

The 'Right' Results

Making sure the results agenda remains committed to poverty reduction

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Gebru Kahsay, with his grandson Aregawi Mulugeta, looking after his teff field in Adi Ha, Tigray, Ethiopia. Kahsay is a farmer and a participant in the teff crop micro-insurance pilot in his community. © Eva-Lotta Jansson /Oxfam America.

A focus on ensuring results can improve the effectiveness of aid. But this is contingent on measuring the results that matter most to women, men, girls and boys living in poverty. Donors must ensure that their focus is on the right results that will bring a lasting change and a long-term impact in the fight against poverty.

Summary

Donor governments are prioritizing aid 'results' in advance of the Fourth High Level Forum on Aid Effectiveness (HFLA) in Busan, Korea, due to take place at the end of 2011. But there is a real risk that their efforts will lead to a poorly designed results policy that could undo years of work to make aid more useful for fighting poverty.

In Busan, donors must focus on ensuring results that matter most to people living in poverty. It is crucial that they stand by the commitments they made in the Paris Declaration and the Accra Agenda for Action, and go further to ensure that aid is more effective in bringing lasting change. But evidence shows that donor efforts to measure results could in fact pose a threat to achieving this goal, as a number of donors implement results policies because proving results and value for money to domestic voters is necessary in a time of economic constraints.

Donors must resist the temptation to prioritize results that they can count in the short-term but which will count less to poor women and men in the long-term. The risks and unintended but very real consequences of their focus on results must be taken seriously, or we will see history repeat itself. Over the past few decades, for instance, USAID was called on to comply to new Congressional requirements to report on development activities, which led to what Andrew Natsios called 'The Clash of the Counter Bureaucracy', meaning:

... compromising good development practices such as local ownership, a focus on institution building, decentralized decision making and long-term program planning horizons...¹

A misguided results agenda could mean:

- aid for more classrooms but less progress on literacy levels;
- more aid through projects and less through budget support and country systems;
- more projects that deliver in the short term rather than lead to long-term, lasting changes;
- more direct interventions and less time working with partners to build their capacity and take over programs;
- more time providing donor-determined direct services and less time focusing on empowering men and women to advocate for their rights and ensure their government provides them with the basic services they most require.

Ensuring that aid has maximum impact is a crucial step towards reducing poverty and inequality, and mutual accountability for development results is a key Paris Principle. But in order for Busan to advance a meaningful results agenda, national and international donor policy on results must prioritize the 'right' results.

Poverty is a symptom of power imbalances. The 'right' results are those that mean the most for people who live in poverty, including those who are often the hardest to reach such as women, indigenous peoples, and people living with disability.

To ensure a results agenda that really counts:

Donors should measure outcomes and impact; they must be more innovative about how they design and measure results.

To do this, donors should:

- focus on measuring outcomes and impact as results, not as outputs and inputs;
- ensure that indicators are sensitive to issues of equality and inclusion with special emphasis on gender;
- explore new monitoring and evaluation methods of measuring change;
- link outcomes and impacts within broader results frameworks, such as the Millennium Development Goals.

Donors should maintain or increase aid where it's needed, even if results are harder to measure in the immediate term.

This will require donors to prioritize the long-term impact of their aid, over showing short-term results to their own constituency. They should:

- increase aid to instruments that can be effective at delivering harder to measure results, such as budget support or empowerment programs;
- maintain aid in countries where the results of aid might be harder to measure, such as fragile states;
- proceed with caution on results-based aid as some mechanisms, such as Program-for-Results and Cash on Delivery, have not had a proper piloting phase and thus risk unintended results.

People in poverty should determine the results donors focus on.

To help ensure that they are focusing on results that matter most to people living in poverty, donors should provide aid in ways that shift the locus of accountability to recipients by:

- ensuring that results policy and frameworks are defined in collaboration with partner governments, parliaments, and civil society, not only by donors;
- building capacity to support for local results management frameworks. This includes strengthening the gender machinery of governments, to allow them to manage policies, priorities, and programs on women and men, and strengthen the capacity of civil society to hold government to account for their gender equality commitments.

Donors should give aid in a manner that helps rebalance unequal power dynamics.

Donors must remain mindful of the political context in which aid is given and work to ensure that it does not undermine the citizen-government compact, but rather helps rebalance unequal power dynamics. This is what will allow citizens to engage with government and donors to better define the results that matter for citizens. To do this, donors should:

- explicitly support commitments towards protecting an enabling environment for civil society at HLF4 and beyond, and measuring results in these areas;
- support and work towards the creation of an active independent civil society in recipient countries with special attention to women's groups and movements, and other organizations that represent the interests and amplify the voice of under-represented and marginalized communities;
- strengthen the capacity of governance institutions that would allow more citizen oversight of country systems.

A focus on results has the potential to improve the quality of aid and help achieve development outcomes. But there is a risk that donors will drive a set of policies that actually undermine this aim and their own commitments to aid effectiveness. The most important results are those that matter to people living in poverty, and there is still time for donors and the international community to ensure that they focus on what really counts.

Introduction

Aid is just one tool in development, but it is an important tool and can play a significant role in the lives of people living in poverty. For example:

- 33 million more children are now in education, partly as a result of increased resources to developing country governments over the past decade from aid and debt relief;
- the past five years has seen a ten-fold increase in the coverage of antiretroviral treatment (ART) for HIV and AIDS.²

Donors can make strides towards supporting poverty reduction by using aid in ways proven to deliver the right results. A number of donors and organizations, including non-governmental organizations (NGOs), international financial institutions (IFIs), and private sector actors, are grappling with how best to implement a results policy to advance international commitments towards poverty reduction. This could bring some welcome progress if it builds on commitments to aid effectiveness, such as the Paris Declaration and the Accra Agenda for Action, and ensures that aid is given based on evidence and guided by an understanding of what works best to reduce poverty and save lives.

Unfortunately, a number of donors are implementing results policies because proving results and value for money to domestic voters is seen as necessary in a time of economic constraints. Committing to better results is crucial, but an ill-considered focus on results, especially in response to domestic political pressures could undermine sustainable aid interventions. In fact, managing aid against results is not a new practice. In the past, some policies have created warped incentives that pushed development practitioners to record and measure information that was *easy* to capture and quantify, rather than measuring initiatives that have a lasting impact. Over time, these attempts often changed donor bureaucracies for the worse, leading some donors to manage towards results that were diametrically opposite to harder-to-measure, and longer to realize, changes that have a lasting impact on poverty.

This paper describes the rising discourse and emerging practice among donors of measuring results (Section 2) and argues that when pressure for accountability comes from donor countries and their domestic political constraints, the right results that mean the most for people living in poverty are often missing from the equation (Section 3). But, there are ways for donors to direct aid towards those results that matter most for people living in poverty (Section 4). Donors, their partner countries, and NGOs, including Oxfam, are starting to discuss more openly the difficulties inherent in measuring the most important results, and are beginning to find creative ways to measure long-term results and those impacts that are harder to capture. Any results management policy should appreciate the nuanced technicalities of

measuring the right results, such as social development and meeting the needs of people living in poverty. However, the conversation on results must move beyond technical fixes.

Ultimately, the decisions donors make regarding which results to prioritize are political decisions, but integrating policies based on the most easily measurable results ignores the power imbalances within countries that tend to perpetuate poverty. A results policy must ensure that men and women living in poverty are at the helm when deciding which results donors should measure. The paper concludes with some specific recommendations on results (Section 5).

2

The emerging results agenda: discourse and practice

The call for better results for aid is not new. In donor countries, the call for results and implementing results based policies to maximize the impact of aid has waxed and waned over the decades. The most recent incarnation comes with a new intensity as donors prepare for HLF4 and the 2015 milestone of the Millennium Development Goals (MDGs), while simultaneously experiencing a global economic crisis.

At Busan, HLF4 will provide an opportunity for donors to reaffirm their commitments towards aid effectiveness by showcasing the policies they have recently adopted.

The results agenda at HLF4

HLF4 marks a rare moment when senior development officials in both recipient and donor countries (and potentially in NGOs and private sector organizations) can make commitments towards making aid a more effective tool for development within the global aid architecture. Both the Paris Declaration and the Accra Agenda for Action (outcome documents of the Second and Third High Level Forums) commit signatories to a stronger focus on results. At the OECD - DAC Working Party on Aid Effectiveness (WP-EFF) meeting held in July 2011, there was broad consensus that results should become a priority topic at HLF4. In the working party's opinion, tracking of and decision making around results were two areas in which the Paris Declaration had failed to deliver.³ Yet, how 'results' will be institutionalized into a formal agreement at Busan is still unknown.

The fourth pillar of the Paris Principles of Aid Effectiveness, decided at the 2005 Second High Level Forum in Paris, is 'Managing for Development Results.'⁴ The cluster which committed to implementing this principle plans to integrate a technical understanding of managing against development results at the country level. Yet, within the broader discourse on results, a few donors have become 'shepherds' of the discussion.

In a document highlighting the US - UK Partnership for Global Development, both countries express an interest in leading on results and accountability by example and ensuring HLF4 'transforms the way bilateral aid is delivered...'⁵ The UK and the US, along with other like-minded donors such as Canada, Denmark, Germany, and Sweden (and partner country, Sierra Leone), have volunteered to lead a political high-level results discussion at HLF4.⁶

Northern donor countries are not alone in demanding a strong focus on results. In a position paper recently released in anticipation of HLF4, some partner countries have also asked for better results from development assistance. They specifically ask that a results focus is not confined to outputs.⁷

What donors commit to at HLF4 could be a variety of options. Most likely, the agreement on results at HLF4 will introduce a broader framework which aligns aid towards achievement of results and which is tracked internationally. It is Oxfam's opinion that the international framework agreed on at Busan will be reminiscent of some recently introduced donor policies on results.

Bilateral and multilateral donors

Development actors around the world are highlighting the importance of renewing a focus on results as a means to accelerate progress on the MDGs and are taking action to commit to this vision.

Since 2010, DFID, under the new Conservative–Liberal Democratic coalition government, has adopted a very strong results policy.⁸ 'Ensuring Value for money' for DFID programs is now vital, with 'log frames, economic appraisals, portfolio reviews and business case models, and unit cost metrics used to evaluate programs'.⁹

In September 2010, US President Barack Obama declared to the UN MDG Conference, '... let's move beyond the old, narrow debate over how much money we're spending and let's instead focus on results — whether we're actually making improvements in people's lives'.¹⁰ Raj Shah, Administrator with the US Agency for International Development (USAID), is implementing this vision within *USAID FORWARD*, a reform plan which includes bolstering USAID's monitoring and evaluation capabilities and changes to USAID's implementation and procurement policies to help the agency adopt alternative ways of financing projects, including results-based aid (RBA) modalities like 'cash on delivery'¹¹ (see Box 1). Oxfam has concerns about RBA and warns donors to proceed with caution, as some RBA mechanisms are relatively untested.

Box 1 Results-based aid

Results-based aid: what is it?

In this latest push for more results, some donors and development professionals think results-based aid (RBA) financing mechanisms could guarantee success. RBA mechanisms allow donors to defer payments to their development partners (implementing partners, NGOs or partner governments) until after an objective or indicator of progress has been achieved.

One particular example of RBA that has recently stirred interest among donors is cash on delivery. Cash on delivery is arguably RBA in its purest form. Two parties agree on an objective and payment is given only after an independent third party has verified achievement of that objective.¹²

Results-based aid and donors

The theory behind RBA is not new, but cash on delivery has not been

implemented broadly, though in the past few years the development community has been discussing the merits of RBA with new fervor. DFID plans to increase the use of RBA¹³ and will pilot cash on delivery within a girls education program in Ethiopia. The World Bank has been using output-based aid, an RBA mechanism used to deliver services, for a number of years and will soon unveil their Program for Results.¹⁴ Examples of donors increasing their use of RBA mechanisms can be found in parts of *USAID FORWARD*¹⁵ and in the EC's MDG contracts.¹⁶

Along with a 'guarantee' of results, RBA proponents claim it has the following positive features:

Payment for outcomes, not inputs (or intermediate outputs);

Recipients are empowered to achieve results according to their own methods, with less reporting in some RBA mechanisms;

Transparency through public dissemination.

RBA mechanisms are a new phenomenon and these claims need to be empirically tested before any real discussion takes place. That being said, Oxfam has the following concerns with RBA:

Risk is carried by the recipients rather than by the donor which could lead recipients to be doubly penalized if they fail to generate results: loss of precious resources and failure of the program itself;

No initial funding: leaving poor countries initially to foot the bill for progress.

A focus on good performers since RBA is really suitable for 'donor darling' or well performing countries;

Not enough incentive to change institutional behavior, especially within governments.¹⁷

In September 2012, the World Bank will unveil its Program for Results, their first new lending instrument in nearly two decades. Program for Results intends to change the relationship between donors and the recipient state by making results the basis for disbursement of financial resources.¹⁸ While the World Bank should be commended for its aims, Oxfam is worried about the lack of up-front financing in some countries, as well as the lack of a pilot program to test if Program for Results' lending mechanisms can incentivize a change in institutional behavior.¹⁹

In addition to the US, the UK, and the World Bank, some other notable organizations are exploring a focus on results:

- The Asian Development Bank is connecting programs to the 'Managing for Development Results' Framework;
- The Minister for Development in Sweden has made results-oriented management a priority of the Swedish Development Agency (SIDA), which has recently released its first ever comprehensive report on development effectiveness;²⁰
- The African Development Bank recently released its 'Achieving Development Results' report highlighting a commitment to building the capacity of partner agencies to better measure the impact of aid;²¹
- In October 2011, the European Commission (EC) will publish a communication on 'increasing the impact of EU development

policy'. One of the aims of the policy is to increase and better measure the results of EU development aid.

While some donors are taking practical measures to integrate development outcomes as part of a discussion on results, international conversations on the topic could take a variety of forms. When the international community begins to make commitments on results at HLF4, it is essential that they include commitments to measuring the right results. It is equally important that the domestic political situation in donor countries and a focus on results should not impact commitments to existing aid effectiveness and poverty reduction, such as the MDGs or within the Paris Declaration and Accra Agenda for Action.

3

The Pitfalls of the Results Agenda

Donors are pulled in two directions. They are held to account by their governments and constituents, but at the same time need to ensure that aid is most effective by being held to account by recipient governments and citizens. For donors, enacting the right policy on results is a balancing act between the two stakeholder groups.

Establishing a rigorous results policy is one of the key conditions for ensuring aid dollars are spent effectively.²² Ultimately, results policies are about ensuring transparency of donor engagement in a country and increasing accountability of the actors involved in providing aid. Most importantly, in a time of economic constraints, proving results provides a better validation for aid.

Inputs and outputs vs. outcomes and impact

To better describe the politics around results, we first need to define some terms according to the typical log frame many donors use to design and measure projects.

- Donors describe the resources, time, and energy put into a project or program as **inputs**.
- The immediate effects of these inputs are often referred to as **outputs**.
- Ultimately, the collective effect of the outputs – specifically, the changes in behavior and institutions that occurs as a result of the aid intervention – is called the **outcome** or, often when describing the results of an aid project or program in the long term, the **impact**.

Take a road-building program in Afghanistan, for example. The money, asphalt, tools, laborers, and time devoted to the program are considered project **inputs**. The kilometers of road created, or the number of local laborers who received compensation for their work, are considered the program **outputs**. Measuring the value of the total input against the project output is necessary to ensure efficiency.

More often than not, the effect of school attendance or the miles of road built does not directly lead to a sustainable change or contribute to development. But, if the miles of new road built in Afghanistan allowed local agricultural producers more access to markets than before and if that access increased incomes, then donors can observe the **outcome** of the project: how the project directly affected the livelihoods of producers and consumers of agricultural products. Further, if that farmer was later able to use the additional resources she earned to gain more resources, improve her health and that of her

family, or send her children to school, the creation of the road can be seen as leading to a sustained change in behavior that allowed the farmer to take action in lifting herself out of poverty. Often, the road could have had unintended, but positive consequences. For example, with the road, the farmer had access to voting centers in local elections, empowering her to hold her local leaders accountable for their promises. These changes, or the **impact** of the project, are not as easily measurable and often occur years after a project has been completed.

Risks of the results agenda

The emerging results agenda brings with it several risks.

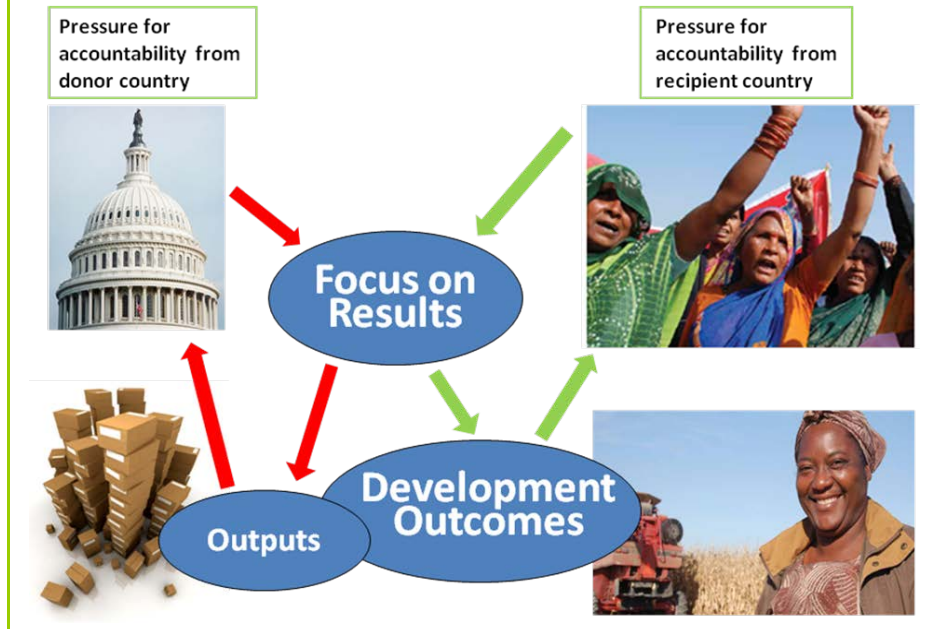
When donors implement results-based management schemes, more often than not, these schemes are built to respond to pressures the donor agencies feel from their domestic constituencies – administrations, legislatures, and people in a donor’s home country. Donor agencies must be held accountable to these stakeholders; aid is, in the end, derived from these actors. However, this scenario creates a skewed accountability. Those who hold aid to account, and are thus able to guide it, are the ones least affected by the consequences of aid. A legislator in a donor country often knows very little about what a farmer in Malawi, a mother in Bangladesh, or a child soldier in the Congo need to improve their situations.

Skewed accountability leads to a tendency among donors and their partners to focus on outputs and inputs, since often, domestic audiences see inputs and outputs as the extent of what donor assistance should accomplish. Domestic audiences are typically happy to know that their aid helped build schools, but do not always ask questions about how those schools raised the level of education in a country.

When donors are held accountable simply for outputs and inputs, they are less likely to prioritize sustainable results. As results frameworks become more institutionalized into daily management by donor and partner bureaucracies (implementers and recipient governments), there may be a tendency for those bureaucracies to change their behavior. The ‘wrong’ results are reported on, while the ‘right’ results – often connected to the outcomes and impacts most needed by people living in poverty – are missing from the results shared with donor constituencies (see accountability graphic below). Over time, this continual focus on the ‘wrong’ results could lead to a negative change in donor bureaucracies (see Box 3).

Box 2 The accountability dilemma

Who should hold whom accountable for results? When the drive for results comes from domestic constituencies, there will be a tendency to report on results that are easiest to report. Yet, when the pressure for accountability comes from those most affected by assistance, there is a greater chance that the results donors focus on are those that matter most for women and men living in poverty.



Box 3 Long-term effects of missing results on an international development agency

Andrew Natsios knows first-hand how a drive for results can lead to undermining the dynamic potential of a development agency. Natsios was the USAID Administrator during the second Bush administration and recently published an essay entitled 'The Clash of the Counter-bureaucracy and Development'. In his paper, Natsios makes the argument that Congress and congressional risk-reducing oversight regulations and mechanisms forced USAID to prioritize compliance rather than supporting innovative transformational changes in developing countries. As he puts it,

'In practice, this means compromising good development practices such as local ownership, a focus on institution building, decentralized decision making and long-term program planning horizons to assure sustainability in order to reduce risk, improve efficiency (at least as it is defined by federal administrative practice), and ensure proper recordkeeping and documentation for every transaction.'²³

Further, he points out that congressional prioritization of compliance contributed to the decline of USAID technical staff in favor of compliance staff and obliged USAID personnel to spend more time counting and reporting than doing real development work:

'...demands of the oversight committees of Congress for ever more information, more control systems, and more reports have diverted professional USAID (and now Millennium Challenge Corporation) staff from program work to data collection and reporting requirements.'²⁴

Arguably, when the pressure for accountability comes from the US Congress, this can have severe consequences in terms of how USAID works. During its first 50 years, USAID has felt debilitating pressure to conform to congressional demands.

1960s	USAID Regional Director testified at a House hearing for 100 hours on outputs	Disappointed in outputs, Congress defunds USAID by 20%
1970s	Congress installs Inspector Generals (IGs) in all agencies – USAID IG especially hostile	Random inspections on lack of regulatory compliance leaves a risk averse agency
1990s	Government Performance and Results Act (GPRA) installs rigorous results frameworks	IG used framework to shut down projects with no short-term results
2000s	Program Assessment Rating Tool (PART) ties results to budget allocations	Officials divert time and attention to reporting rather than real development

When faced with cuts to aid, donor agencies are pressured to demonstrate results as quickly and as easily as possible, which often equates to a greater focus on outputs and inputs. What exactly are the consequences of this accountability dilemma?

A myopic vision of development

The numbers of schools built and miles of road constructed are easier to measure than the improved capacity of a local government to manage its schools or help maintain local roads. In response, donors may squeeze out longer-term investments: social change programs that challenge power relations, build stronger civil society, and are sustainable. In Afghanistan, for example, donors have focused on market-driven economic solutions and have used participation methods that are inaccessible to women within the cultural and security environment.²⁵

Risk aversion

Within their aid portfolios, donors are less likely to take risks with their aid. For example, donors could choose less risky aid modalities, such as direct project assistance, over aid modalities that demonstrate harder to achieve results over the long term, like budget support (see Box 4). Donors may move away from countries where results are likely to be more complicated to measure, such as in fragile states, and focus only on good performers. Finally, there is potential for lost opportunities to innovate and learn; donors and their partners are less likely to engage in open and honest reflection on what has and has not worked.

Box 4 Is the results agenda threatening donor use of country systems? The case of the UK government and Zambia

The provision of long-term, predictable financial support directly to the budgets of developing country government is one of the most effective ways of providing aid to poor countries.²⁶ In 2008, Oxfam's research showed, for example, that of the top ten recipients of the EC's budget support, seven had increased their public health expenditure by an average of 46 per cent between 2001 and 2004. Five also recorded a fall in maternal mortality rates.²⁷ Unfortunately, funds given as budget support are absorbed into a country's overall budget and often cannot be traced, posing a real challenge for donors who need to demonstrate results.

In part because of this lack of a clear attribution to aid, donors are backing away from using this already under-utilized aid instrument. Between 1995 and 2009, donors on average provided only 2 per cent of their aid to least development countries in the form of budget support.²⁸

In particular, the UK government, once a leading champion of budget support,²⁹ has recently announced a 43 per cent cut in their use of general budget support in the coming years.³⁰ Difficulties in attributing results are a clear factor behind these cuts. In Zambia, the UK government has announced it will reduce the amount of aid the Zambian government receives for its health, education, agriculture, water, and infrastructure sectors from 45 percent in 2011/12 to 29 per cent by 2014/15.³¹ The reason cited for this cut, however, was not the instruments failure to deliver results on the ground. In fact, thanks in part to UK budget aid, the Zambian government is expected to further reduce child mortality from 119 deaths per 1,000 live births in 2007 to 66 deaths by 2012.³² Rather, the cuts are due to both DFID's disappointment in the government's progress on reforms and difficulties in using 'value for money' to evaluate budget support. According to the DFID Zambia operational plan, the cut in budget support is partially related to the challenges of measuring results of this instrument: 'VfM [value for money] considerations were a factor in the decision to reduce the share of UK aid to be provided as budget support during the operational plan period given the challenges with measuring value for money.'³³

While it is encouraging that the UK government will be exploring how to make budget support more results focused in Zambia, it is a disappointing that this will happen after their decision to dramatically cut budget support by 16 per cent. Rather than cutting budget support, donors like the UK, shouldn't limit their aid toolbox. Instead, they should do more to develop methodologies that would capture results associated with aid modalities that are more difficult to measure.³⁴ The EU, in cooperation with the Organization for Economic Cooperation (OECD), for example, is currently in the process of piloting a new methodology for evaluating the impact of budget aid. This could provide a new way forward for donors using this instrument.

Delivering short-term results

Donors may be tempted to cut funding to programs that have not provided a demonstrable effect in the short-term. For example, if a project intends to build better democratic engagement, it may take a number of election cycles to see dividends pay off.

Excluding local agents

When donors design projects there may be a temptation to exclude components that are seen as complicating but that would allow for greater sustainability, such as working with local partners. For example, a donor may want to demonstrate immediate results by providing assistance to a water and sanitation project with minimal government involvement. The results achieved would include an impressive number of beneficiaries and a decrease in disease prevalence, but the government is less likely to take the project over or maintain the program after donor support ends.

Breaking the recipient country government-citizen compact

The emerging agenda brings another risk, which has yet to make it to the foreground: how to strengthen governments' commitment to development and to supporting citizens' efforts to hold their governments to account. Donor assistance is not a cure-all to the problem of poverty, but what donors can do is provide aid in ways that strengthen rather than undermine the government-citizen compact, and ultimately helps balance power between citizens and their government.

That the emerging results agenda risks donors' efforts to support the development compact reflects an often forgotten element of donor aid: aid is not given in a political vacuum and has an incredible amount of power. Poverty is a symptom of an imbalance of power; when people living in poverty do not have access to goods and services it is typically a consequence of this imbalance. However, raising people out of poverty requires not only increased access to goods and services, but also a change in the systemic power dimensions that perpetuate poverty. This brings us to the 'right' results.

4

How to get the right results

The 'right' results should therefore take into consideration two distinct but inseparable development aims:

- **Better aid** – Getting development results from our aid means measuring the right results;
- **Power** – Development and poverty are reflections of power. How can aid address power inequality?

The right results are about better aid

Aid should be provided in a way that increases opportunities for people to lift themselves out of poverty. Specifically, people living in poverty require access to goods and services, including social safety nets, health care, education, and livelihoods. Donor assistance can strengthen the ability of a government to invest in goods and services for its citizens and for citizens to hold their government to account. For aid to help governments provide services, it must be managed against the right results. In practice, this requires donors to integrate three concepts when delivering aid to recipient countries:

- Donors must resist pressure to measure outputs and instead reorient their practices to measure **outcomes and impacts** related to broader systemic change;
- Donors can do this by integrating their work into **broader frameworks for achieving results** that are linked to development outcomes, such as the MDGs;
- Donors should make sure recipients determine the right results by giving women and men more **ownership** of their own aid. This would enable recipients to determine the results they are able to achieve and to align foreign support appropriately. Managing **results frameworks at the country level** would build statistical capacity and help countries deliver on results based on a country-wide conception.

Measuring outcomes and impact

In some cases, measuring inputs and outputs like kilometers of roads built, schools constructed, or dollars spent on capacity building, are a necessary precursor towards program management. These results should be measured, but outputs must not be misinterpreted as having a sustainable effect on development or misused to design programs that do not achieve social change. On the contrary, aid has the potential to influence broader systemic change, such as women's empowerment or an increase in a government's capacity to develop an education system. Capturing this information may be an elusive, difficult, and long-term task, but it is not impossible. In fact, a number of NGOs committed to measuring social transformation are thinking

beyond the typical limited methods of measuring results. For them, a commitment to measuring the ‘right’ results is directly linked to how they perceive poverty.

A number of organizations, including Oxfam, have taken a rights-based approach to their programming. Oxfam America and Care describe how, ‘[w]ithin a rights-based approach, projects are aligned to achieve results as an expansion of rights and, ultimately, lead to empowered individuals who are able to claim their human rights, acquire their basic goods and services and lift themselves out of poverty.’³⁵ For example, Oxfam America runs a program in El Salvador with the explicit aim of raising women’s rights to advocate for laws against gender-based violence (see Box 5).

Box 5 Whose results count? The results of women and girls

‘We demand a service, we don’t ask for it as a favor...’

Women of La Ventana Ciudadana, El Salvador

Substantive changes in the capacity of women and girls to exercise their rights are one of the most robust indicators of development results.

Oxfam America’s Gender Violence Prevention Campaign helps women and young people exercise their rights by enabling them to demand that police and private agencies apply laws and implement programs to prevent, penalize and reduce gender-based violence. One of the ways the program does this is by training women, specifically members of Ventana Ciudadana, to recognize themselves as rights holders, to develop conflict-resolution skills, and to demand – rather than merely asking for – the enforcement of gender-based violence laws and the provision of government services. Achievements include new political and legal instruments that specifically address gender-based violence, including the approval of a Comprehensive Special Law for a Life Free of Violence for Women by the Legislative Assembly.³⁶

Understanding a need to better capture and communicate aid effectiveness, Oxfam GB and Oxfam Novib are working on the development and use of key indicators. These indicators are designed specifically to not drive actions towards the ‘wrong’ results, but rather to appreciate the wider impact of programming (see Box 6).

Box 6 Oxfam GB’s global indicators

Aware of the pitfalls of assuming attribution for observed outcome level changes, and mindful of a need to balance rigorous evaluation with program learning, Oxfam GB is trialing a way to measure indicators of success without changing the way it works with people.

In 2009, Oxfam GB began collecting data on both their cumulative output measurement, to gain an accurate picture of the scope and scale of their reach. More importantly, they conduct robust random evaluations to measure their impact according against six outcome indicators, including humanitarian assistance, adaptation and risk reduction, livelihood enhancement, women’s empowerment, citizen voice, and campaigns and advocacy.

The Oxfam GB Programme Effectiveness team realizes that randomly sampling projects for rigorous evaluation is risky and could create perverse incentives. For example, if a country director has two projects – a water, sanitation and health (WASH) project and a citizen voice project, and there are funding cuts, the director may choose to continue the WASH program as its results are easier to quantify. Oxfam GB mitigates this risk in three ways. First, a specialist advisory team is continually using and strengthening the robustness of their evaluation methodologies to better capture elusive results by being dynamic and innovative about how they evaluate projects. Second, management continually restates that the point of the Global Performance Framework is about increasing the quality of Oxfam’s programming, not just about increasing scale. Third, and most importantly, the Global Performance Framework includes an indicator around accountability to beneficiaries. It measures the ‘percentage of projects accountable to and judged to be appropriate and effective by people whose lives we aim to improve’ to ensure that emphasis is placed on results driven by project beneficiaries. As a senior manager said at the outset of the project, ‘We need to be measuring what we value, not just what’s easy to measure.’

Oxfam Novib (Netherlands) has also initiated a project to develop a set of key indicators that can be used to measure changes in the lives of people living in poverty and inequality over a longer period. Along with ten of partner organizations, Oxfam Novib has formulated a set of key indicators based on changes perceived within a rights-based approach to development. They show how women and men living in poverty are empowered to take part in economic, social, and political processes to influence decision-making related to their own development.

Other organizations have taken different approaches to capturing ‘change’. These approaches try to address the complexity of the results change and are being developed and tested by different stakeholders. Governments, as well as civil-society organizations (CSO), realize that, in most cases, there is no linear results chain of input-output-outcome-impact. The reality is more complex and needs a variety of approaches, methods, and tools. A number of organizations, including Oxfam affiliates, are testing methods for measuring different types of change.

For example, the most significant change (MSC) methodology was developed in response to a need to move away from measuring a project’s impact based on predefined indicators. Rather, the MSC methodology builds participatory forums where members of communities affected by the program come together to discuss what changes they experienced. The framework for success is then framed around these conversations and is considered particularly useful to capture behavior change.³⁷ Oxfam Novib is part of a coalition of organizations testing this methodology, as part of their Gender Mainstreaming and Leadership Trajectory (GMLT). GMLT intended to increase visibility of complex changes related to the advancement of gender equality.

Other types of evaluation methodologies include outcome mapping,³⁸ contribution analysis,³⁹ social return on investment,⁴⁰ participatory assessment of development (PADEV),⁴¹ and SenseMaker™.⁴² Each of

these methodologies is designed to overcome an essential flaw with traditional M&E approaches. Specifically, they capture emerging unexpected results; results as depicted by recipients of aid, the short-term effects of long-term interventions, and systematic changes that are typically hard to perceive.

In addition, when implementing and monitoring an evaluation system, gathered information should stay sensitive to the effect aid can have on gender. Donors must ensure that indicators are sensitive to issues of equality and inclusion with special emphasis on gender.

Of course, ensuring that impacts are measured at all requires a donor M&E policy that supports the measurement of long-term changes. This includes building time and budget in logical project models, and ensuring that budgets are given so that implementers can return to the site of the aid intervention years later to assess whether the original project has accomplished sustainable impacts. It also requires donors to make commitments to using what they have learned through their M&E processes.⁴³

The MDGs and more: linking results to international frameworks for achieving results

Building sets of indicators towards capturing outcomes and designing the right types of methodologies to observe change works very well on a project by project basis. Yet there are some macro-level results frameworks that can be used to better manage international and national efforts towards measuring overall development progress. The MDGs, for example, are one such set of international indicators intended to provide a results management tools for international efforts at reducing global poverty. The MDGs are arguably a type of outcome monitoring system at an international level and some criticize them as being too quantitative. While the MDGs do not specifically measure social change, they are a very useful, internationally agreed starting point for further work on recipient country owned results frameworks. Ten years on, there is a wide array of opinions on whether or not the MDGs have achieved their intended purpose of focusing international efforts. What is interesting is that some donors, such as the EC, have used the MDGs as results criteria.

Box 7 MDG contracts

It is Oxfam's concern that a number of riskier aid modalities, like budget support, will be abandoned in favor of easier to measure project-based aid. The EC's MDG contracts model provides a good example of what can, in principle, be the right approach to results-based aid and what can be done to enhance the performance of budget support to deliver results. The EC provides general budget support to eight African country governments over a six-year period. At least 15 per cent of the finance is linked to the country's performance in meeting a series of MDG-related targets, which are assessed mid-way through the agreement. The approach is a win-win for donors and recipients. It allows developing country governments a substantial degree of predictable up-front financing – nearly 70 per cent of the total commitment – directly to their budgets, which is vital to enable

scaling up the provision of much needed basic services like health care and education. It also provides an incentive for good performance by withholding some of the money until results have been delivered.

However, the Commission could improve on ensuring that the results are mutually agreed by developing country governments, national parliaments and citizens by increasing civil society and parliament's participation in the discussion and creation of each country's national development strategy document. There is also a real need to ensure that all parties are involved in the monitoring of results. The Commission needs not only to provide financial support to these groups, but also to improve its transparency and openness with regards to the design and evaluation of its aid agreements.

Other institutions are beginning to seriously question how to better manage international efforts towards poverty reduction which take into consideration a multidimensional definition of poverty. The Oxford Poverty and Human Development Initiative, run from the Stiglitz Commission and led by Amartya Sen, has developed the human poverty index. While the Stiglitz Commission did not explicitly design the index to be used as a management tool, the human poverty index attempts to capture a broader conception of poverty including aspects of work quality, empowerment, physical safety, lack of shame, and psychological well-being.⁴⁴

Interestingly, Oxfam Hong Kong has aligned its development work, frameworks and management approach towards achieving a singular goal of 'responsible well-being.' The principles of responsible well-being include self-sustenance, self-esteem, self-determination and responsibility, and are derived from a definition of poverty as multidimensional, caused and driven by structural injustice and oppression at various levels.⁴⁵

The OECD is experimenting and attempting to develop indicators of societal progress and integrating these indices with nationally based results frameworks.⁴⁶ Ultimately, if results frameworks are intended to be responsive to those people who need them most, both citizens and governments must drive the development process, including the measurement of results. The results that are most valued must be determined by aid recipients themselves.

Ownership

Countries will have greater ownership over their own development if donors are transparent and provide timely information, and if they strengthen government institutions to provide services and enable their citizens to hold their governments accountable. Ultimately, donors should provide more resources through country systems, including some forms of budget support.⁴⁷ Strengthening ownership is not only about ensuring that people have a say in their national development strategies. It is also about having consistent mechanisms, like democratic institutions, which ensure that governments deliver the services citizens deem most important. With greater ownership, the results frameworks that emerge from countries will be more reflective of a national conversation between a government and its citizens.

Country-based results management

As well as ideally being more responsive to the country's needs, the captured results of country-based management systems will be much more useful at the national level. Governments should be able to use the results to compare different intervention types, decide which were more efficient, and effectively scale up. If governments are responsive to their people, the results they choose to collect data on are more likely to be results that their own citizens have identified and can use to hold their government accountable. Citizens are more likely to influence the priorities of a government where there is country ownership, domestic accountability, and ownership and participation of the country's women and men and their organizations. Donors can do more to help build the capacity of a government's ability to manage results. In part, this includes building the country's monitoring and evaluation, and statistical information collection capacity, including gender machinery, which allows governments to document the differential impact of policies, priorities, and programs on women and men.

As part of the process leading up to HLF4, the fourth pillar of the Paris Principles, 'Managing for Development Results', has been widely discussed. This is built on five points:

First, results frameworks should be self-evident, country-owned devices that require mutual accountability. Secondly, in cases where partner country information systems lack capacity, donors should avoid the temptation to track progress through independent data collection and, instead, harmonize their efforts with one another. Third, the donor community must invest in recipient country statistical and information-gathering capacity. Fourth, transparency is critical for any results frameworks to work. Finally, developing 'Managing for Development Results' systems requires mutual accountability between partners.⁴⁸

The 'right' results are about power

Improving the quality of aid in order to best help people living in poverty is only part of the role donors can play. Ultimately, if poverty is a symptom of power imbalances, where poor people have little or no power to exercise their roles as citizens, donors should explicitly help to rebalance this power dynamic. In an environment where citizens are part of discussions around their development, the locus of accountability shifts away from donor countries back towards recipients. For the results-driven agenda, this means a necessary expansion from a technocratic to a political approach to results.

Citizens will have 'ownership' over their development through increases in freedoms such as access to information, better governance at the local level, and working democratic systems that all lead to more equitable development. Foreign aid can supplement the expansion of these freedoms, and ultimately country ownership, if donors know that they must make political commitments to ensure citizens can advocate for their rights. Donors can manifest these

principles in their policy in three distinct ways: by creating enabling environments; bolstering the capacity of civil society groups; and supporting mechanisms and institutions that allow for greater domestic accountability.

Enabling environments

Donors need to remain committed to increasing the space for citizens to hold their government accountable. A first and pressing step in the right direction would be to stop governments encroaching on that space. In the past few years, international observers have noted that 90 different countries have enacted or are enacting laws that at times restrict civil society organizations from legally forming, prevent them from performing their activities without government interference, and give governments the ability to shut down organizations indiscriminately.⁴⁹ Some governments have, wrongly, justified encroaching into civil society space as a logical interpretation of the harmonization principles embedded in the Paris Declaration and the Accra Agenda for Action.⁵⁰ However, both of these documents – articles 13 and 20 of the Accra Agenda in particular – ascertain that fulfillment of the ownership principles requires civil society engagement and the protection of an enabling environment for civil society work.⁵¹

The consequences of this shrinking space are catastrophic. Human rights advocates and organizations are curtailed from taking action against repressive regimes. In terms of development, civil society is less likely to be able to expose issues of corruption and demand citizen-based accountability. Without the space to organize and engage their government, civil society is hindered from playing an active role in determining developmental priorities, either through participatory means or for holding governments accountable to their development promises.⁵²

Box 8 Controversial legislation threatens Cambodia's democratic space and development progress

Over the past 30 years, government and civil society co-operation has been vital in Cambodia's post-war rebuilding and development. Yet the government has recently proposed controversial legislation that, if passed, threatens to severely restrict freedoms of association and speech and could negatively affect organizations that represent marginalized people, including farmers, labor unionists, land activists, students, sex workers and people with disabilities. This proposed law would violate rights enshrined in the Cambodian Constitution and the International Covenant for Civil and Political Rights (ICCPR), of which Cambodia is a signatory.

As currently drafted, the law would give the authorities far-reaching powers to control citizens' rights to organize and express themselves. NGOs and associations will have to register with the government and adhere to excessive and cumbersome reporting requirements. Unclear provisions in the law would make it difficult for NGOs and small, community-based organizations to help Cambodia's poor, and would hinder the country's economic development.

The draft law on associations and NGOs would significantly compromise effective delivery of foreign aid and overseas investments. Since NGOs manage a quarter of development assistance coming into Cambodia, a significant number of the local workforce could be affected. The watchdog advocacy groups that monitor donors and the government may have to close their doors, potentially opening windows for fraud and waste. In turn, the increase in corruption could dramatically affect Cambodia's ability to attract foreign investment, its overall business environment and its economic growth. The average Cambodian who relies on the support of associations and NGOs for access to health care, education, social justice, a sustainable livelihood and a better life will be hurt the most.

In the run-up to HLF4, CSOs from around the world have organized themselves within the Open Forum for CSO Development Effectiveness. Within this process, CSOs determined that donors and their development partners should commit to protecting an enabling environment for civil society. To do this, international development stakeholders, including donor and recipient states, should 'endorse the internationally recognized indicators measuring government commitments to the enabling environment for civil society.'⁵³ Ensuring the political space for civil society is not enough to guarantee that citizens engage with their government in defining their needs. Often the space emerges, but civil society does not take advantage of that space and remains inactive. While the impetus for citizen engagement must come from the grievances felt by women, men, girls and boys within a country, donors can play a role in encouraging an active civil society.

Active civil society

A political approach to the 'right' results would also imply that donors should bolster the capacity of civil society groups. An active and engaged civil society is the key to holding governments accountable. But stimulating an active civil society means funding it directly and in a way that allows civil society groups to identify and advocate on the issues citizens deem most pressing. Donors can do more to allow civil society independence by supporting the administrative costs of civil society groups so that they have the capacity and resources to respond to citizens' concerns rather than responding to the demands of project donors.

Further, donors can insist that civil society plays a stronger role in the government's day-to-day management and choices. This means including civil society as part of broader development and sector co-ordination groups, in work with legislative branches, and whatever else donors can do to facilitate a co-operative partnership between government and civil society. For example, Oxfam has called on donors to retain a certain percentage of budget support given to recipient governments for strengthening civil society as a way to increase domestic oversight of government budgets. When donors support an active civil society, they should pay special attention to women's groups and movements, and other organizations that represent the interests and amplify the voice of under-represented and marginalized communities.

Finally, donors should better align civil society support with the media, particularly investigatory media, as a tool civil society can use in their advocacy efforts.

Governance institutions

If donors want to ensure that there is an active voice calling for the 'right' results, and which strengthens the government-citizen compact, they should push for and support mechanisms and institutions that allow for greater domestic accountability. Domestic accountability specifically refers to the action of citizens holding their government accountable for the delivery of goods and services. Domestic accountability is multi-dimensional. On the one hand, institutions must exist that allow citizens to hold their government accountable, typically through democratic institutions. Citizens must have a way to peacefully show their approval or disapproval of actors or their actions. On the other hand, governance also includes systems that should be put in place that do not require citizen oversight. These mechanisms include national auditing offices, human rights commissions and independent legislatures. These governance institutions all play a role in facilitating the provision of transparent information on the state of government affairs which citizens can use in their advocacy.

While governance reform is critical to broadening the accountability dialogue between citizens and their government, institutional reform is not enough to stimulate political processes. Leadership and empowerment within government and among civil society ensures that government officials are accountable and that citizens understand their role and responsibilities as citizens.⁵⁴

Conclusion and recommendations

Committing to better results is crucial, but an ill-considered results agenda, especially in response to domestic political pressures could undermine sustainable aid interventions. Fortunately, there are ways to mitigate this risk. At HLF4, donors must focus on ensuring results that matter most to people living in poverty. It is crucial that they stand by the commitments they made in the Paris Declaration and the Accra Agenda for Action, and go further to ensure that aid is more effective in bringing lasting change to the lives of people living in poverty.

To ensure a results agenda that really counts;

Donors should measure outcomes and impact and must be more innovative about how they design and measure results.

To do this, donors should:

- focus on measuring outcomes and impact as results, not outputs and inputs;
- ensure that indicators are sensitive to issues of equality and inclusion with special emphasis on gender;
- explore new monitoring and evaluation methods for measuring change;
- link outcomes and impacts within broader results frameworks like the Millennium Development Goals.

Donors should maintain or increase aid where it's needed, even if results are harder to measure in the immediate term.

This requires donors prioritizing the long-term impact of their aid, over showing short-term results to their own constituency. They should:

- increase aid to instruments that can be effective at delivering harder to measure results, such as budget support or empowerment programs;
- maintain aid in countries where the results of aid might be harder to measure, such as fragile states;
- proceed with caution on results-based aid as some mechanisms, such as Program for Results and Cash on Delivery, have not had a proper piloting phase and may lead to unintended results.

People in poverty should determine the results donors focus on.

To help ensure that they are focusing on the results that matter most to people living in poverty, donors should provide aid in ways that shift the locus of accountability to recipients by:

- ensuring that results policies and frameworks are defined in collaboration with partner governments, parliaments, and civil society, not only by donors;
- building capacity support for local results management frameworks. This includes strengthening the gender machinery of governments, to allow them to manage policies, priorities, and programs relating to women and men, and to strengthen the capacity of civil society to hold government to account for their gender equality commitments.

Donors should give aid in a manner that helps rebalance unequal power dynamics.

Donors must remain mindful of the political context in which aid is given and work to ensure that it does not undermine the citizen-government compact, but rather helps rebalance unequal power dynamics. This is what will allow citizens to engage with governments and donors to better define the results that matter for them. To do this, donors should:

- explicitly support commitments towards protecting an enabling environment for civil society at HLF4 and beyond, and measure results in these areas;
- support and work towards the creation of an active independent civil society in recipient countries, with special attention to women's groups and other organizations that represent the interests and amplify the voice of under-represented and marginalized communities;
- strengthen the capacity of governance institutions that would allow more citizen oversight of country systems.

A focus on results has the potential to improve the quality of aid and help achieve development outcomes. But there is a risk that donors will drive a set of policies that actually undermine this aim and their own commitments to aid effectiveness. The most important results are those that matter to people living in poverty, and there is still time for donors and the international community to ensure that they focus on what really counts.

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