Chapter 6: Results management and accountability of the Netherlands' development co-operation

Results-based management system

Indicator: A results-based management system is in place to assess performance on the basis of development priorities, objectives and systems of partner countries

The Netherlands is putting in place an ambitious new framework for tracking the impact of its development co-operation. The aim is to improve the use of information on its results for learning and decision making, as well as for accountability and communications. This is work in progress. The new framework should be flexible enough to align with partner countries' own results frameworks. More work is needed to measure results in the field, disaggregate data on target beneficiaries, and ensure clear links between Dutch programmes and impacts.

The Netherlands has high ambitions for improving how it tracks the impact of its aid

The Netherlands has identified a series of challenges in its approach to managing for results. It is now investing in building the culture, structures and systems for a vastly improved results-management system.

These challenges have included 1) the absence of an overarching results framework that can measure progress towards strategic goals as well as activities and outputs; and 2) fragmented information on results. As the Ministry of Foreign Affairs (MFA) acknowledges, "information is not available in one place, not always connected logically and often wrapped in countless memos and thick (paper) reports" (MFA, 2016).

Together, these gaps make it difficult to compile and communicate effectively the results of the Netherlands' development co-operation. This is despite the clear theories of change behind each of its priority themes.

An ambitious response to these challenges – still being developed and implemented – focuses on behaviour, knowledge, structure and resources. It is attempting to improve the use of information on results for learning and decision making, as well as for accountability and communications (OECD, forthcoming).[1]

The response centres on a new corporate results framework introduced in 2016. The framework is structured around 15 core indicators attributed directly to Dutch aid, which are organised by theme and result area (Table 6.1). The majority of indicators are outcome based 'reach indicators'.[2] The framework aligns with the 2030 Agenda goals and targets wherever possible. From 2017, the development co-operation budget will also be aligned with the indicators, filling the "missing middle" between policy objectives, budget and delivery.

Along with the framework, the MFA is creating new information technology systems for improving the availability, accessibility and utility of data, as well as for aggregating results. The MFA is also investing in training staff in results-based management. These are all steps in the right direction.

It will be important to ensure some flexibility is built into the new framework and that the aggregation approach does not become too compliance driven, start to influence programming choices toward meeting short-term targets over achieving positive long-term development impact, or impede learning. In addition, new results systems will need to incentivise, rather than hinder, alignment with partner country results frameworks. This can be achieved by flexibly linking the corporate framework with the new multi-annual strategic plans (MASPs), which should draw on partner country goals.

Measuring results is still challenging

The new corporate results framework will combine data from across the development co-operation programme and assess it against concrete baselines and targets. In partner countries, the Netherlands uses its MASPs to set out result areas. Although current MASPs do not include targets against results or set out how results will be measured, results are monitored annually on the basis of reports from all implementing organisations. Annual plan reports provide honest assessments of where MASP results are off track and the remedial measures needed. There are, however, the following challenges in how results are currently measured which will need to be rectified in the new approach:

- Weaknesses in measuring results in the field, including the reliability of baselines and other data. Court of Audit and IOB reports frequently cite these as problems. This could also be a problem when implementing partners feed their results information directly into International Aid Transparency Initiative (IATI) systems (see below)
- Indicators, targets and data are generally not disaggregated by sex, age and poverty (see Table 6.1, for example)
- Distinctions are not always clearly made between where the Netherlands is contributing to results or attributing results directly to Dutch support.

By way of illustration, in Bangladesh the annual plan contains a target of reaching 420 631 undernourished people. This figure gives no sense of gender or age, and does not specify whether they will be reached by Dutch government support alone or in combination with other partners.

A pragmatic approach to measuring results is needed in fragile contexts

In crisis contexts, access to project and primary data is limited, which curbs the Netherlands' ability to use a results approach to measure, learn, adapt and adjust. In these contexts, the Netherlands' pragmatic approach to empowering its partners could be combined with feedback mechanisms such as third-party monitoring and the newly tested portfolio reviews (Chapter 5).

The theory of change for the security and rule of law theme has introduced conflict sensitivity for fragile or crisis contexts, which is measured by the regional departments and embassies. The theory of change aims to look beyond strict output measurement to evaluate the Netherlands' contribution to transformative processes, while taking into account possible setbacks. A particularly strong area of focus is building legal institutions and processes. In fragile states, the Netherlands gives its partners great flexibility to adapt to evolving situations.

Table 6.1 Selected indicators from the Netherlands' results framework

Sample indicator	2015 result	2017 target	2020 target	Relevant SDG goal and target
Food and nutrition security result area: eradicating current hunger and malnutrition				
Number of people with improved food intake	18.1m reached in 2015	10m reached in 2017	20m reached in 2020	SDG 2 End hunger Target 2.1 (access to food) and 2.2 (nutrition)
Water result area: drinking water, sanitation and hygiene				
Number of people with access to better water sources	13.9m to date	1m reached in 2017	8m reached 2015-2020 (30m by 2030)	SDG 6 Clean water and sanitation Target 6.1 (drinking water)
Climate result area: renewable energy				
Number of people with access to renewable energy	1.9m	2.3m from 2015-2017	11.5m from 2015-2020 (50m by 2030)	SDG 7 Affordable and clean energy Target 7.1 (access to energy)
Women's rights and gender equality result area: strengthened capacity of civil society organisations (CSOs)				
Number of CSOs with strengthened capacity for promoting women's rights and gender equality	Not applicable	50 CSOs cumulative	350 CSOs cumulative	SDG 5 Gender equality (no applicable target)

Source: Adapted from "Ontwikkelingsresultaten in Beeld - editie 2016" [Letter to Parliament of 15 September 2016 presenting the digital report 'Development Results in Perspective - 2016 edition], Ministry of Foreign Affairs of the Netherlands, The Hague. www.rijksoverheid.nl/documenten/kamerstukken/2016/09/15/kamerbrief-inzake-ontwikkelingsresulaten-in-beeld-editie-2016.

Evaluation system

Indicator: The evaluation system is in line with the DAC evaluation principles

The Netherlands has a robust evaluation system, covering policy and operations, process and impact, and meeting a range of interests and needs. The independent policy and operations evaluation department, IOB, is internationally recognised and currently well resourced. It has the autonomy to select and plan evaluations. It supports activity evaluations conducted by individual departments and also works with partner countries. Efforts will be required to maintain the quality of the evaluation system in the long term.

High coverage and the independence of evaluations in development co-operation is ensured

The MFA has its own Policy and Operations Evaluation Department (IOB), whose evaluation policy and guidelines date back to 2009 and are aligned with the DAC evaluation principles from 1991. The IOB evaluates the implementation of the Netherlands' foreign policy, giving particular attention to relevance, efficiency and effectiveness, the sustainability of the results achieved, and consistency and coherence.[3] The IOB has 30 full-time staff, and also uses external evaluators.

The IOB is part of the MFA, including part of its Audit Committee, and is directly accountable to the MFA Secretary-General. However, it has a mandate from the House of Representatives and is operationally independent as it makes its own decisions on what to evaluate. There are other checks and balances to ensure the IOB's independence, such as the formation of reference groups with external experts for each evaluation and the external recruitment and continual rotation of IOB directors.

In addition to the work of the IOB, individual departments under the Director-General for International Co-operation (DGIS) are obliged to evaluate all activities that meet one or more of the following three criteria: (1) a financial value of more than EUR 5 million; (2) of strategic importance for achieving the objectives of a policy theme department; and (3) involving political risks and interests. The IOB has a help desk and conducts training for MFA staff in order to assist them to manage these evaluation processes.

A range of evaluation needs are being met, but there are risks to quality

The IOB has a total budget of EUR 2.5 million and produces 10 to 15 evaluations a year. It conducts policy reviews, combining an assessment of a specific policy area with a comprehensive analysis of a general or operational policy objective. For example, IOB is currently reviewing the integrated water management policy, in order to ascertain the impact of the EUR 700 million spent on water management activities in developing countries between 2006 and 2015. All ministries are obliged to conduct these reviews every five to seven years (OECD, 2016). The IOB also conducts impact evaluations that give insight into the results of policy over the longer term; synthesis studies; and specific studies at the request of the MFA or the House of Representatives.

In 2015, the IOB lost 20% of its annual budget and had to cut down on staff. Whilst the IOB is adjusting its priorities in light of these cuts, the Netherlands should take care to safeguard its internationally renowned quality and independence.

Programme and project evaluations are planned and budgeted by individual operational teams. A decision tree on when to evaluate and when not to evaluate is included in the project appraisal document. Whilst the IOB provides limited support to decentralised evaluations, it has in the past questioned the quality of evaluations carried out on behalf of embassies (Court of Audit, 2014).

Joint evaluations are being conducted

IOB evaluation reports are widely distributed through meetings and discussions in partner countries. In the past five years, approximately nine joint evaluations have been carried out with bilateral agencies and partner governments, such as the European Commission Evaluation Unit; line ministries in Mozambique, Nigeria, Tanzania and Zambia; and the University of Ghana (OECD, 2016). The IOB also participates in several international fora, including the OECD DAC Network on Development Evaluation and the European Evaluation Society.

Institutional learning

Indicator: Evaluations and appropriate knowledge management systems are used as management tools

Whilst the results-based agenda is still taking shape in the MFA, investment in knowledge and evaluation has long been a hallmark of Dutch development co-operation. To make full use of the solid evidence base for learning and making decisions, the Netherlands will need to further develop mechanisms to capture, share and follow up on learning across the institution.

Opportunities are being missed to use the wealth of knowledge and evidence in Dutch co-operation

Improved results practices, extensive evaluation activity and significant investments in knowledge partnerships create a potentially impressive evidence base for institutional learning within the Netherlands.

The MFA has three months to respond formally to IOB policy reviews through a "policy reaction" that is submitted to parliament and made public. There is evidence to suggest that the lessons from the IOB policy reviews are being used to enhance policy. For example, an in-depth policy review of the Dutch contribution to global drinking water and sanitation in 2012 elicited a commitment by the MFA to enhance knowledge and empirical research, to increase focus and consistency, and to strengthen the emphasis on poverty and sustainability (MFA, 2014a). It is not, however, clear how the MFA ensures consistent application and monitoring of these commitments. It is also not clear how and whether the IOB is able to ensure the evaluations are conducted at the most relevant point in the policy cycle, and whether lighter policy reviews could be more responsive to changes, without compromising on quality.

At the level of programmes and projects, there is less systematic dissemination of evaluation results and lessons, although the activity appraisal document requires design teams to describe how the results of evaluations and/or studies feed into project proposal formulations.

As described in Chapter 5, the MFA is also investing considerably in policy relevant research through knowledge platforms (established in 2012) and links with a number of universities. There is also a strong emphasis on knowledge in partner countries: in Bangladesh, for example, partnerships have been formed to build more evidence on sexual and reproductive health and rights (through the SRHR knowledge platform Sharenet) to better support policy dialogue and effective implementation (MFA, 2014b).

However, there is scope to strengthen internal mechanisms (including digital) to capture and apply learning from the extensive body of results information, research and evaluations. There is also scope to improve the use of evaluation findings, for example to inform new strategies and new designs. This is particularly the case for policy setting and country planning, where the Netherlands could reflect on assessments and evidence of what has worked and what has not worked at a strategic level, beyond individual projects. As observed in Bangladesh (Annex C), there is also scope to better connect the knowledge platforms with initiatives in partner countries, and vice versa.

Communication, accountability and development awareness

Indicator: The member communicates development results transparently and honestly

The Netherlands places strong emphasis on using International Aid Transparency Initiative standards, including for reporting its results. It also meets its significant domestic accountability requirements and is seeking to communicate the results of its development programme in a more visually appealing way. However, the Netherlands could engage more with other partners and ministries to increase awareness of development.

The Netherlands development co-operation is increasingly transparent

The Netherlands has improved the transparency of its development co-operation. It had only partially met the Busan standard by 2015,[4] but is now committed to using open data systems and has adopted the International Aid Transparency Initiative (IATI) as the common reporting standard for its development co-operation activities. As a result, the Netherlands has now moved up the aid transparency index from "fair" to "good", reaching 16th position in 2016 (Publish What You Fund, 2016).

The Netherlands is the first DAC member to introduce IATI results reporting. It sees the potential for this system to enable open access to "real-time" data on projects, facilitated by dedicated data portals such as Openaid.nl and Nlaid.org. Milestones have been identified to achieve 80% coverage of all projects by 2021. Comprehensive guidelines have been issued to all implementing partners to support their reporting through IATI (MFA, 2015a). The Netherlands Enterprise Agency (RVO) has also published data to the IATI standard since February 2015. It displays results data for a limited number of private sector development indicators on a dedicated website.[5]

The Dutch Parliament exercises strong accountability over the development co-operation policy. Policy letters are frequently submitted to parliament (Chapter 2), in addition to the regular results reporting and evaluations. It was, in fact, demands from parliament for more meaningful results information that led to the creation of the corporate results framework. In addition, the Court of Audit publishes regular audits of the MFA's performance and systems.

The MFA strives to improve how it communicates results

As part of the effort to connect more with the public, political decision makers and other stakeholders, the MFA launched the "Development Results in Perspective" website in 2016.[6] This dynamic website replaces the more static annual results report and letter to parliament introduced by the MFA in 2004/5 and submitted annually since 2012. The 2016 edition of the report is more accessible, user-friendly and transparent than the previous editions. The website presents results from sectors and countries using an interactive platform. There is a balance between aggregated quantitative results (with some indication of whether progress is on or off track) and stories of impacts on people's lives, including videos to bring the statistics to life.

Opportunities are being missed to raise development awareness

A recent study by I&O Research cited by AIV found that a narrow majority of the Dutch electorate were in favour of increasing the Netherlands' contribution to international peace missions and were opposed to the cuts in development co-operation expenditure (AIV, 2016). At the same time, a qualitative study suggests that the Dutch public would like more positive information about development co-operation (Spitz, Muskens and van Ewijk, 2013). A high percentage of Dutch citizens are also actively involved on a personal level by making private donations. Despite these findings, public support for ODA is vulnerable to continued economic and political uncertainty in the Netherlands, as in other European countries.

In 2015, an action plan for communication "Increasing Relevance and Transparency" was approved (MFA, 2015b). This action plan, now under implementation with broad participation across DGIS and by the MFA communications department, focuses both on increasing and improving communication with influential stakeholders and interested citizens, and on increasing openness by using open data for development co-operation. Yet communication resources have been cut in the MFA and development education resources to civil society have ceased altogether.[7] Opportunities are therefore being missed for engaging with other ministries and stakeholders to raise development awareness (e.g. through the education curriculum) at home.

Notes

1. This paper is one of a series of case studies being developed by the OECD DAC results community to document approaches to results-based management by development co-operation providers.

2. Reach indicators is a term used to refer to indicators which focus on volume, and count the number of beneficiaries who are reached by a service or intervention.

3. The IOB has the following tasks: 1) to conduct high quality evaluations for learning and accountability purposes; 2) to ensure balanced evaluation programming in the field of development co-operation and to advise on programming in other areas of foreign policy; 3) to contribute to improvement of the quality of evaluations conducted by, or on behalf of, policy departments, institutions subsidised by the MFA, and multilateral institutions by drawing up generally applicable quality requirements and guidelines for conducting evaluations, advising on the design and implementation of individual evaluations, and conducting systematic assessments of these evaluations or peer reviews of other evaluation services; 4) to strengthen capacity to conduct evaluations in partner countries by supporting education and training and participating in joint evaluations; and 5) to promote the distribution and communication of evaluation results.

4. In early 2012, the OECD DAC Working Party on Development Finance Statistics (WP-STAT) and the International Aid Transparency Initiative (IATI) developed a framework for the common standard for publishing aid information. This framework built upon the commitments donors made at the 4th High Level Forum on Aid Effectiveness in Busan and was finally agreed by all participants in June 2012. The common standard sets out good practice in reporting and publishing data. It combines three complementary systems and processes: the OECD DAC's Creditor Reporting System (CRS) and the Forward Spending Survey – two reporting instruments of the OECD with comprehensive statistical information – plus IATI.

5. For more information, see: https://aiddata.rvo.nl/

6. For more information, see www.dutchdevelopmentresults.nl/magazine/development-results-2015/home

7. The relevance of public support for development co-operation, and the role of government in strengthening it, has long been debated in the Netherlands (see, for example, AIV, 2009 and Spitz, Muskens and van Ewijk, 2013). The Advisory Council on International Affairs (AIV) has consistently underscored the importance of societal awareness and support in the Netherlands and the priority that government should accord it.

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