

**INDEPENDENT EVALUATION IN DFID  
ANNUAL REPORT  
2007/08**



**HEAD OF EVALUATION  
UK DEPARTMENT FOR INTERNATIONAL DEVELOPMENT**

**November 2008**

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## **Abbreviations and acronyms**

|       |   |
|-------|---|
| DAC   | Development Assistance Committee of the OECD          |
| DFID  | UK Department for International Development           |
| CAP   | Country assistance plan                               |
| CPE   | Country programme evaluation                          |
| EC    | European Commission                                   |
| EU    | European Union  |
| EvD   | Evaluation Department of DFID                         |
| FCO   | UK Foreign and Commonwealth Office                    |
| IACDI | Independent Advisory Committee for Development Impact |
| IEG   | Independent Evaluation Group of the World Bank        |
| JAS   | Joint Assistance Strategy                             |
| OECD  | Organisation for Economic Cooperation and Development |
| PFM   | Public Financial Management                           |
| PRSP  | Poverty Reduction Strategy Paper                      |
| PSI   | Private Sector Infrastructure                         |
| 3Cs   | Coordination, coherence and complementarity in EU aid |





## 1. INTRODUCTION AND CONTEXT

### *Increased independence and quality of DFID's evaluations*

1.

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**Evaluation is part of how any organisation promotes learning about the effectiveness and impact** of its operations for continuous improvement in performance and results. In a government department it also helps to ensure accountability for how public funds are used; and supports evidence-based policy making. At a higher level, it contributes to the UK's overarching objectives for its international development programmes – by improving development effectiveness, making progress towards the Millennium Development Goals, and reducing poverty.



3.

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The new committee has recommended that the Head of Evaluation in DFID should report each year on what we have learned and implications for DFID of those lessons, from recent evaluations. This first report looks at studies published during 2007 and 2008.

2.

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**Since December 2007, evaluation in DFID has been overseen by the Independent Advisory Committee on Development Impact**, reporting directly to the International Development Secretary. When announcing the committee in Parliament, he underlined DFID's commitment to independent evaluation of its programmes and said.

*“The government is committed to ensuring that the UK's aid budget is used effectively to make a difference to the lives of the world's poorest people and that it represents value for money. As we increase levels of aid we must be rigorous in assessing the impact of that aid in helping to reduce poverty and change the lives of poor people for the better.*”

***The new IACDI will be an important step forward.***

*It shows that the Government is committed to independent, open and transparent scrutiny of our development assistance”*

## 2. KEY FINDINGS FROM EVALUATIONS

### DFID'S EFFECTIVENESS AND RESULTS

4. Assessing and attributing the impact of development programmes is challenging for all development agencies: their data systems for rigorously assessing impact are still developing and the UK is playing a leading role in helping that to happen. At this stage what we can draw from the evaluations presented here is more of an indicative assessment of the results of the programmes and particularly on how relevant and effective they were. This is still useful in assessing what DFID is achieving.

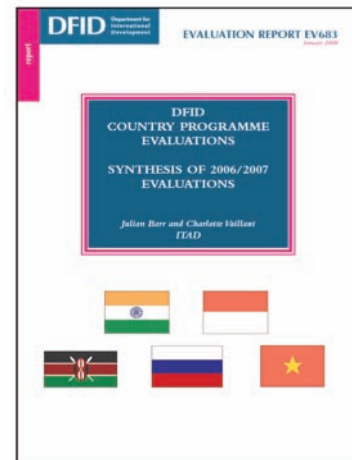
#### *Strengths*

5. *The main areas where DFID is achieving strong results (based on evidence from recent country evaluations and a range of thematic studies) are:*
  - DFID's programme including DFID's programmes including **budget support** have supported delivery of basic services in **education and health**, and in areas such as **HIV and AIDS**
  - DFID has contributed to **conflict prevention and peace building** and disaster response, for example in Nepal, Sierra Leone and Pakistan
  - The UK has played a leading role in building **strong and effective partnerships** both with multilateral and bilateral development agencies and rapidly emerging partners such as Brazil, India, China and South Africa (BRICS), global funds and private sector foundations
  - Through its **country programmes** DFID is supporting effective work on less heralded but important areas such as **national statistical systems**
6. In terms of DFID's capability as an organisation, the studies identified:
  - A strong commitment to the **Paris Declaration principles** including building ownership, using country systems, the understanding among DFID staff of the importance of these principles, and the way the approach is embedded within the organisation
  - Flexible and **professional** staff
  - Ability to lead **international development reforms**, to innovate and to take managed risks where required.
  - Devolved **decision** making
  - Use of **budget support** and support to policy dialogue

7. An underpinning characteristic of these strengths is DFID’s relatively devolved and decentralised approach to decision making. As the synthesis of country programme evaluations for 2006/07 put it:

*‘DFID’s decentralised decision-making structure is seen as strength and a key contributor to its flexibility. DFID is consistently commended for strong advisory and programme teams, who are professional, innovative and provide intellectual leadership on key development issues.’*

8. This has benefits for developing countries themselves, for example it means that DFID’s programmes can more easily be aligned with national priorities and made more relevant to developing countries’ needs.



### *Areas to develop*

9. The evaluations also identify significant areas to develop, some of which are listed below, followed by three main lessons for DFID which we have chosen to highlight in this report. The areas to develop are:
- The **flexibility** that DFID staff can exercise at country level to take decisions also means that when a corporate and organisation wide approach is required, DFID has to work harder to achieve this than some of other agencies which adopt a more top-down, centralised approach
  - On **strategic planning**, the fact that DFID is often relatively quick in responding to new issues – and there are strong incentives for staff to do so – means that its planning, prioritisation and implementation can suffer
  - **Measuring performance** and joining up between HQ and country offices are also areas where the evaluations suggest that DFID tends to find it harder to reach the standards of the best
  - The counterpart to being an organisation that is active in promoting **harmonisation and alignment** is that DFID is being seen as ‘pushy’ by other donors and needs to be prepared to back up its rhetoric with its own actions. For example, in exhorting others to make better progress on Paris Declaration commitments, DFID’s own performance in terms of the transparency, accountability and predictability of its own aid rightly comes under scrutiny.

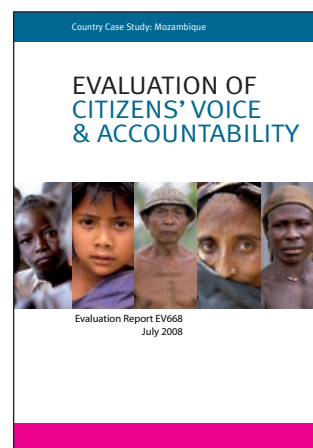
### **Lesson 1: DFID's Results Focus is still developing**

10. Evaluations are consistently showing that DFID has work to do to achieve a real focus on results, developing performance indicators that really work, and being able to assess impact. This is a vitally important area and within DFID's overall change programme the focus on delivery and development impact is a key issue.
11. DFID's work on strengthening monitoring systems and results focus is part of its overall change programme now underway with four themes of Delivery, Focus and Impact on Development. In this sense the drive to measure results is now being led right from the top of the organisation, which is encouraging.
12. There is a range of work in hand under the banner of DFID's Results Action Plan and following up on areas identified in the Capability Review of DFID carried out in 2007. The role of the new Investment Committee and current work on standard indicators, better quantification of outputs and outcomes and reinvigorating work on cost-effectiveness and cost benefit analysis are all important.
13. As country offices have been quick to point out, one of the risks here is that in seeking to address this, DFID puts in place systems which place greater demands on country office teams than they can meet, as they scale up programmes within a constrained administrative budget. Over the past year or so there has probably been a step change in how country plans are linked to policy priorities and the newer country plans are much more focused on results and impact than previously. Another issue is that we may end up measuring what matters to UK audiences rather than aligning with the priorities and monitoring systems of developing countries.

**Delivery, Focus and Impact on Development**

### **Lesson 2: DFID should develop a broader approach to governance and accountability, going beyond central government**

14. The voice and accountability evaluation shows that while promoting citizens' voice should be and is an increasingly important part of DFID's governance strategy, particularly for building long-term success in development; DFID and other donors are having only mixed success up to now.  
We need a more realistic understanding of what is involved. Again, sharpening political intelligence and working through a range of institutions other than government ministries is part of this. Where partners have succeeded it is through targeted and well-designed interventions which have helped to empower marginalised groups.



15. It may be that DFID's strength in promoting governance at the level of building state systems, strong relationships with central government and use of budget support means that it finds it difficult to develop a broader approach and needs to give this special attention.
16. The findings from the multi-donor evaluation of budget support (which is not just about DFID but covered a wide range of donors) included the message that although financial and government systems have indeed been improved, domestic accountability is not being strengthened in the way that some might have hoped from use of budget support. Donors such as DFID who have been strong advocates of general budget support should recognise that there is bigger picture around use of other aid instruments such as sector support, working with line ministries other than the finance and planning ministries, working through local government and promoting engagement by civil society.

### *Lesson 3: Joining up to get the best out of resources put through multilaterals and global channels*

17. Several country evaluations (in completely different parts of the world) have highlighted that DFID could be more joined up between headquarters and country offices in how it improves the effectiveness of its multilateral partners – there is scope for better coordination between different parts of the organisation in the way that DFID seeks to influence and promote change.
18. How DFID should best assess and promote multilateral effectiveness is an area which DFID has been grappling with for some time – with some urgency now that the increases in UK aid are more and more through these channels. While the UK has had some success in promoting international review mechanisms such as the perceptions survey (MOPAN) or in helping developing countries (e.g. Mozambique) to assess the effectiveness of donors, there is much more scope to develop a systematic and joined up approach internationally. Drawing on and strengthening the monitoring and evaluation systems of the multilateral partners including the UN is important to avoid inventing parallel systems to fill the international gaps.
19. As an example, the recent 'five year evaluation' of the Global Fund for Aids, TB and Malaria was an opportunity for DFID to influence others to ensure that a high quality system develops. The board of the Global Fund decided to invest heavily in monitoring and evaluation systems as part of a partnership approach. Similar approaches are developing for evaluation within the UN system.

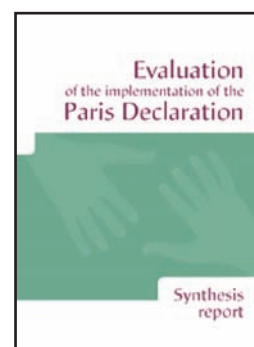


### 3. BROADER THEMES FROM EVALUATIONS

20. Among the many findings from evaluations published by DFID and partners recently, this report highlights 4 themes that may be of broader interest to DFID and its stakeholders:

***Theme 1: Better international coordination of development is vitally important – delivering on the Paris Declaration commitments and using country systems***

21. The evaluation of the Paris Declaration, phase 1, found that progress on the commitments (see box 1) has been slow and varied, and without political leadership to accelerate action, the targets agreed for 2010 will not be met. Donors need to be more consistent in their commitment to delivering the declaration, including using and developing the systems of developing country partners and explaining to the public and parliaments and other domestic stakeholders why the principles are important.



#### **Box 1. The Paris Declaration**

The Paris Declaration on Aid Effectiveness, endorsed in March 2005 by more than 100 ministers and officials from a wide range of countries and international organisations, is now recognised as a landmark international agreement aimed at improving the quality of aid and its impact on development.

Going beyond previous statements on harmonising aid, it lays out a road-map of practical commitments, organised around five key principles of effective aid:

- Ownership by countries
- Alignment with countries' strategies, systems and procedures
- Harmonisation of donors' actions
- Managing for results, and
- Mutual accountability

Each has a set of indicators of achievement – for example one of the areas which evaluators are expected to make progress on is helping to reduce the number of missions by joining up better between donor agencies. The Declaration also has built-in provisions for regular monitoring and independent evaluation of how the commitments are being carried out.

22. On a similar theme, a major joint evaluation published in 2007/08 looked at how effectively EU member states and the Commission are joining up on development cooperation, in line with the principles set out in the Maastricht Treaty on Coordination, Coherence and Complementarity. The evaluation has some challenging messages for EU partners. It found that:

*EU coordination, complementarity and coherence are currently inadequate and this reduces the impact of the EU's development efforts while also leading to unnecessarily high demands on developing countries in terms of their human and financial resources*

23. It found that real coordination and joining up of aid – as opposed to information sharing – between EU partners will require much greater consensus and political leadership than has been evident so far. Given the volume of aid delivered through the EU, this is an important message for DFID – and the rest of UK government. Where positive messages are found in the evaluation they point again to work which DFID has been involved in around support to PRSPs and budget support.



24. Both of these evaluations predate the 3<sup>rd</sup> High Level Forum in Accra and the outcome from the forum gives grounds for optimism (see Box 2) that these issues on international coordination are being recognised and tackled. The Accra Agenda for Action, agreed by Ministers and representatives from many agencies and countries, renewed the commitment to implementation of the Paris commitments.
25. The UK took a strong lead in helping to deliver an ambitious agreement in Accra. By building on strong relationships with other like-minded donors, championing partner country and civil society voice in the DAC, and supporting a stronger evidence base on progress, barriers and options, the UK helped secure agreement on a critical set of actions to strengthen country ownership, build more effective, inclusive and coordinated aid partnerships, for further reform and greater mutual accountability of aid relationships.
26. In terms of how well DFID itself is doing on implementing the Paris Declaration, evidence from evaluation and monitoring shows that in many areas it is ahead of the game and is well on course to achieve targets set for 2010. Nevertheless, there is more that the UK and DFID can do in some areas – specifically, on transparency and predictability of aid, and on ensuring that the Paris principles are embedded consistently in its approach across sectors and countries.

**Box 2: The Accra High Level Forum and Aid Effectiveness, Sep 2008**

The Accra Agenda for Action agreed to:

- i. systematically address legal or administrative impediments to implement aid effectiveness commitments;
- ii. a step change in donors' use of country systems to deliver, manage and monitor results of aid;
- iii. new standards for information disclosure on aid, including conditions attached to its provision;
- iv. immediate donor action to publicly provide and monitor forward expenditure plans over the medium term;
- v. donor plans to further untie aid to maximum extent;
- vi. use of independent evidence and public scrutiny in mutual assessment reviews at country level;
- vii. for the first time, time-bound agreement to strengthen international mechanisms for assessing mutual performance against and results;
- viii. new policy commitments for donors working in fragile situations; improve methods of measuring progress including institutionalising developing country and wider stakeholder involvement.
- ix. to encourage all aid providers - including the increasingly significant private foundations, civil society, middle income providers of south-south cooperation, and global funds - to integrate the Paris principles into their policies and operations.



*Accra 3rd High Level Forum, 2-4 September 2008*



## *Theme 2: Assessing the Impact of Development – A Big Gap Requiring a Shared Research Effort*

27. The evaluations confirm that DFID's systems (as is indeed the case for many other donors) to demonstrate and assess impact are still developing and there is something of a gap internationally which needs addressing. As mentioned earlier in this report, all agencies working in international development face challenges in measuring results – DFID is not unusual in this. The data constraints are very real and we should not expect more from developing countries systems than we do from our own. The conceptual issues are also very tricky when we seek to identify the effects of aid compared with other factors including private and public investment from domestic, international and traded resources that drive development in a highly complex system.



*DFID learns from World Bank*

28. Nevertheless, evaluation if done in the right way and using the available data to full effect, can provide useful evidence about the development impact of the combined efforts of partners including DFID. It is then possible to make reasonable assessments about how the UK contributed to that combined effort – based for example on the proportion of aid provided – without seeking to model the effects of ‘UK aid’ as if we operated in isolation from other partners. The World Bank has led the way in investing in more rigorous impact evaluation within its programmes. DFID is learning from this and working with them and other agencies, as well as with developing countries as they develop their capacity and demand for this type of work.
29. Given the UK commitments to the Paris Declaration on Aid Effectiveness these issues need to be tackled in partnership – see for example the joint evaluation of the Paris declaration which recommends that donor agencies should be more willing to rely on partner country's own systems and help strengthen them by using them. The UK's response to this important issue of measuring results should not be simply to add to reporting burdens by inventing new systems for our own benefit which do not help developing countries.
30. For example in developing indicators we can build on international standards such as those already developed in some areas by the UN in the case of indicators for HIV and AIDS. DFID is taking a strong role among official donor agencies in supporting statistical systems capacity in developing countries.

31. A vital element is to strengthen international partnerships for impact evaluation, with the World Bank and others. DFID is one of a range of agencies, foundations and developing country governments that are setting up 3ie, a new organisation to promote and channel resources into rigorous impact evaluation for developing countries.



32. The UK has been playing a leading role in promoting donor collaboration on impact evaluation, including building international systems and support to developing countries. In 2007 the donor agencies from the DAC, UN and multilateral banks set up the **Network of Networks on Impact Evaluation (NONIE)**. This provides a forum for sharing best practice on impact evaluation and helping developing country partners to learn about methods and design for new studies. In 2008 the network expanded to involve the global and regional evaluation associations and now has about 60 members, many from developing countries.

33. The secretariat for the network is provided by the World Bank's Independent Evaluation Group and the UK (DFID's head of evaluation) is the current chair. The main outputs from the network include guidance on impact evaluation (currently in draft and due out in December), design workshops on specific studies, a database of impact evaluations and relevant papers on methods, and a major conference on impact evaluation in 2009 jointly with the African Evaluation Association and 3ie. 3ie has similar aims of promoting more and better impact evaluation but is different from NONIE in that it will have resources to commission new studies, whereas NONIE is mainly about sharing best practice.



### ***Theme 3: High quality political intelligence and local knowledge remain vital for effective engagement in international development***

34. DFID recognised some time ago that a serious understanding of the political and governance context in which it operates has to be central to its decision making. It devolved much of its work into country offices and encouraged decision making at local level. It commissioned a series of 'Drivers of Change' analyses to inform its programmes and these proved to be influential. The expansion of the governance adviser cadre was one sign that the organisation was aware of the continuing needs for skills in this area.

35. The evaluations published this year confirm that DFID needs to keep this high on the agenda and probably needs to make further progress. There is still much room for DFID to deepen its political and contextual understanding of how to support development in different national settings. Whether DFID is working in fragile states, supporting citizens' voice or dealing with specific countries such as Nepal, Pakistan or Zambia, the evaluations show that a sound political analysis and understanding of context is vital. Building a broader political base for development is complementary and equally important.
36. One of the studies highlights that the new Country Governance Assessments and DFID's relationship with the Foreign Office are both important for how this develops in future. The evaluation findings have implications for staffing and training – pointing towards use of senior staff appointed in country where possible, who can bring local knowledge and expertise, provided that this is not taking away scarce skills from government.
37. The country evaluations show also – see the experience in Nepal and Ethiopia – that using different and flexible funding modalities is highly relevant in situations where governments can change quickly. Finally, the CPE synthesis highlighted the benefits of remaining committed even when political difficulties arise. It comments that:

*A sound political analysis and understanding of context is vital*

*'Where DFID has remained committed despite reform seeming elusive, it has been able to influence important reforms and offer strong results.'*

#### **Theme 4: Lessons for Working in Fragile States**

38. Fragile states are an increasingly important part of DFID's portfolio, accounting for more than half of DFID's bilateral expenditure. DFID's Evaluation Department have supported two major studies this year which are relevant to assessing the effectiveness of our work in fragile states:
- a portfolio review of DFID's engagement in fragile states and
  - a thematic study within the Paris Declaration joint evaluation which looked at how far it is possible to apply the Paris principles for aid effectiveness in fragile states and how far they are relevant.
39. Given the importance of this area of work for DFID, this section looks in some detail at the key findings from both these studies in turn, the first of which focuses on DFID itself and the second which is much broader.

40. Starting with the **fragile states mapping study** which reviewed the portfolio and looked at how effectively DFID is working in fragile states; this found that DFID has two key related strengths in relation to its ability to engage in fragile states
- a very strong emphasis on **coordination**, taking a leading role and often a disproportionate share of transaction costs
  - a high level of **delegated authority** and **flexible procedures** that are well suited to engaging in difficult environments.

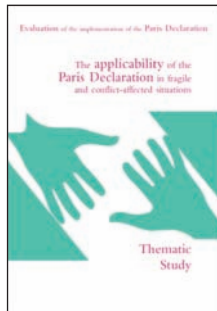
41. An important lesson to come out was about the need for flexible programme design and to enable funding modalities to change in response to political events without compromising long-term objectives. DFID's Nepal programme was found in the mapping study and the Country Programme Evaluation to provide an interesting example of best practice in developing multiple delivery channels and risk management – sometimes referred to as 'future proofing' their programmes. Similarly, flexible approaches to service delivery are also required.



*Women breaking stones to build roads in Nepal*

42. Attention is also required to how donors engage in capacity building, finding locally appropriate, viable solutions which do not divert from national government objectives. There is emerging good practice around use of pooled technical assistance funds, provided that counterparts (typically Ministries of Finance) have a solid core of capacity. Practices such as salary supplements clearly need to end.
43. Use of country systems is an area where there tends to be an acute gap between theory and practice – when faced with low capacity and weak systems donors often resort to parallel systems and governments are also willing to go down this route in the short term. The study found that DFID tends to be fairly pragmatic on use of country systems – provided the government is on board, if they prefer to use parallel systems then DFID also is willing to accommodate this, while at the same time investing in development of systems particularly public financial management.
44. Finally, in building partnerships, DFID's focus on central government – while clearly important – may have had the effect of crowding out other partnerships which could be highly strategic. Country programmes do not appear to be working extensively with parliaments, the media or the private sector, and engagement with civil society remains limited to service delivery.

45. The **fragile states joint evaluation** looks at how far it is possible to apply the Paris Declaration principles in many of the conflict-affected and transitional countries where DFID is increasingly working. The study makes a distinction between different types of situations ranging from countries where the governance situation is in gradual deterioration or where there are conflicts or a prolonged crisis, to ones where countries are in transition but still vulnerable and/or are gradually improving.



- In the more difficult conflict and deteriorating situations, the message is that the priority should be around harmonisation of donor efforts to prevent conflict and applying diplomatic pressure to help contain risks, within a do-no-harm model. State capacity and legitimacy may be so limited in these situations that country ownership and mutual accountability are less immediately relevant than donor coordination.

- In the more hopeful transitional situations, the full range of Paris principles are increasingly relevant, although because government capacity is likely to be still quite limited, progress on managing for development results may be slow. A shared analysis of the conflict and political situation is vital in all contexts, focusing on the underlying causes of fragility rather than just adopting a business as usual approach.

46. In these situations where the Paris principles do start to apply, the use of joint needs assessments, joint planning and shared donor offices have provided a practical framework for greater harmonisation, ownership, alignment and accountability.

**...greater harmonisation, ownership, alignment and accountability**

47. Again, national ownership is crucial; there are some specific lessons in the evaluation on use of the so-called ‘transitional results matrices’ and use of multi-donor trust funds (recognising the pressures for service delivery in the short term as well as building national capacity) and use of joint donor offices. In practice, however, use of joint donor offices was found by the evaluation to be constrained by real underlying differences between donors in their views on where to draw the line between politics, security and aid.

48. More broadly, the joint evaluation argues that development partners need to shift their engagement away from “business as usual” to address the underlying causes of fragility and to design programmes and instruments so that flexible engagement is possible, including supporting alternative programmes both within and outside government.



*Camp for Internally Displaced Persons, Darfur, Sudan*

## 4. ADDRESSING EVALUATION CHALLENGES

### *Recent Context and Developments*

49. DFID has a long-standing commitment to independent evaluation and is unusual among UK government departments in having had a dedicated unit for independent evaluation since the early 1970s.
50. The evaluations are written by external experts in evaluation and international development. The role of the civil servants in Evaluation Department is not to carry out or write the evaluations themselves – these are done by the independent experts we commission – but, instead, is:
  - commissioning, managing, quality assuring and helping to disseminate independent evaluations of DFID’s major policies and programmes
  - providing a policy lead on evaluation for the organisation
  - helping develop its evaluation capability.
51. DFID has been deliberately investing in strengthening the role, capability and – most recently – the independence of its evaluation function. The new Independent Advisory Committee (IACDI) is playing a key role in advising and assessing the progress on independence, quality and follow-up.



*Educating Girls in Kenya*

## Formalising and updating DFID's evaluation policy

52. DFID is in the process of formalising its evaluation policy including:

- Setting evaluation firmly in context of DFID's broader work on improving **development effectiveness and results**
- formally establishing the **mandate** for independent evaluation:
  - the role of Evaluation Department and the responsibilities of officials in DFID
  - how independence is safeguarded
- setting out DFID's approach to **quality in evaluation** to ensure that world class standards are achieved and maintained:
  - defining quality standards in accordance with recognised international standards agreed by the OECD so that evaluation in DFID is rigorous and meets world class standards
  - looking at the skills, incentives and capacity building required to deliver on quality
  - DFID's approach to supporting rigorous impact evaluation in its programmes, with partners
- building a strong and healthy culture of **decentralised evaluation and learning within DFID's programmes**, supported by Evaluation Department in an oversight role.
- building new **partnerships with developing countries** on evaluation:
  - recognising the implications for evaluators of the Paris declaration on aid effectiveness and the recent decisions by Ministers at the Accra High Level Forum
  - building joint evaluation in, as a matter of course, to those programmes which DFID is involved in that are commissioned jointly with partners
  - supporting capacity building on evaluation in developing countries.

*World class  
standard for  
evaluation*

53. This process is now well under way, including an external consultation to take place from now until the end of January. The policy will be finalised in February 2009.

*Better follow up on evaluations*



54. Evaluations are of little use unless findings and recommendations feed into decision making and are disseminated effectively. Under the auspices of IACDI, DFID has produced its first report this year on how it has followed up on evaluation findings – it shows a fairly mixed picture. There are some good examples of evaluation lessons driving major policy decisions (e.g. Budget support, gender). There are many other areas where follow up has been very limited or noncommittal.
  
55. This is an issue which IACDI will keep in its sights and may choose to invite policy leads to update the committee on how it is following up in specific areas. EvD has already put in place a tracker system for monitoring how evaluation recommendations are used in future, in line with the approach used for audit recommendations. We have also been working actively on the key committees in the organisation to make sure that relevant findings are publicised at the point where they can influence decisions, for example on planning of country programmes or developments in DFID's systems and investment decisions.

Nick York  
Head, Evaluation Department  
November 2008



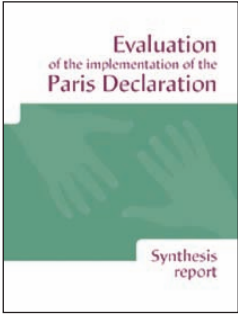
## ANNEX 1:

### HIGHLIGHTS FROM EVALUATIONS IN 2007/08

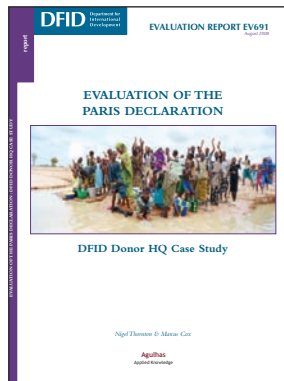
1. This section summarises some of the key studies published by DFID and partners in the period 2007-08.

### DFID THEMATIC EVALUATIONS

#### *Paris Declaration evaluations*

2. With our partners we completed in August 2008 a series of major joint evaluations on the Paris Declaration – phase one studies looking at how it is working so far in terms of behaviour and implementation. Phase two will look at development impact. The work included thematic studies on applying the declaration in fragile states, trade and on statistical capacity building, two of which were led by the UK.
3. The **synthesis** highlights the variable understanding and commitment towards the Paris principles among donors, and the differences in perspectives that remain between donors and developing country partners in how they view the commitments themselves – including the relative priority that they continue attach to different aspects of the Declaration, such as ownership, mutual accountability and results.
 
4. It emphasises that this is a critical time for political leadership and for partners to work together to deliver the Paris Declaration. Technical approaches involving development specialists are not going to be enough – building broad political support is required. The evaluation calls for ‘faster movement from rhetoric to action...to sustain the Declaration’s credibility’ and says that ‘concrete measures are needed to reenergise and sustain high level political engagement’.
5. Donors need to update their views of partner country systems and be prepared to use them more, even when this involves taking risks, and a greater willingness to delegate decision making to field offices is part of this. This is essentially an issue of being prepared to invest for the future, and the evaluation shows that the transaction costs up front of implementing the declaration are significant (the budget support evaluation had a similar finding of high transaction costs of implementation, but put this down to the continuing existence of parallel systems).

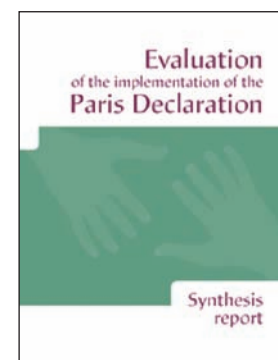
6. The report suggests that developing countries need to find manageable ways to strengthen their leadership of aid relationships, to encourage greater political and public monitoring of aid management and reform, and to set out their priorities for assistance in capacity strengthening. Clearly they need to build systems for managing for results but these should be designed primarily around their domestic needs – they should also be sufficient to be used by donors for their reporting.
7. The **DFID donor case study** confirms that in many respects DFID is ahead of the game on implementation of the Paris declaration:



- the core enabling conditions are strongly embedded within the organisation’s policies and management systems
- DFID has some key strengths in terms of how well staff understand the Paris commitments, the flexibility and the extent of delegated decision making within the organisation.

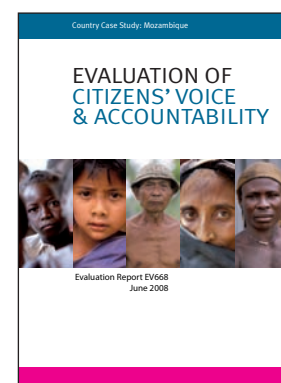
8. However, DFID is not yet best practice in all areas. To achieve this, would need greater consistency in how the commitments are tackled in different sectors and countries where DFID works – also in some key areas such as transparency and predictability of aid. DFID also needs to think about its internal and external reporting against the commitments, and also how the Paris principles apply in some of the new areas it is working on, around climate change and global public goods.

9. The **fragile states joint evaluation** which has been discussed in the main section of this report looks at how far it is possible to apply the Paris Declaration principles in many of the conflict-affected and transitional countries where DFID is increasingly working.



### **Support to Citizens’ Voice and Accountability**

10. The UK led a major joint evaluation with a range of bilateral partners of interventions to strengthen voice and accountability for citizens. This is about helping citizens of developing countries to find ways to express their needs and preferences, and how states can be held accountable for responding to those demands.



11. The report found that:

- Supporting voice and accountability is **an increasingly important area**, developing since the 1990s as part of the wider objective of strengthening governance because of its key role in development.
- However, at least for the interventions studied here (around 70 interventions in seven countries which the partners had been working in, and possibly not a representative sample), the support from donors for voice and accountability was only having **fairly limited and isolated effects**.
- There were some positive effects in **empowering marginalised groups**, particularly where interventions were targeted and well designed, but these were relatively unusual.
- It may be that donor expectations in this area are too high. The study pointed to **unrealistic assumptions** that by supporting voice this will automatically lead to better accountability and development will follow. This needs to be questioned and addressed through design, targeting and implementation. Transforming state-society relations is a long-term process
- One of the key ways that donors can improve in this area is by **sharpening their political intelligence** and awareness of country context, including identifying who best to work through and how. Donors should understand that informal institutions are important and it is essential to work with what is there in reality not with what one might like to assume is there.

### *Climate change and environmental sustainability*

12. Climate change is one of the most important and rapidly growing areas that DFID and partners are engaged in – and not surprisingly the immediate preoccupation has been in getting funding streams in place, developing new partnerships and implementation of new programmes up, all of which places great demands on the relevant policy teams in DFID and is absorbing the available skills that DFID has in this area.



*Flooding in Bangladesh*

13. It is vital that DFID and partners build effective monitoring and evaluation into the programmes they are funding in this area. A review which EvD commissioned recently, working with the Global Environment Facility of the UN, highlights that there are some exceptional challenges involved in evaluating interventions for climate change adaptation – for example many of the policy decisions and funding streams are being developed at an international level but their impacts have to be measured at household level, the timescales for effects to be felt are even longer than usual, the conceptual issues and uncertainties about what we are measuring are considerable.
14. The review also suggests that we can adapt and learn from the long history of work on monitoring and evaluation on livelihoods, disaster risk reduction and the environment. Independent evaluation usually follows new policy developments with a lag but the scale and importance of this area for DFID and the UK government points to a need to develop monitoring and evaluation systems for climate change spend now rather than later. An integrated approach is required if we are to avoid a scenario where there is simply an explosion of project based reviews and learning with very little systematic learning.
15. The focus on climate change is of course relatively new but there is previous experience on the broader subject of environmental sustainability. A recent study of the World Bank's experiences (see Box 2) provides interesting lessons for them and also for DFID.

### ***'Triple C' evaluation of EU development aid***

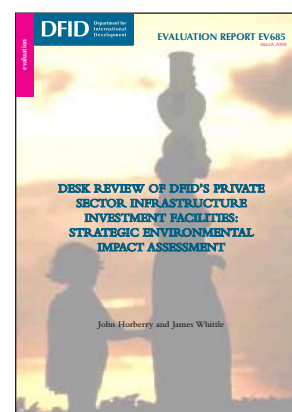
16. This major joint evaluation published in November 2007 looked at how far EU member states and the EC between them are achieving the aims set out in the Maastricht Treaty – namely, that EU development aid should be coordinated, policy coherent and complementary to the policies of member states. These objectives are often referred to as the '3Cs'.
17. The evaluation – which the UK, Sweden the Netherlands, France and the EC all took a leading role in commissioning – contained some tough messages for member states and the Commission about how well they are working together on coordinating what is by far the biggest source of overseas development assistance in the world:
18. The evaluation found that:

***EU coordination, complementarity and coherence are currently inadequate and this reduces the impact of the EU's development efforts while also leading to unnecessarily high demands on developing countries in terms of their human and financial resources***

19. It points to the lack of practical consensus about the relevance of the 3Cs and that broader based political support is required. In practice coordination is often limited to information sharing. On the humanitarian side, member states still regard national priorities and visibility as more important than effective coordination at EU level and this is diminishing the efficiency and impact of the aid at the global level.
20. It found that there are some good examples of more flexible individual and joint arrangements (for example in support to development of national poverty reduction strategies, or in dialogue around budget support) which need to be more widely shared. However Country Strategy Papers developed jointly by member states and the EC are not helping to stimulate (and may even obstruct) progress on coordination and complementarity.

### *Private sector investment facilities for infrastructure*

21. DFID aims to promote investment in infrastructure both as a necessary condition for promoting economic growth and as a direct input to better living standards for the poor. Roads, ports, telecommunications, water treatment and other physical infrastructure are vital for economic growth and poverty reduction – however they are expensive and developing countries find it difficult to mobilise sufficient resources to invest in the required infrastructure.
22. As at June 2007, DFID had committed around £185m through contributions to a portfolio of 13 funding facilities covered by this review, for support ranging from technical assistance and enabling policy advice, project preparation and development, to investment loans, grants and guarantees.
23. The review looked at external reviews of the Private Sector Infrastructure (PSI) facilities over the past three years and analysed a database of 800 interventions undertaken by the facilities, with a total value of \$580m. It found that:
  - **DFID has played a substantial role** in the creation of facilities, in providing start-up funding (in six cases DFID was the sole donor that allowed the Facility to start operations) and in helping to bring other co-funding partners into the operations
  - Three of the facilities have **attracted private sector investment** but there is insufficient evidence to say how far this private participation is attributable to the facilities.
  - The enabling environment facilities have helped support sector reform programmes, **strengthen regulatory and legal frameworks**, facilitate transactions and build consensus for private participation in infrastructure.



- More of the facilities have **taken longer than planned** to become operational but the volume of PSI activity has increased steadily since 2003 as more facilities have come into operation and the more successful ones have grown up for project preparation, development and financing (mainly through the Private Infrastructure Development Group).
  - The older and larger facilities were found to have developed a **demonstrable track record of delivery** and some have substantial and robust pipelines of potential interventions. Others have performed less well and DFID has also recognised the need to consolidate, scale up or exit in some cases.
24. There is currently little quantitative evidence available to assess the development impact of the facilities, mainly because it is too early to do this – very few investment projects have yet been completed, except in the case of the very first one that DFID invested in – and their impact on access of quality of infrastructure services is therefore still to be seen.



*Road building in Ghana*

25. Looking at treatment of cross-cutting issues, the review found that clear and robust arrangements are in place for due diligence on environmental issues but gender is not being consistently mainstreamed in programming. For example, only two of the nearly 300 indicators used explicitly mention the collection of data disaggregated by gender.
26. While recognising the broadly positive findings on DFID’s role in the creation of the facilities and in attracting private sector investment for infrastructure, as described above, the review also recommended among other things that DFID should:
- vigorously pursue its declared strategic goal of **rationalizing the portfolio** through consolidating, scaling up or existing Facilities
  - **look at ways of strengthening the governance** of the PSI facilities, particularly the poorer performing ones, including strengthening its representation on governing bodies through qualified professional representatives

- **look at improved monitoring and evaluation**, including for example reducing substantially the number of indicators used in the log frames and focusing on those directly related to core objectives. It should incorporate a requirement for analysing cost-effectiveness and look at ways to support work on assessing development impact and sustainability, neither of which have so far been adequately addressed.

**Box 3: Social exclusion – building evaluation into DFID’s policy work**

Social Exclusion was one of the first of the new DFID policies to anticipate the need for better monitoring and to take steps to build evaluation into the design and implementation process. Other policy areas that did the same included budget support, gender, HIV/AIDS and more recently we are also looking at climate change, growth and aid for trade among others.

After the Policy Paper was published, an Implementation Plan was developed to track and monitor policy implementation across the organisation. DFID’s Policy and Research Department additionally commissioned consultants to develop an evaluation framework and preliminary baseline, in anticipation of a full Evaluation of progress projected for 2010.

This work was further developed in 2006/07 in an Evaluation Department working paper – *Evaluating DFID’s work to Tackle Social Exclusion: Baseline, Framework and Indicators*.

## DFID COUNTRY PROGRAMME EVALUATIONS

27. DFID established a rolling programme of country evaluations (CPE) in 2005, recognising the importance of country level strategies both in terms of decision making and accountability. In total, the CPE programme has covered 11 countries and regions over the past 18 months. This section focuses on five recent country programme evaluations, highlighting strengths and weaknesses, progress on harmonisation and key lessons:
- Indonesia (September 2007)
  - Nepal (October 2007)
  - Pakistan (April 2008)
  - Zambia (May 2008)
  - Sierra Leone (Oct 2008)
28. Annual synthesis reports are prepared. Box 4 summarises the findings from the 2006/07 synthesis. The 2007/08 Synthesis, summarised in Box 5, focuses on Regional Programme Evaluations carried out between 2006 and 2008. The theme for the 2008/09 Synthesis will be working in fragile situations, and will draw on recent and on-going CPEs – for example, DRC, Ethiopia and Afghanistan – that will provide a body of evidence on DFID’s work in fragile states. This will be reported on in my next Annual Report.

29. We are piloting a new approach within our CPE series to carry out joint country programme evaluations, reflecting the trend towards Joint Assistance Strategies to harmonise and align aid programmes. The first of these is underway among the four major donors in Bangladesh (the World Bank, Asian Development Bank, Japan and DFID). The main evaluation mission took place in September and the report is due next year, it is expected to provide lessons for how we tackle similar evaluations elsewhere.



*Outdoor classroom in Nepal*



#### Box 4: Synthesis of Country Programme Evaluations 2006-07

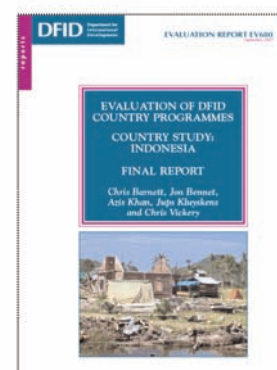
1. This synthesis of five country programmes (Vietnam, Kenya, Russia, Indonesia, West Bengal state) identified a number of *common strengths* across DFID programmes, including:
  - Innovative approaches and using new instruments to deliver growing volumes of aid in non-aid dependent countries.
  - Providing a strong corporate policy framework and direction on aid effectiveness and harmonisation.
  - DFID's relationships with partner governments matured over the evaluation period, partly linked to the graduation process.
  - DFID's decentralised decision-making structure is seen as strength and a key contributor to its flexibility. DFID is consistently commended for strong advisory and programme teams, who are professional, innovative and provide intellectual leadership on key development issues.
  
2. The report also highlighted *five themes* – DFID's analysis and planning in environments where Government is likely to change, scaling up, graduation, ways of working in the public domain and working in partnership. Some typical findings are:
  - While analysis of political economy has improved, DFID's country assistance planning lacks good forecasting and scenario analysis, [including] ...possible consequences of changes in national leadership. DFID risks being driven by shorter-term political factors ... decisions need to be grounded in longer-term analyses.
  - Scaling up has often been a strategic decision rather than one driven by good evidence of relative impact and effectiveness.
  - Where DFID has remained committed despite reform seeming elusive, it has been able to influence important reforms and offer strong results.
  - DFID's comparative advantage in policy influencing was derived from high quality analytic inputs and long-term engagement. A focus on both supply and demand side governance has shown good results with the participation of non-state actors
  - DFID's Good Practice Principles for transforming or closing bilateral programmes contain good advice on communicating graduation plans to recipient governments as far in advance as possible... a number of DFID's country level successes are the result of long term bilateral engagements which have demonstrated results and helped build networks and political capital sufficient to influence policy change.
  - The CPEs find that policy engagement is likely to be effective when: it promotes evidence-based policy-making; non-state domestic stakeholders are involved; it is targeted, sequenced, and long-term; and it is based on clear channels of communication.
  - (In Vietnam) General Budget Support (GBS) helped cover the cost of implementing reforms in priority sectors and provided a platform for policy dialogue. But targeted assistance in specific sectors showed better potential for policy influencing at operational level.
  - DFID has often been instrumental, as in Vietnam, in building consensus in the donor community... time dedicated to dialogue and coordination with other development agencies has increased...Influencing skills have become essential, as well as advisory inputs. Limited access to advisory inputs at senior level has proved an obstacle in many CPE countries. Recognising their contribution as a development rather than administrative cost may help.

### Box 5: Synthesis of Regional Programme Evaluations 2007-08

1. This synthesis of four regional programmes covers Caribbean, Central Asia, South Caucasus and Moldova (CASC), Western Balkans and the interim evaluation of Latin America. While only accounting for a small proportion of DFID's overall expenditure these regions cover a significant number of countries and key regional relationships.
2. The report considers six aspects of regional working: the rationale for taking a regional approach; developing regional strategy; the efficient delivery of regional programmes; achieving impact through multilateral engagement; working with Middle Income Countries through Regional Programmes, and policy impact at the regional level.
3. Overall, the evaluations found that it was appropriate to develop a regional strategy in **Latin America** where continued bilateral engagement with a small group of countries is no longer cost effective or appropriate given the significant number of middle income countries and where policy engagement at the regional level can play a catalytic role; **Western Balkans** where there is a single agenda of support for EU accession which will fundamentally change the nature of regional relationships; and **The Caribbean** with its strong regional identity and historic UK engagement that will continue but which will benefit from a more cohesive framework. It was less appropriate for **CASC** where there is no longer a strong regional identity that relates to DFID's presence and where the agendas are increasingly bilateral, or at best sub-regional in nature.
4. Key findings and lessons include:
  - a. Taking a regional approach requires a regional perspective which is more than a set of regional objectives and includes a sense of regional identity, a common agenda, shared perceptions and context.
  - b. The importance of thorough political and institutional analysis of regions, regional institutions and the relevance and likely impact of regional approaches, in particular when moving from bilateral to regional programmes.
  - c. Planning and management of human and financial resources should be directly linked to the regional strategic objectives, recognising, in particular, importance of skills around partner engagement and policy dialogue.
  - d. Regional plans should have results frameworks, and monitoring and evaluation strategies that effectively track progress and provide feedback to improve implementation.
  - e. Engaging strategically with key multilateral partners on a regional, as opposed to country, level, noting where this has worked well and where it could be improved. This is important as DFID moves to a more regional approach in some areas of our work and in dealing with regional issues such as trade and climate change.
  - f. The evaluations found that the mainstreaming of corporate policies, including gender and social inclusion, at the regional level were not effectively addressed.

## Indonesia

30. This study of DFID's work in Indonesia from 2000-06 provides several case studies of very distinct aid instruments, none of which are budget support or sector wide approaches. For example, the Multi Donor Fund (tsunami), the Low Intensity Partnership (in health), the Decentralised Support Facility (DSF) approach to harmonisation and the innovative Multi-Stakeholder Forestry Programme (MFP).



31. Over the years DFID has had a relatively small programme in Indonesia. In 2004 the programme was rapidly scaled-up, in part due to the response to the tsunami and Java earthquake, but also as a consequence of new strategic direction. The country strategy is clearly focused and strongly aligned to the national context, especially in health and humanitarian and recovery assistance.



32. Harmonising donor practices has been rather slow in Indonesia, although with notable exceptions through the tsunami Multi-Donor Trust Fund (MDF) and the positive signs for the HIV/AIDS Indonesia Partnership Fund (IPF). In both cases, harmonisation appears to have been more effective where there is (i) a clear single agenda around which to harmonise; (ii) strong government leadership on this agenda; and (iii) a clear institutional setup which creates a single interface with government.



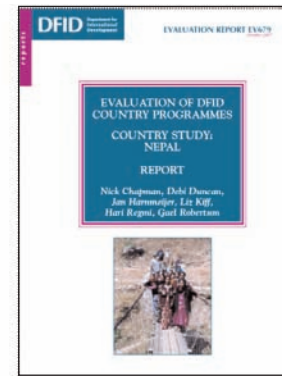
### Indonesia Partnership Fund for HIV/AIDS

33. Amongst others, the evaluation recommended:
- a need to consider different options for mitigating and managing risk as the portfolio becomes more risky and dependent on fewer interventions
  - ensuring that off-target MDG progress in health build on the early promise of initial investments through longer term funding

- ensuring that the scope and objectives of Institutional Strategy Paper funding for UN and Red Cross Agencies are better understood by country offices and that partners are able to demonstrate added value of this core funding to better performance on the ground
- taking a strategic approach to developing cross-Whitehall working.

## Nepal

34. This study of DFID's work in Nepal from 2001-06 was the first country evaluation we had done in a fragile state experiencing a major conflict. A key theme was that DFID Nepal employed a range of innovative approaches to enable development to be safely delivered in conflict-affected areas, which made the programme a key learning model for DFID's work in fragile states.



35. In the area of peace-building, DFID had been influential both in keeping Nepal's conflict on the international agenda and evolving conflict-sensitive approaches to allow development work to continue in conflict-affected areas.
36. DFID's efforts to improve harmonisation had been constrained in a donor environment that was generally disjointed, where conflict has caused differences of approach and disrupted ongoing coordination, and where the Government had not taken a sufficiently strong lead.
37. The evaluation noted several strengths of DFID's work in Nepal: its early alignment with national processes and then its leadership in addressing conflict, its consistency in pursuing sector wide funding and its innovative approaches particularly in risk management, maternal health and community empowerment. In terms of weaknesses, there was a lack of focus on learning from project and field experiences to feed into policy and strategy development, and poor aid predictability towards the latter part of the review period.

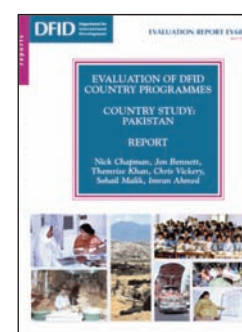
*Nepal: A key learning model for DFID's work in fragile states*

## 38. Lessons for DFID included:

- The window for supporting peace processes is almost always short, so DFID's actions need to **produce results quickly** and with few bureaucratic procedure
- It is possible is possible to work on sector wide approaches within a fragile state situation... yet it is also important to **ensure that the vulnerable are protected** and key MDGs met including critical interventions being delivered through direct funding.
- DFID management should appreciate the **consequences of significant budget cuts** on beneficiaries and the need to sustain involvement and exit more carefully to maximise impact and not cause loss of credibility.
- Putting in place an **appropriate risk assessment** and management system is a valuable tool to ensure safe and effective work in a conflict setting. Nepal's model is one that others working in a conflict setting can usefully draw on.

## Pakistan

39. In recent years a strongly renewed sense of Pakistan's geo-strategic importance has led to increased diplomatic contacts, and, for some counties, increased assistance. The UK has been the fifth largest donor in recent years with assistance increasing from £43m to £101m a year. In October 2005 an earthquake struck Pakistan killing or seriously injuring 150,000 people and leaving nearly 3 million without shelter. DFID participated in a major international response.



40. The evaluation found that "...despite the difficulties of working in a poorly coordinated aid environment, DFID Pakistan can take credit for improving aid effectiveness in four areas: donor harmonisation, public expenditure management, health and earthquake reconstruction". DFID's strategies were well-aligned to national poverty strategies and built on strong analysis but were not well prioritised.
41. Strengths included: good alignment to the Paris Declaration Principles and to Government of Pakistan's priorities, substantial and generally good quality technical assistance, good analysis of poverty, social exclusion and devolution, high quality in-country presence, attempts to improve development partner harmonisation in a difficult environment, and swift and flexible response in the post-earthquake emergency phase and well-aligned and substantial support during reconstruction. Noted weaknesses include: need to balance increased move to budget support with other instruments to spread risk, reduced emphasis on rural development, inadequate interaction with civil society, slow development of monitoring and evaluation systems, communication weaknesses resulting from inadequate institutional analysis of partners.

42. Some of the broader lessons for DFID, were:

- Where a development intervention is also contributing to **security agendas**, this should be made explicit. Project documentation could have a section addressing how an intervention may deliver such indirect or non-developmental result
- DFID's **overseas staff posting system** needs to deliver the right expertise more speedily in order to address gaps in crucial sectors.
- Be more aware of the **wider political / security context** of its interventions and influencing work



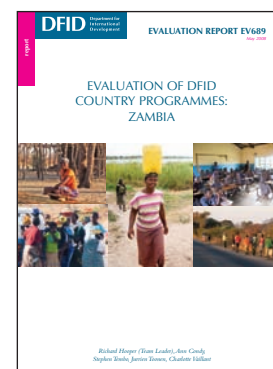
*Girl orphaned after Pakistan earthquake*

The Pakistan summary report can be found at:

[www.dfid.gov.uk/aboutdfid/performance/files/ev687s.pdf](http://www.dfid.gov.uk/aboutdfid/performance/files/ev687s.pdf)

## Zambia

43. Zambia has turned a corner since 2000, with improved economic prospects and positive changes in the political climate. However, the challenges remain huge, especially in human development, HIV/AIDS, rural development and governance. DFID, which opened a Zambia country office in 2001, has been one of the lead bilateral donors – the bilateral programme totalled £181m for the evaluation period (Mar 2002 – 2007) and in addition the UK provided £213m of debt relief.



44. The evaluation found that DFID's interventions were generally effective: "DFID has 'punched above its weight' in influencing the pro-poor direction of national policy and the coordination and allocation of donor resources, in excess of the value of its own programme." DFID Zambia has delivered well on its commitment to enhance aid management and efficiency, playing a core role in supporting Zambia's impressive progress under Paris Declaration principles. For example, DFID played a leading role in transforming the relationship between the government and donors under the Joint Assistance Strategy.

45. In addition to strengths demonstrated around Paris principles, the DFIDZ programme's strengths include: good understanding of developmental, economic, political and governance challenges, high quality policy and technical advice, willingness to take on high risk interventions in response to emerging opportunities, strong commitment to budget support and programme based approaches and good working relationship with FCO across a range of developmental issues. Weaknesses include: risks, and potential lost opportunities, around the push towards budget support, perception by some partners that DFIDZ is pushing particular solutions and not as good at listening and adapting as it is at advocating.
46. Recommendations from the evaluation include: develop an effective performance management framework for the country programme and ensure overall progress reviewed at least annually, further strengthen political economy analysis, develop standard approach to evaluating performance of donor partners within the joint assistance strategy, work with other donors to ensure better, more rational overall donor resource allocation, undertake joint impact evaluations for key policy advice, strengthen communication of DFIDZ policy and objectives to partners and public. More general recommendations were to address issues of multilateral efficiency through consolidated national engagement at board level and to hold country offices rigorously accountable for regular and effective reporting of progress.

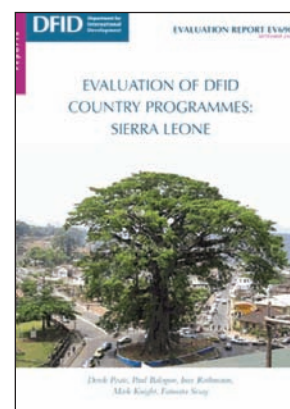
***DFID punched above its weight***

Summary report can be found at:

[www.dfid.gov.uk/aboutdfid/performance/files/ev689s.pdf](http://www.dfid.gov.uk/aboutdfid/performance/files/ev689s.pdf)

## ***Sierra Leone***

47. The evaluation covers the period following ten years of instability and civil war in Sierra Leone, ended with the help of military intervention by UK forces. Since then there has been political stability and successful economic growth averaging over 7% per year; although the country is unlikely to meet any of the Millennium Development
48. Goals (MDGs) by 2015. DFID is the largest overall donor and has worked within a Long Term Partnership Agreement signed in 2002. The programme was managed from London until 2005 when an office was established in Freetown.



49. The security sector reform work had been described by reviewers as ‘cutting edge’, learning lessons and developing policy that has since been applied elsewhere. DFID has made a significant contribution to the restoration of peace and stability across Sierra Leone. Cross Whitehall coordination has developed and worked well according to officials from the Foreign and Commonwealth Office (FCO), Ministry of Defence (MOD) and DFID. Harmonisation has been less effective and there was some lack of clarity about how departmental strategies fit together.



50. Despite working in a poorly harmonised aid environment, DFID Sierra Leone can take credit for improving aid effectiveness. The major potential gains have come in terms of increased harmonisation with other donors and the move into the use of pooled funding and multi-donor trust funds.
51. The objective outlined in the 2003 Memorandum of Understanding of a genuine partnership between the UK government and the Govt of Sierra Leone, with clarity in terms of expectations and conditionality, and with mutual accountability had not been achieved.
52. DFID Sierra Leone has been well regarded in a number of ways: responsive to government demands, systematic work on donor harmonisation and use of pooled funds and multi donor trust funds, effective cross-Whitehall working, decision to use general budget support. Important weaknesses include: need to progress cross-Whitehall co-ordination from information sharing to joint analysis, and an inability to recruit experienced Sierra Leone staff into authoritative advisory positions.
53. The main lessons and recommendations included, for DFID Sierra Leone:
- The importance of **a joint approach** with the FCO and other UK government departments engaged in Sierra Leone
  - The need for an **exit strategy** for moving project implementation units and technical assistance on enhanced salaries to migrate into capacity building for the civil service, and
  - That a more broad-based and politically sensitive approach for **fighting corruption** should be explored with a stronger emphasis on tackling the effects on poor people; and for DFID more generally:
  - To **develop capacity** to make better use of political economy analysis in country programmes; and



- There was potential for learning from the Sierra Leone experience in **capacity building** arrangements in key civil sectors such as health and education.



*Polling Staff, National Elections, Sierra Leone*

Summary of the report can be found at:

<http://www.dfid.gov.uk/aboutdfid/performance/files/ev690s.pdf>

## EVALUATIONS BY PARTNERS

54. Much of the evaluation evidence that DFID can draw on is commissioned by partners, rather than DFID itself. This section briefly highlights key findings from five recent evaluations carried out by other development agencies which we think are particularly interesting on content and/or methods and which illustrate the range of evidence that DFID can draw on from studies commissioned by partners :

### *Primary education in Uganda and Zambia – two impact evaluations by the Dutch Policy and Operations Evaluation Department (IOB).*

55. These sector level studies focused on a key area for delivery of the MDGs.
56. The **Uganda** study found evidence of enormous progress in improving access to primary education, and that the Sector-Wide Approach and later budget support contributed to the successful implementation of two development plans and the introduction of Universal Primary Education. However, it also found that the quality of primary education remains poor and absenteeism and dropout pose serious threats to the efficiency and effectiveness of primary education. Decreasing effectiveness of interventions poses a real threat to measures aimed at improving the quality of education. A focus on agreed targets may lead to neglect of underlying inequalities. It concluded that it is important that the Govt of Uganda and its development partners have realistic expectations of the possibility of improving both access and quality at the same time.

57. The main lesson for future policy is one about effective management of schools – that although investments in teachers, classrooms and books are effective in raising quality, improving district and school management is key, including the importance of teacher absenteeism and its effect on pupil absenteeism, repetition and dropout. The study also highlighted the implications of high population growth for demands on the school system and the need for planning of capacity.
58. The study in **Zambia** had some similar messages, pointing to progress on access but issues of management and quality.
59. It found that in no more than six years, Zambia has made enormous progress in improving access to primary education and the sector-wide approach with pooled funding, was a condition for the successful implementation of free basic education. It found, however, that while investments in schools, teachers, classrooms and books are desperately needed, they could be more effective – for example management, monitoring and accountability structures could be improved.
60. The issue of trying simultaneously to increase the level of enrolment and to maintain or improve quality is again highlighted, and the quality of basic education remains low with variable results. The study found that the education policy has been pro-poor, although the distribution of investments and access is not.

### ***Impact of Deworming on school absenteeism in Kenya – a randomised evaluation from the Poverty Action Lab***

61. A different type of evaluation is now becoming increasingly popular—using randomized treatment and comparison groups like in medicine to test the effectiveness of specific interventions. In a review of all the randomized evaluations measuring different approaches to [improving children’s attendance at school]/[reaching the goal of universal primary school enrolment] the respected Abdul Latif Jameel Poverty Action Lab at MIT found that by far the most cost effective approach was the mass treatment of parasitic worms which infect 400 million children world wide. The evaluation of deworming in Kenya found child absenteeism dropped by 25 percent and cost just 50 cents per child per year. Similar impacts of deworming have since been found in other countries and contexts

### ***Environmental Sustainability – Evaluation of World Bank Support***

62. The Independent Evaluation Group of the World Bank looked at the Bank’s support to the environment from 1990 to 2007. The key messages included:
  - Environmental damages and the dangers of climate change worldwide are a central threat to economic growth and poverty reduction....

- While the Bank has been a leader in calling for environmental sustainability... it has not been able to integrate environmental stewardship centrally or integrally into its programs, incorporate them as requirements for sustainable growth and provide lending for environmental priorities – often because of lukewarm interest from the countries.....
- Operational teams need to collaborate more effectively across sectoral boundaries and build stronger skills in vital environmental areas, from pollution control to biodiversity conservation...
- The three parts of the World Bank group needs to improve substantially their ability to assess the full environmental impacts of their interventions.'

### *Synthesis of Evaluations of HIV/AIDS Assistance – Ministry of Foreign Affairs, Denmark*

63. This short but very useful synthesis from Denmark looked in depth at 38 evaluations of HIV and AIDS that met pre-defined criteria such as timeliness, geographical and organisational focus, type of intervention and methods used. Many of the studies (25 out of 38) were of prevention interventions, reflecting the mix of the earlier programmes on HIV/AIDS during the 1990s before treatment became a viable option.
64. The study highlighted a 'missing middle problem' with recent practice in evaluating HIV interventions for prevention. Most donor evaluations of HIV and AIDS were based on desk reviews plus case studies and interviews – very few established a baseline, collected primary data or included a control group to measure effects.
65. There was a very limited focus on cost, cost-effectiveness and sustainability. Most M&E effort remains focused on outputs with few attempts to link programme output to outcomes and impact, partly because expected outcomes overlap across programmes and overall impact is typically measured at national level. A tendency among donors to focus on broad national indicators makes it virtually impossible to assess and improve the effectiveness of the mix and size of the programmes and to prioritise between them.
66. The Danish study also summarised recent evaluations on Anti Retroviral treatment (ARV) – focusing on issues such as sustainability (concerns over dependency on donor funding if priorities were to shift), adherence (most studies have shown remarkably high adherence rates in developing countries, comparable with or better than in OECD countries), risk behaviour (limited evidence on this with one review of three studies finding that people on ARV had reduced risk behaviour) and equity.

67. Finally, the study looked at evidence on impact mitigation and donor coordination. Most studies on impact mitigation focused on economic impact, but fewer studies on other important areas such as the effect of workplace interventions. Only one donor evaluation specifically addressed the concerns of orphans and vulnerable children, and none looked at human rights. The synthesis highlights the importance of better evidence on donor coordination and collaboration, particularly in relation to harmonisation and alignment of the big HIV/AIDS initiatives. Here again there were relatively few studies available to draw on that had been completed.

***Managing aid exit and transformation: a joint donor evaluation by four donor countries (Denmark, the Netherlands, Norway and Sweden)***

68. This study looked at country studies in Botswana, Eritrea, India, Malawi and South Africa, including 14 exit cases. It has some interesting lessons of wider interest to other donors including DFID and it is useful to see this alongside lessons from DFID country evaluations such as Russia where similar issues have come up.
69. The study concludes that although the number of exits is increasing (as donors concentrate bilateral aid on fewer countries and sectors), planning for a proper exit and handover, and thus sustainability, is the exception rather than the rule. Because donors work in fragile states where development is often linked to security and foreign policy concerns, politicisation and ‘force majeure’ type exits do occur.
70. The study identifies a number of critical factors for good exit management, including the need to take communication seriously, to involve stakeholders, to set realistic timeframes, to respect legal obligations and commitments and to be flexible.

## ANNEX 2:

## EVD SUMMARY OF ACTIVITIES: 2007-08

Table 1: Thematic evaluations

| Topic                             |   | Publication | Evaluation team   | Commissioning agency  |
|-----------------------------------|---|-------------|-------------------|---|
| Paris declaration – phase one     | <a href="#">Synthesis</a> and 18 case studies   | Aug 2008    | Kabell Consulting | DAC network – led by Denmark                                      |
|                                   | <a href="#">DFID donor case study</a>   | Sep 2008    | Agulhas           | DFID  |
|                                   | <a href="#">Statistical capacity building</a>   | Aug 2008    | OPM               | Joint evaluation led by UK  |
| EU Development Assistance         | <a href="#">Coordination, complementarity and coherence in EU assistance (3Cs)</a>      | Nov 2007    | ECDPM             | Joint evaluation led by Sweden and EU                             |
| Fragile states                    | <a href="#">Fragile and conflict-affected situations</a>                                | Sep 2008    | OPM               | Joint evaluation led by UK  |
|                                   | <a href="#">Fragile states – DFID mapping study</a>                                     | Sep 2008    | Agulhas           | DFID  |
| Citizens Voice and Accountability | <a href="#">Synthesis</a> and 4 case studies  | Aug 2008    | ODI               | Joint evaluation led by UK  |
| Social Exclusion                  | Stocktake of DFID policy on social exclusion (preparing for evaluation)                 | Oct 2008    | PARC              | DFID  |
| Public Financial Management       | <a href="#">Literature review</a>   | Jun 2008    | Nicolas Pretorius | DFID  |
| Private sector infrastructure     | <a href="#">Evaluation of DFID's investment in private sector investment facilities</a> | Mar 2008    | WSP               | DFID  |
| Measuring policy dialogue         | <a href="#">Evaluation of pilot in 10 DFID departments</a>                              | July 2008   | PARC              | DFID  |
| Anti-corruption                   | Joint evaluation – pre-study  | Aug 2008    | Scanteam Oslo     | Joint evaluation led by Norway                                    |
| Malaria                           | Review of insecticide treated bednets   | Delayed     | Liverpool         | DFID  |
| Developing new vaccines           | Advance market commitments mechanism  | Oct 2008    | Goss Gillroy Inc  | Monitoring and evaluability study – jointly by DFID, Canada, GAVI |

Table 2: DFID Country Programme Evaluations

| Topic   |   | Country   | Date of publication |
|---|---|---|---------------------|
| DFID Country and Regional Programme Evaluations | DFID Country Programmes   | <a href="#">Synthesis</a> (2006-07):<br>Indonesia, Kenya, Russia,<br>Vietnam, West Bengal | Jan 2008            |
|   |   | <a href="#">Nepal</a>   | Oct 2007            |
|   |   | <a href="#">Pakistan</a>  | Apr 2008            |
|   |   | Ethiopia  | Ongoing             |
|   |   | <a href="#">Sierra Leone</a>  | Sep 2008            |
|   |   | <a href="#">Zambia</a>  | May 2008            |
|   | DFID Regional programmes  | <a href="#">Caribbean</a>   | May 2007            |
|   |   | Latin America   |                     |
|   |   | Central Asia, Caucasus,<br>Moldova  |                     |
|   |   |   | Western Balkans     |
| Joint Country Evaluation                        | UK, World Bank,<br>Asian Devt Bank,<br>Japan                    | Bangladesh  | Ongoing             |
|   | Govt of Uganda<br>(with support from<br>DFID Uganda and<br>EvD) | Uganda Poverty Eradication<br>Action Plan –<br>Independent Evaluation                     | July 2008           |

## Notes:

1. All DFID country and regional programme evaluations were commissioned through ITAD Ltd, using teams of specialists for each country.
2. The Uganda PEAP evaluation was commissioned by the government of Uganda. DFID's involvement was in providing co-funding and involvement in the international reference group.

Table 3: Other evaluation workstreams

| Area  |  | Timing            |
|---|--|-------------------|
| Independent Advisory Committee for Development Impact                                   | Provision of secretariat and drafting papers for committee   | Ongoing           |
| Evaluation policy and strategy  | Update of DFID policy and strategy including: <ul style="list-style-type: none"> <li>- policy and thematic evaluations</li> <li>- country evaluations</li> <li>- impact evaluation</li> <li>- multilateral</li> <li>- evaluation of programmes and projects</li> <li>- capacity building</li> <li>- conflict and humanitarian</li> </ul> | 2008              |
| Monitoring and evaluation audit   | Internal review  | 2007/08           |
| Partnership on evaluation networks: DAC, Nordic Plus, EU Seconded national expert in EC | Deputy chair of DAC, engagement in 4 networks  | Ongoing           |
|   | Constraints and opportunities for joint programming of evaluations   | Sep 2008          |
|   | DAC Guidance on evaluation methods and approaches for conflict prevention  |                   |
|   | Adviser based in Brussels  | 2 years           |
| Impact evaluation   | Network of networks on impact evaluation (DAC, UN and multilateral agencies)   | Ongoing           |
|   | 3ie – international initiative on impact evaluation (new funding agency)   | 2008/09 – 2011/12 |
|   | World Bank human development network – donor trust fund with Spain and UK  | 2008/09           |
| Communication and dissemination   | EVD communications strategy – implementation including publications and web pages  | Ongoing           |
| Evaluation training and capacity building   | DFID training & external capacity building   | Ongoing           |
| Evaluation resource centre  | Developing proposal for shared international evaluation facility   | Ongoing           |
| Global Fund for Aids TB and Malaria   | 5 year joint evaluation – DFID representation  | 2008              |

## DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

DFID, the Department for International Development: leading the British Government's fight against world poverty. One in six people in the world today, around 1 billion people, live in poverty on less than one dollar a day. In an increasingly interdependent world, many problems – like conflict, crime, pollution and diseases such as HIV and AIDS – are caused or made worse by poverty.

DFID supports long-term programmes to help tackle the underlying causes of poverty. DFID also responds to emergencies, both natural and man-made.

DFID's work forms part of a global promise to:

- halve the number of people living in extreme poverty and hunger
- ensure that all children receive primary education
- promote sexual equality and give women a stronger voice
- reduce child death rates
- improve the health of mothers
- combat HIV and AIDS, malaria and other diseases
- make sure the environment is protected
- build a global partnership for those working in development.

Together, these form the United Nations' eight 'Millennium Development Goals', with a 2015 deadline. Each of these Goals has its own, measurable, targets.

DFID works in partnership with governments, civil society, the private sector and others. It also works with multilateral institutions, including the World Bank, United Nations agencies and the European Commission.

DFID works directly in over 150 countries worldwide, with a budget of some £5.3 billion in 2006/07. Its headquarters are in London and East Kilbride, near Glasgow.

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