SDGs aligns well with Sweden's poor people's perspective on development and their rights. The analysis also makes the proposition that "Swedish aid through Sida in several cases is more ambitious than the goals and targets of Agenda 2030."

The analysis acknowledges limitations to Sida's mapping and assessment approach. Firstly, noting that there is a degree of subjectivity in the endeavour of mapping and then rating the extent of Swedish Aid's contributions to the SDGs. Secondly, they acknowledge that methodologically there is some uncertainty about whether the mapping and assessment is about *actual* or *expected* results (Sida, 2016a).

In the aid policy framework, reference is made to the relevant SDGs under each thematic area. However, the ministry and Sida acknowledge that they have yet to finalise how they will proceed with reporting back on their contribution to the SDGs going forward. They emphasise that whatever approach they take, it will be informed by partner-country perspectives (OECD, 2016b).

1.2 Country level results

Sweden is committed to taking a country-led approach to programming and delivery (OECD, 2016b). Individual strategies spell out what Swedish co-operation should contribute to ("expected results" or "goals"). In line with policy, this is based on an assessment of needs and priorities of partner countries as well as on an analysis of where Sweden can best make a difference, and consideration of what other donors are doing.

For example, the *Results strategy for Sweden's aid to Afghanistan 2014-2019* (MFA, 2014) has an overarching aim as follows: To contribute to a democratic, peaceful and sustainable development with long-term economic growth benefitting people living in poverty.

Swedish development co-operation is *expected to contribute to*:

- Strong democracy and equality, increased respect for human rights and freedom from oppression.
- Improved possibilities for poor people to contribute to and benefit from economic growth and get good education.

These objectives are in turn broken down into more specific goals, which are formulated using qualitative outcome statements, for example, "increased number of", "improved access to", "improved infrastructure" and "more girls and boys have access".

Annual reports against strategies provide ratings and descriptions of country-level achievement with a strong focus on context. Example annual reports provided for Afghanistan and Cambodia (Sida, 2015a, 2015b) demonstrate use and analysis of results at country level to monitor progress and direction. The reports are structured around goals and expected results as described above. For example, the *Strategy report for results strategy for Sweden's international aid to Afghanistan 2015* uses the traffic light system for "goal achievement" and "implementation" for ten identified results areas (categorised under the results and sub-results identified in the strategy). The report also makes use of ten national level indicators which are collected via national reporting (Sida, 2015a). Overall, the approach is results-focused and highly contextualised with links back to Afghanistan's national policy framework.

1.3 Project level results

Sweden also takes a context-driven and learning-based approach to results-based management (RBM) at project level. Sida has no standardised results framework requirements for project level interventions and encourages a 'bottom-up' approach to project monitoring. Use of indicators is not mandatory and the extent to which quantitative measurement and monitoring is utilised depends on a number of factors including context, modality and partner capacity. For example, Sida is more likely to make use of national data and statistics for sector support projects and notes that some sectors are more quantifiable than others (OECD, 2016b).

Recently developed e-learning materials for staff promote RBM as a 'mind-set' and focus on its use for adaptive management at project level. The training materials warn against the risks of a reliance on quantitative indicators in some contexts and encourage staff to use 'learning-based methods' and work with their partners to build monitoring systems that are relevant to context, that can answer the following key questions: 1) What is to be achieved? ; 2) What has been achieved? ; 3) Why? ; 4) What to do? (Sida, 2016c).

During project implementation, emphasis is placed on dialogue with partners and building capacity as you go as part of the monitoring process. Partner monitoring and evaluation (M&E) capacity is seen as crucial, as it determines a partner's ability to learn and make adjustments throughout

implementation. Periodic dialogue with partners on the extent to which results are being achieved is also encouraged. This is formally built into the system through annual monitoring meetings, and monitoring and risk analysis are seen as going hand in hand. Sida project managers file a self-evaluation style completion report at the end of project (Sida, 2016c). In summary, Sida emphasises contextualised learning and dialogue over formal and quantitative monitoring requirements at all levels.

Sweden also has a strong focus on transparency to the public. All project documents are available to the public on the website: Openaid.se. Using the website's database, the public can follow the project cycle from the preparation of aid efforts, to decisions and reports of evaluations undertaken. However, the extent to which information is available to partners is limited by the fact that many of the reports are in Swedish (as required by the Swedish language law).

Sweden also places emphasis on use of evaluation as evidence base. Use of evaluation at all stages of the project cycle is encouraged, but not compulsory, as it is part of the learning-based approach to project management.

In addition to evaluation done by Sida and implementing partners, an independent permanent commission, the Expert Group for Aid Studies ([EBA](#)) undertakes strategic analysis and evaluation on behalf of the government.

2. Challenges to Results-Based Management

As outlined above, Sweden has a context-driven approach to results-based management at different levels. The following section provides a brief analysis of current challenges with respect to measuring and managing for results.

2.1 A flexible approach to results measurement and reporting

Sweden places less emphasis on accountability via aggregated quantifiable results than many other DAC providers. A sign of this is that Sweden does not employ corporate or strategy level results frameworks for aggregation of results. Instead, it synthesises results information from different sources (e.g. strategy reports) to illustrate Sweden's contribution. The new policy framework underlines the importance of using results information for evidence-based decisions. Dialogue and mutual learning is stressed, in addition to accountability.

The Swedish government does not hold Sida accountable for end results achieved in partner countries, but rather for how aid is managed by the Agency. Correspondingly, Sida holds partners accountable for what is in their sphere of control, but not for end results in the country as this is determined by a number of different factors.

The language and approach is geared toward partnership and contribution, and as such accountability via direct attribution is neither required nor seen as aligning with Sweden's approach. For example, the results annex of the 2016/17 budget states:

Sweden's role is to support partner countries' own development efforts, and results are achieved jointly with national and international partners in a local context with many contributing factors. It is therefore usually not possible to link change specifically to Swedish

efforts. Several of the indicators included in the report cover results that Swedish development co-operation has contributed to, jointly with other actors. (translated, MFA (2016b: 15))

The approach summarised above is in line with current thinking on results-based management, which favours context-specific, flexible and adaptive management approaches to result-based management of development cooperation over more structured use of top-down corporate results frameworks and standard indicator sets (EBA, 2016).

Sweden acknowledges that this approach makes corporate-level reporting and aggregation challenging. Corporate level reporting is more the form of narrative accounts per thematic area of what has been achieved. This is supported by quantitative data as available and traffic-light assessments. Work is ongoing to find ways of presenting results in a nuanced way at a more general level.

International experience shows that a lack of aggregate reporting may lead, in some circumstances, to challenges such as an over-reliance on ratings, proliferation of indicators at project level, or challenges with tracking change over time at corporate level¹. However, from the Swedish perspective reporting against standard indicators sets can risk distorting the focus of RBM toward reporting numbers rather than on learning and adapting programming, which is where they prefer to focus their efforts.

2.2 Building mutual accountability via results

Sweden's approach to RBM is undoubtedly strong on country *context* and has been increasingly so under the government elected in 2014. However, the extent to which it is *country-led* is less clear. While external consultation (particularly with partner governments but also with a broad range of other actors) is part of the strategy *development* process, the strategy *formulation* is by and large an internal process, with Sida providing input – via proposals – which guides the content of the strategies written by the ministry. Staff acknowledge that, in practice, the extent to which external dialogue takes place can be limited by timeframes, and strategy development can be drawn more from the pre-existing knowledge of internal staff at embassies than from partner input during the strategy process (OECD, 2016b). There are, however, ongoing efforts to strengthen dialogue and consultation, including the revision of the guidelines for the strategy process.

Annual reports against country strategies (all in Swedish as they are written for the ministry and Sida itself) are very detailed and realistic about challenges and failures in different contexts. They also make use of national indicators and statistics to monitor country level progress. However, in the examples that were reviewed (Sida, 2015a, 2015b) there was little evidence of dialogue with partner governments as part of the development of the report. Staff members acknowledge, like other providers, that the extent to which an open dialogue – based around results – takes place depends on the country and the context (OECD, 2016b).

¹ These are examples of the types of challenges identified by other DAC providers which have led to introduction of standard indicator sets e.g. Switzerland and Canada results case studies: [results in development co-operation website](#).

In summary, while there is a strong policy on partner country consultation and dialogue, achieving it in practice is still a challenge, due to various factors on both the Swedish and the partner country's side.

3. Summary: How Sweden Uses Results Information for Accountability, Communication, Direction and Learning

To conclude, results-based management for development co-operation in Sweden differs from the approach of some providers who are moving towards more structured and top-down systems based on standard indicator sets. An aid policy framework guides individual strategies spelling out what should be achieved, but results-based management is very much a “bottom-up” effort.

Accountability to parliament is based on a largely qualitative assessment of Sweden's contribution to development in the partner countries. Results are presented against objectives as contextualised snapshots. **Accountability** is based less on end results in partner countries than on how aid is managed and on whether the right decisions have been made considering available information. **Communication** to the Swedish public and to parliament also favours contextualised stories over aggregated numbers, and there is an emphasis on transparency.

There is a dedicated internal focus on using context-driven monitoring and evaluation to inform partner dialogue and for making course corrections at project level in a way that enables both **direction** and **learning**. New e-learning tools for use both at headquarters and embassies as well as a focus on building partner capacity for RBM will further strengthen use of results for learning and decision making.

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