

Annex B. Peer learning country case studies

Country case study: Australia

In 2019, the OECD facilitated a peer learning exercise on innovation in development and humanitarian work to support member states working to transform their efforts and impacts. The peer learning mission took place in Canberra, Australia in November 2019 and focused on the Australian Department of Foreign Affairs and Trade (DFAT) and staff and partners. The peer learning facilitators involved were from France, New Zealand and the OECD Observatory of Public Sector Innovation (OPSI) Secretariat.

Innovation strategy plays out at a number of different levels in DFAT. They include:

- at the level of the whole of government (Australia Innovates agenda)
- department wide (as articulated in the 2017 white paper Opportunity, Security, Strength)
- the InnovationXchange (iXc) innovation programme (DFAT innovation strategy 2018-21 and related learning agenda)
- by technology area (e.g. cybersecurity or technology for development)
- by intervention (e.g. a particular innovation effort consisting of a package of interventions)
- by specific experiment (e.g. a particular pilot testing out new approaches).

There is a good level of coherence in messaging and concepts across these levels. The iXc-led innovation strategy is especially strong in terms of theories and assumptions about how innovation will contribute to institutional change and the focus on capacities (which has inspired OECD work, including the current peer learning exercise).

There are signs of an emerging overarching language that brings different innovation narratives together, as described in the 2017 white paper:

- new and adapted technologies
- new and adapted financial and business models
- new partnerships, collaborations and relationships
- new and improved internal working practices and processes.

Lessons on culture, capacity and mindset

The drivers of innovation are seen as clear, in terms of transforming practices and impacts, and these were seen as creating the space for innovation. The risk appetite for novel and experimental approaches varies considerably between teams, units, functions, embassies and partners.

There is good work by iXc to build capacity in innovation. Both technically oriented staff (in areas such as health, humanitarian and governance) and more process-oriented staff (in policy, evaluation and results) shared a strong interest in strengthening skills in specific innovation processes and mechanisms (e.g. running a challenge, brokering innovation partnerships) and general skills (e.g. thinking more creatively about existing challenges, thinking about and navigating complex problems).

Across teams and units such as procurement, development effectiveness and learning, there was a real sense of energy and enthusiasm to support innovation and there is positive work underway to create space and opportunity through design and procurement trials.

Lessons on organisation for innovation

Over the course of its existence, iXc has been seen alternately as owner, champion and enabler of innovation. The shift from being a 'vertical' implementer of innovation programmes and projects to a more 'horizontal' enabler of others' innovation efforts is an important transition and the enabling role is a vital one for the future innovation trajectory.

Staff across DFAT appreciate the role of iXc as a change maker, facilitator and provider of capacity and expertise. The investment in iXc over time is paying dividends and should be capitalised upon by DFAT as a whole, both in the context of the new aid policy and in the overall work on foreign affairs and trade. An analogy with human resource functions is pertinent: while human resources are undertaken by all staff, you still need a central team to support, steward and guide activities. While innovation belongs to everyone, there is an important role for iXc to play in strengthening the organisation, capacity and culture around innovation.

Lessons on collaboration for innovation

There are good and open relationships between DFAT, iXc and the wider Australian and global development innovation ecosystems – whether through bringing in private sector expertise, university and academic skills; other donors; or other Australian government agencies and innovation networks. It was especially good to see the number of individual innovators who have received support from iXc and related resources.

Lessons on the innovation process

The innovation programme as a whole has a very thoughtful and systematic approach to its theory of change, thanks to the 2018-21 strategy. There is a very welcome emphasis on testing, evaluating and learning at the level of iXc's overall innovation strategy. Few donors have explored their innovation work so frequently and consistently as DFAT.

Across DFAT as a whole there is a lot of enthusiasm for generating creative solutions to external and internal problems. A lot of informal work is done by individuals inside and outside the organisation who have personal experience of a particular challenge and are keen to identify novel solutions.

As well as focusing on developing ideas for innovation, there are emerging opportunities for embedding innovation in wider programme proposal processes. DFAT's innovation work has been very good at establishing a range of small-scale creative pilots in particular countries to address a range of development challenges as well as within the department itself on internal organisational processes. A few have reached regional scale, especially in the digital space and health data apps. A number of larger-scale programmes are working in highly experimental ways in terms of who they work with, how they work and what they do.

Through the work of iXc and its influence on the rest of the organisation – as well as the Australian government's wider interest and focus on innovation – DFAT has improved its ability to tell innovation success stories inside and outside the organisation. Particularly noteworthy is the attention DFAT's work has gained by winning awards for innovation. It is clear that development innovations capture the imagination of the wider Australian public service.

At the tacit level, especially within the iXc and among key collaborators across DFAT, there is a clear sense of the diversity of pathways to scale – whether through getting an idea taken up across a particular programme or across DFAT, or by a partner government, by private sector commercialisation, by open

source replication and so on. Many respondents and interviewees saw DFAT's role as helping 'make maps', and guiding innovators on the pathway to scale and in some cases re-shaping the enabling environment, or 'innovation ecosystem'.

Country case study: France

Background

In 2019, the OECD facilitated a peer learning exercise on innovation in development and humanitarian work to support member states working to transform their efforts and impacts. The peer learning mission took place in Paris, France in July 2019 and focused on both the French Ministry of Foreign Affairs and the French Development Agency (Agence Française de Développement, AFD) staff and partners. The peer learning facilitators involved were from Switzerland, the United Kingdom and the OECD Development Assistance Committee (DAC) Secretariat.

Lessons on strategy, leadership and management

In the Ministry of Europe and Foreign Affairs, the innovation agenda is driven by the sense that foreign affairs must become more open, creative and technologically savvy. These ideas were articulated by those working directly on innovation issues – whether the innovation team, or specific units such as the Office of the Ambassador for Cyber and Digital Issues.

Innovation is very much an emerging movement in the Ministry of Europe and Foreign Affairs, with a few bright spots and a number of significant successes in areas such as development, health, finance innovations and agricultural research. In AFD, innovation for development is the focus of concerted and rapid efforts. An emergent strategy has coalesced into an impressive start-up approach. Innovation was introduced formally into the AFD agenda in 2017. The department has made rapid and extensive progress, thanks to a coherent set of messages, clear senior management buy-in, and an energetic and dedicated team.

Lessons on culture, capacity and mindset

In the Ministry of Europe and Foreign Affairs, innovative approaches to diplomacy have traction and reinforce the overall innovation for development narrative. Innovation is a part of its overall advocacy and influencing work.

In AFD, innovation has captured leaders' imaginations and ideas, and is seen as speaking to the future of the organisation. There is evidence of enthusiastic, skilled, critical self-reflection around innovation. There is also a conscious effort to build the capacity of staff through formal training and mentoring, targeting both those who have received innovation funds through the intrapreneur scheme and those interested in innovation and design more generally.

Lessons on organisation for innovation

In the Ministry of Europe and Foreign Affairs, the development policy team focuses on different aspects of innovation, playing an advocacy role at the international level, an arms-length enabling role for the ecosystem and a more direct catalytic role for specific changes.

In AFD, the innovation unit plays an active role, engaging with internal departments and innovators based in headquarters and country offices. The innovation unit is also building a diverse portfolio in terms of thematic areas and the focus of each effort.

Lessons on collaboration for innovation

Extensive work is being done in the Ministry of Europe and Foreign Affairs to cultivate and connect innovators in the French ecosystem with actors in developing countries and to support specific ecosystems in developing countries. This means building relationships with decision makers; designing targeted events and workshops to spur new international partnerships; organising missions to familiarise innovators, researchers and companies with new opportunities; matching individuals, institutions and companies with international partners; and acting as an international portal for the French innovation system.

In AFD, collaborations are instrumental, and geared towards specific innovation processes and potential partners to take those new ideas forward.

Lessons on the innovation process

The Ministry of Europe and Foreign Affairs is working in different sectors to understand innovation systems, spot opportunities for and barriers to novel approaches, and communicate them to interested organisations.

The Ministry of Europe and Foreign Affairs is actively working to scale ideas from within the French innovation ecosystem that might have traction in developing country contexts, many of them digital in nature. Work is underway to develop, co-develop or identify external resources to help secure and scale promising collaborations and find ways to accelerate innovation processes. The ministry is also looking for ways to better support the commercialisation of research and build international partnerships that create global opportunities for innovative ideas.

AFD uses a range of approaches to identify problems and establish how best to work on them. Some of these are competitive internally and externally and there is a clear focus on identifying and working with the best ideas. There are also numerous examples of working with end users and new stakeholders – including poor communities, municipal authorities or private sector organisations in developing countries.

AFD has well-developed practices to design pilot programmes and to win support and engagement across the organisation. This involves articulating a clear, step-by-step process for innovation efforts to show how they can go from an initial idea to having an impact on the organisation.

Country case study: Sweden

Background

In 2019, the OECD facilitated a peer learning exercise on innovation in development and humanitarian work to support member states working to transform their efforts and impacts. The peer learning mission took place in Stockholm, Sweden in October 2019 and focused on both the Swedish Ministry of Foreign Affairs and the Swedish International Development Agency (Sida) staff and partners. The peer learning facilitators involved were from Canada, Iceland, the Netherlands and the OECD DAC Secretariat.

Lessons on strategy, leadership and management

Sweden is in the leading tier of innovation donors. Through Sida it is involved in many joint efforts to strengthen innovation for development as a global public good, such as the Global Innovation Fund, Grand Challenges initiatives and sector-wide innovation-driven efforts in energy and health. It has also played an important role as the first mover on a number of transformative development innovations, from cash to microfinance to new vaccines.

At senior level, there is a vision of what innovation can amount to, whether it is transforming efforts to achieve the United Nations Sustainable Development Goals or supporting national innovation ecosystems to enable truly locally led development. Across the Ministry for Foreign Affairs and Sida, there is a sense of positivity and optimism about innovation, which is shared by other governmental actors in the Swedish innovation ecosystem.

Lessons on culture, capacity and mindset

There is a long-held sense that Sida and the Ministry for Foreign Affairs culture is open and flexible, and can create a space for innovation, as well as being receptive to new modalities and capacities, such as agile and adaptive management, that support innovation.

Sida is perceived internally – as in the donor and wider development community – to be open to ideas and principles of being a ‘learning organisation’.

Across Sida and the Ministry for Foreign Affairs, innovation underpins the things staff members are most proud of in their work. This extends beyond innovations that individuals have worked on directly – there was a clear collective sense of achievement from innovation efforts.

Lessons on organisation for innovation

Internally, a range of mechanisms and efforts support innovation, including the research portfolio, challenge funds and specific initiatives such as Power Africa.

There are numerous examples of individual development and humanitarian change agents working out of both the Ministry for Foreign Affairs and Sida who have followed their passion to make innovation count – from the technological (solar power for refugee camps) to the social (behavioural approaches to tackling women’s economic empowerment).

There is also a genuinely supportive environment internally – in terms of flexibility, effectiveness and doing things better – and externally – in terms of the innovation landscape in Sweden and the broader political support for innovation in Sweden.

Innovation capacity strengthening is informal and tacit, relying on social networks, or down to individual educational histories.

Lessons on collaboration for innovation

Within challenge funds, the private sector is held by respondents to be the ‘partner of choice’. Sida is also a natural partner for academics and researchers because of its reflective culture.

The Swedish donor system is highly collaborative when it comes to other donors. Many of the large-scale efforts have come from working with others: Global Innovation Fund, Power Africa and challenge funds.

Many parallel innovation programmes work with the same partners, so there is scope to bring partners together across the portfolio as a whole.

Lessons on the innovation process

At the outset of specific innovation initiatives, there have been efforts to engage with Swedish, international and national stakeholders – ranging from the private sector to civil society and other donors – to learn about their ideas.

When it comes to developing innovative solutions to development and humanitarian problems, in both the Ministry for Foreign Affairs and Sida there is a growing movement to hear and listen more to other stakeholders, especially in the wider Swedish innovation ecosystem.

The Sida Lab is a promising new development with the potential to take forward a number of these areas. Specifically, the Sida Lab is intended to be a support structure for innovative initiatives such as new modalities or forms of co-operation across Sida including embassies, who can apply for funds and technical advice. The specific focus is on initiatives with the potential to speed up the implementation of Agenda 2030, in particular those initiatives which emphasise experimentation, co-creation and continuous learning with partners.

Externally, Sida and the Ministry of Foreign Affairs take into account aspects of innovation ecosystems in their work; for example, investing research systems across Africa or on all the components of innovation in a country such as Rwanda, from development programming, research investments, private sector investments, PhD scholarship schemes and digital capability strengthening schemes.

Country case study: United Kingdom

Background

In 2019, the OECD facilitated a peer learning exercise on innovation in development and humanitarian work to support member states working to transform their efforts and impacts. The peer learning mission took place in London, England in July 2019 and focused on the Department for International Development (DFID) staff and partners. The peer learning facilitators involved were from Australia, Austria and France.

Lessons on strategy, leadership and management

There are many co-existing narratives on innovation, with a highly decentralised approach to undertaking innovation efforts, in keeping with other areas of DFID's work.

Greater clarity on how innovation issues feed into and are decided on at the senior levels of the organisation would be a valuable means of strengthening innovation governance.

At middle management level, and within specific teams and units, levels of support and enthusiasm for innovation for development are high.

Lessons on culture, capacity and mindset

Aspects of DFID's organisational culture support the innovation for development agenda. Staff with entrepreneurial mindsets and mentalities can pursue their intrinsic motivations for being in international development and humanitarian work, and for many this means finding creative and novel solutions to long-standing problems.

There is an open-minded, evidence-based culture where questioning is encouraged at all levels. This is further facilitated by DFID's work on adaptive management and the opportunity for staff to tap into support structures to design and implement programmes much more flexibly.

Among the converted, there is a strong shared belief in the potential of innovation to improve development and humanitarian practices and results. Internally, programmes with innovation components are widely shared and celebrated, and in turn build support for innovation.

Operational functions – such as compliance, legal and procurement functions – enable innovation because of informal relationships and trust between would-be innovators and relevant staff. There is scope to build on informal good practices with systematic adjustments to structures, processes and procedures.

Lessons on organisation

Innovation is a set of highly dispersed and diffuse approaches undertaken by the Research and Evidence Division, the Emerging Policy and Innovation Capability team in Policy Division, country offices and technical cadres.

Innovation is organised along similar lines to specific themes within development (such as climate or gender) which needs to be mainstreamed, as opposed to a core organisational capability or ambition (such as strategy, value for money or accountability). Internally, personal alliances play a central role in joining up work and making it coherent.

Lessons on collaboration for innovation

The private sector is a key partner of choice and there is also some engagement with existing partners such as civil society, the United Nations and international financial institutions.

There is growing awareness of the need for appropriate business models for developing, testing and scaling effective innovations and work is underway to develop public private partnerships for innovation.

DFID is exemplary when it comes to working with other donors in pursuit of innovation – for example, working on joint challenge funds, developing new principles in areas such as digital, engaging with new and emerging areas for innovation such as disability inclusion, or tackling modern slavery.

Lessons on the innovation process

DFID is good at generating ideas and designing programmes and projects. There are very good technical skills among programme, research and advisory staff and the organisation puts a strong emphasis on good evidence-based design processes. Many innovation programmes are funded through the Research and Evidence Division. There is much scope for the Research and Evidence Division's advisors to identify innovation opportunities in an entrepreneurial fashion, to seek out possible areas for action and to use evidence to make the case for backing innovation approaches. Innovation problems are also identified in a meaningful way in country-level 'exemplar programmes' in innovation.

The mentality and mindset for undertaking pilots and experimenting are well established in DFID. The organisation supports these activities in various ways, though adaptive management, organisational agility and innovation management.

There is scope for further improvement of innovation governance processes across DFID departments as well as clarity on roles and responsibilities to further advance DFID's internal innovation capability and its investments in different forms of innovation to advance development outcomes.

DFID has a good system for testing, evaluating and learning. Although it is not perfect, as a donor DFID's evidence culture is relatively strong. There is a need for innovation in monitoring, evaluation and learning to best support innovation, which requires supplementing ex-ante and ex-post monitoring, evaluation and learning with more operational research approaches that support real-time and ongoing decision making and learning.

While the organisation engages with other donors, United Kingdom civil society, the private sector, academia and innovation intermediaries in a meaningful way, the role of actors from the Global south risks being overlooked and neglected.



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