MANAGING AID SEMINAR
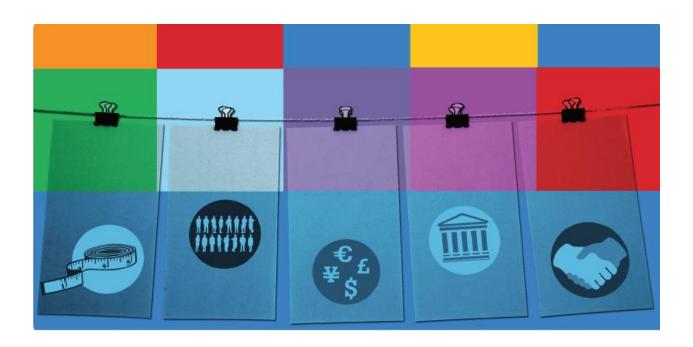
Using evidence to improve aid policies and demonstrate results

REPORT OF THE SEMINAR
Paris, April 2011

Introduction

1.   This report summarizes the informal Managing Aid Seminar on "Using evidence to improve aid policies and demonstrate results" held at the OECD on 6 April 2011 in Paris, France. The participants in this broad ranging discussion included senior level aid officials and members, observers and partners of the Development Assistance Committee. The meeting was moderated by Mr. Richard Calvert, Director-General Corporate Performance for Department for International Development (DFID), United Kingdom. The DAC Chair Mr. Brian Atwood opened the seminar, describing how recently released figures show that development assistance volumes have never been higher – making this discussion on results and evaluation all the more pertinent.

2.   Building on the success of a similar event held in 2009, the seminar created a platform for sharing experiences and learning about the challenges and possible solutions around producing and using evidence from evaluation to strengthen development policies and programmes. This topic was addressed in three thematic sessions, each introduced by a senior DAC country representative. A short background note and key questions were provided ahead of time to frame the discussion.

3.   The agenda covered three topics:

- Why senior aid officials need better evidence for policy making

- Linking decision making and evaluation

- Communicating about the results of development co-operation

SESSION ONE: WHY SENIOR AID OFFICIALS NEED BETTER EVIDENCE FOR POLICY-MAKING

4.   The first session focused on the following four questions:

- How can policy making become more evidence-based?

- What factors work against the use of evidence for policy making?

- What are the consequences of not making decisions based on evidence?

- Is there a gap between what policy makers need and what evaluations produce? If so, how can this gap be bridged?

5.   The session was introduced by Mr. Steven Pierce, Director of the Office of Donor Engagement in the United States Agency for International Development (USAID). The presentation explored the decline in evaluation in USAID in the 1990s-2000s and recent attempts to revitalise evaluation and the broader culture of learning.

6.   The United States has recently approved its first evaluation policy for foreign aid and strengthening evaluation is one of the government's top priorities for reform. Mr. Pierce explained how pressure to reduce administrative costs resulted in a "cutting off" of the evaluation "head" in the agency and a loss of the learning culture USAID had once enjoyed. While regulations, policies and institutions are relatively easy to restore, once lost, this organisational culture of learning is very difficult to build back. In the absence of quality evaluation findings, policy decisions are driven less by evidence and more by other considerations, including political agendas.

7.   Efforts to strengthen the evaluation function in the US development co-operation system have included establishing evaluation standards for two types of evaluation: performance evaluation (the majority of evaluation work) and impact evaluation (which is carried out selectively on large or innovative programmes). These two types serve complimentary functions, with performance evaluation helping to support learning and improve programmes directly, and impact evaluations capturing the broader effects of assistance to support accountability. USAID is working to rebuild evaluation capacities and make stronger links to the evidence base. The goal is to make development policy "based on the best available evidence".

8.   During the discussion, the Netherlands shared findings of a study on evaluation use. The study identified three distinct levels of use: operational, senior management and political. Use is high at the operational level, very low at the senior management level (who approach evaluation more from a "damage control" perspective), and at the political level use depends on the political moment. Others shared their own experiences, including Denmark, which shared insights on its approach to systematic feedback and management response. Finland highlighted its practice in having evaluation programme results discussed in a development policy steering group. Germany described the recent creation of an independent evaluation institute to meet demands for more aggregate level evaluations of Germany's development co-operation.

9.   Participants shared many of the concerns and challenges raised by the presenter. In particular, delegates flagged the following key issues:

- **Increasing scrutiny of results:** The increasing levels of scrutiny on aid have created a growing need for better evidence on and better communication about results. This results pressure is not new – but is being felt keenly in many countries today and will likely continue to grow. Demand for evaluation has increased in this context. The pressure for results may create certain tensions with a constructive approach to learning and innovation within agencies, though it can also help to reinforce the need for such an approach.

- **Political context:** The absence of good evidence results in less informed decision making. An institution-wide culture of learning, a solid evidence base and the incentives to base decisions on good evidence is needed. To meet policy makers pressing political demands, evaluation should become more responsive in political "real time". This means getting the right information to the right people at the right time. It also involves packaging information in an easily accessible and useable way. However, the need for quick information on results must be balanced with the time needed to produce quality, credible evidence and the long term nature of development processes.

- **Policy relevant but policy independent:** Independence is a key part of having a credible evaluation function. However, independence does not mean isolation from policy making processes and evaluations should be useful and relevant in order to contribute to making programmes and policies more effective.

- **Changes in evaluation scope:** In recent years there has generally been a drop in the number of evaluations carried out, but an increase in scope and complexity. The focus has shifted towards thematic and country evaluations, away from individual projects and programmes. This is a positive change as it is beginning to provide more useful evidence at the level of development outcomes and impacts.

SESSION TWO: LINKING DECISION MAKING AND EVALUATION

10.   Belgium's experience with strengthening and reforming the evaluation of development assistance served as a case study to spark discussion for this session. Mr. Peter Moors, Director-General for Co-

operation and Development at the Ministry of Foreign Affairs, Belgium introduced the session, which focus on the following key questions:

- How can evaluation knowledge contribute to strengthening the learning culture of development agencies?

- How do policy makers ensure that findings are used to improve programming?

- What can be done to improve how staff and management relate to and deal with evaluation?

11.   Mr. Moors described the role of evaluation in Belgian development co-operation, serving two core functions. It looks at whether intended outcomes have been achieved and also gives forward-looking recommendations to make programmes more effective. While trying to show how aid has made a difference and provide quick feedback on results, practitioners should not lose sight of the long term nature of sustainable development. Too much focus on quick results could lead to risk aversion. Mr. Moors highlighted the outstanding challenge of linking policy and decision making in order to support development progress. Recent efforts to strengthen these links in Belgium include the creation of an independent evaluation office, a focus on systematic monitoring and reporting or results and better implementation of recommendations coming from the monitoring and evaluation system. There have been efforts to improve how evaluations are taken into account during design and planning.

12.   New Zealand described how they are working to imbed evaluation in the design phase of programmes. CIDA related its experience with an independent evaluation committee chaired by the President of the agency with participation from outside experts.

13.   The example of a joint evaluation of development co-operation in Niger[1] was welcomed as an example of a useful, collaborative approach. The evaluation involved Belgium, France, Luxembourg, the European Union and Denmark and provided a wide reaching assessment of development in Niger and highlighted the need for a common approach – and the paradox between supporting ownership and imposing certain donor priorities or conditions on aid. Mr. Moors suggested that evaluations should address these challenges and assess whether a common approach is being used at the country level. Ireland also shared their experience with a joint evaluation in Tanzania and pointed out that the joint process helped increase the receptiveness of programme staff because they perceived the evaluation as more independent and credible.

14.   The Secretariat shared findings from the recent OECD DAC study *Evaluation in Development Agencies*[2] including the fact that only about half of member agencies have a functioning mechanism to ensure response to and follow-up action on evaluation findings. For DAC countries, median spending on evaluation is about 0.10% of ODA with the average country spending about USD 1.7 million in its principal/independent evaluation department.

15.   Participants agreed on a number of lessons and challenges on linking evaluation and decision making:

- **Evaluation purpose:** Policy makers recognised the continuum of evaluation purposes from learning to accountability. They agreed that different purposes may be served by different types

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[1] http://www.oecd.org/dataoecd/26/2/47205952.pdf

[2] http://browse.oecdbookshop.org/oecd/pdfs/browseit/4310171e.pdf

of evaluation and that it is important to recognise the different uses and users of evaluation information and to strengthen these links.

- **Joint evaluation:** Joint evaluations provide a good opportunity to improve coordination, broaden the analytical scope of evaluation and reinforce credibility. More joint evaluations could be useful, particularly where this allows for independence and reduces political pressure on one government.

- **Evidence based policies:** While strengthening evidence about policy impact after the fact, agencies should focus more on building policies based on good evidence from the outset. There was strong agreement on the need to incorporate evaluative thinking and a results focus throughout the programme cycle and to better integrate evaluation with systematic learning and follow-up.

- **Partner systems:** There is a need to put more attention towards using and strengthening partner country systems for results management and evaluation, in line with the Paris Declaration commitments. Several speakers stressed the need to clarify results ownership ("whose evidence" and "whose results"). Participants spoke of aid as being a contribution to partner country development results and suggested that we need to continue to move away from narrow assessments of the results of individual donor support.

- **Danger of risk aversion:** Development agencies must avoid falling into the trap of risk aversion. This means findings ways to reconcile   pressure to report results in the short term with the longer-term goals of sustainable development.

SESSION THREE: COMMUNICATING ABOUT THE RESULTS OF DEVELOPMENT CO-OPERATION

16.	The third session took a step back to look at how Governments and development agencies communicate with the broader public about development co-operation and its results and risks when sharing the outcomes of evaluations. The session was introduced by Mr. Richard Sisson, the Assistant Director-General of the Australian Agency for International Development (AusAID). Four core questions were addressed:

- How is evidence from evaluation used for public accountability?

- How can a balanced and credible message about the effectiveness and outcomes of aid best be delivered to different audiences?

- How do evaluations help officials communicate about policy choices and their impacts?

- What is the value of communicating both 'good' and 'bad' results?

17.	Mr. Sisson described how the public debate on aid in mainstream media is generally unsophisticated and focuses on scandal or negative results. A recent example of this was when the agency published overall estimates for fraud. In the past 5 years, the total estimate of fraud has amounted to AUD 3.5 million, out of AUD 20 billion spent, which by international standards is actually quite a good record overall. However, the media spun the story in terms of widespread fraud, not the actual relatively good performance. AusAID's Director General tackled this negative reporting by reaching out to the media to discuss the challenges AusAID faces, but also about its many successes on the ground. AusAID's communication department conducted a survey before and after these interventions that found that this

outreach had a positive impact on public opinion: many who initially had an unfavourable view of ODA changed views after hearing the Director General and learning about the results achieved and the difference ODA has made in people's lives. This example reflects the importance of having compelling human interest stories about the results of aid, as well as the vital role of top policy makers who can transmit clear, compelling messages about their work.

18.   AusAID uses both annual self-reporting (randomly checked for validity) and independent evaluation carried out by the Office of Development Effectiveness. These evaluations are publicly available and there have been clear examples of the evaluation having a direct policy impact – as with the report on violence against women which lead to a new agency policy. In addition, the Annual Report on Development Effectiveness[3] is meant to demonstrate the government's commitment to transparency, and has lead to changes in the way the agency is operated. There was a shared sense that development agencies are not doing as well as they could with communicating about the impacts of aid. Several participants agreed that it is not enough to make information available on a website – messages must be clear and interesting for citizens. Spain pointed out that communications around results should be combined with broader development education efforts.

19.   Public dialogues on aid have clearly shifted away from a focus on funding (inputs) to giving actual results a much higher importance. Ministers want to hear about the direct impacts on the ground, and expectations have increased around results. In AusAID – as in other agencies – evaluations do not always provide this type of information. Adjustments were made in how evaluation and results reporting are done to make results communications more relevant for the Australian public. For instance, project managers and staff are asked to report on what had been achieved by their work. This exercise has limitations, but it was felt that such quick feedback is needed at a time when development co-operation is facing intense political pressure.

20.   Ireland shared a recent experience with taking parliamentarians to visit recipient countries and learn more about the impact of aid programmes. This has been quite successful as part of the effort to engage more with parliamentarians and media.

21.   The discussion drew out a number of shared concerns around communicating with the broader public, including:

- **Connecting with tax payers:** Delegates shared the need to connect to political realities and the concerns of tax payers, while acknowledging the challenges and risks that go with communicating failures and successes. This discussion of communicating about the results of development co-operation is vital in the context of political pressures on aid budgets. Across countries and agencies similar issues arise.

- **Honest, clear communication:** Communicating openly and clearly takes work. It is not enough to simply publish reports on a website or make data available. Agencies need to openly communicate successes and failures – and have more effective and strategic ways of doing so. Part of addressing the communication challenge is having clarity within the development agency about what its role is in communicating results and what the government will report directly about development co-operation. Better clarity on roles will help improve coherence.

- **Language:** Language is a key dimension of effective communication. Audiences should be strategically targeted (tailored messages for different audiences) using a language and story

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[3] http://www.ode.ausaid.gov.au/publications/index.html

that is relevant and of interest to them. This does not mean that the underlying results message changes, but rather that it is repackaged to meet different users' needs.

- **Development education:** Beyond direct communication of results reports and evaluation findings, development agencies should have a wider communication strategy that also includes development education. Development education can help build greater awareness about development challenges and target strengthening long-term support. The information and education needed to maintain long term public support for development co-operation goes beyond the evaluation reports and monitoring data produced routinely in many agencies.

CONCLUSIONS

22.   The Moderator Mr. Calvert closed the session by thanking all of the speakers and participants for an engaging and dynamic discussion. The seminar provided a timely opportunity to discuss shared challenges and insights around the links between policy making and evaluation evidence. The event was a welcome reflection of the drive to strengthen links between evaluation and policy communities. Participants worked to unpack issues of evaluative culture and lesson learning. While the broad political context and many issues around linking evidence and policy are similar across countries, responses differ and one size does not fit all.

23.   Evaluation is playing an increasingly important role in meeting policy makers' needs for good evidence. While quick feedback on short term results is needed, agencies should not lose sight of the long term processes they are supporting. A balance must be found between different types of evaluation, which serve different purposes, such as self-assessment, performance assessment and impact evaluation. The way evaluations are carried out must continue to evolve, becoming more collaborative and increasingly country-led, as agreed in the Paris Declaration. The findings of evaluations should be packaged and presented more clearly and strategically to meet the needs of different audiences and contribute to broader educational efforts about poverty and development. Evaluation must connect to the political realities in donor and partner countries.

24.   The broad agreements presented here on insights and areas for further work will be fed into the DAC discussion on results and will also be shared to inform the ongoing work of the DAC Network on Development Evaluation.