

# Chapter 6: Results and accountability of Italy's 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**

Italy has taken recent initiatives to adopt results-based management approaches. However, the understanding of results-based management remains weak throughout the Italian aid system. Expected results are not built into programming and budgeting processes at headquarters. In partner countries, while monitoring systems seem to be robust at the project level, the link with the overall country framework is unclear. Managing for results is also weak in fragile contexts, where the same approach is used as in other partner countries. In particular, it is unclear how Italian-funded projects take into account conflict sensitivity or “do no harm” approaches.

### Pursue efforts to build results into programming and budgeting processes

As is the case with some other DAC members, Italy is beginning to adopt results-based management approaches – a process enhanced following a law passed in 2009.<sup>1</sup> Each ministry is now driven by a three-year performance plan which sets priorities and is revised on an annual basis.<sup>2</sup> The 2009 peer review recommended that Italy establish results-oriented mechanisms for allocating resources to country programmes and train staff in results-based management. This recommendation, as well as the new results orientation of the Italian administration, has led DGCS to take some steps towards managing for results.

- > At partner country level: planning documents (STREAM) must specify the expected results of Italian development co-operation.<sup>3</sup>
- > At project level: the new aid effectiveness marker (Chapter 5) checks compliance with the Italian poverty reduction guideline and takes into account the degree of application of a results approach.
- > Staff training: DGCS organised dedicated training sessions for staff in Rome, as well as a workshop on results-based management (June 2013). It is preparing a workshop on the results framework with the European Commission, planned for early 2014.

Despite these efforts, results-based management is not well understood at headquarters and in the field, and a results-oriented culture is yet to be developed. Italian development co-operation policies and programmes are not set out in terms that can be measured: at the national level, the three-year guidelines do not establish a framework of expected outcomes with indicators of performance; at partner country level, STREAM documents still fail to provide performance indicators for each expected result, accompanied by a calendar and targets. As observed in Albania, a chain of results is articulated within the project cycle management and supported by robust monitoring systems (Annex C). Italy is also encouraged to embed results and indicators in all its country programmes.

Overall, the link between projects and the country framework is unclear, with respect to Italy's general strategy and to the country programme in each partner country. Italy plans to turn the triennial guidelines into outcome-based documents starting with the 2014-16 guidelines. This positive step forward could then facilitate the integration of a detailed results matrix into each STREAM document and country programme. This approach would strengthen the overall Italian results policy.

**Systematise  
use of partner  
countries' data**

Italy is aware of the need to rely on partner countries' own data and systems to measure results. In Albania it makes use of the results framework and monitoring report of that country's National Strategy for Development and Integration (NSDI), using indicators derived from the NSDI in the logical frameworks of its interventions. This needs to be done systematically as Italy further develops its results-based approach at partner country level. This will help to identify Italy's contribution to partner country sector plans.

**Managing for  
results in fragile  
contexts is weak**

Managing for results is also weak in fragile contexts, where the same approach is used as in other partner countries. Projects are designed as stand-alone, quick-impact interventions with short-term timeframes. It is unclear how these projects take conflict sensitivity or "do no harm" approaches into account. A recent evaluation found that expected results and indicators were not set out in the planning process, and thus there was no way to monitor or measure progress (MFA, 2013).

## Evaluation system

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

**While Italy has established an evaluation office with a dedicated budget and has an evaluation policy, there is still a need to strengthen expertise, establish a medium-term evaluation plan, and build an evaluation culture. With the evaluation unit located in an office within DGCS that also addresses visibility, maintaining the independence of the evaluation function needs attention. It would be good practice to move the evaluation function outside of the direct reporting line.**

**An evaluation  
policy and unit  
are in place**

As recommended by the 2009 peer review, DGCS developed guidelines on evaluation and set up a new evaluation unit in 2010 with three staff members including the head of the office, which is also responsible for communication. This unit works at policy level, developing strategic orientations and ensuring the quality of evaluations. It elaborated an evaluation strategy in line with the DAC evaluation principles. DGCS now plans to update the 2010 guidelines on evaluation.

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**The independence of evaluations needs attention**

Evaluations are carried out by external consultants to guarantee their independence. However, the evaluation unit is located in Office IX “Visibility and Evaluation” and therefore subject to oversight by the direct line manager. Furthermore, as this office also deals with communication, the pressure to show good results (rather than accountability) may drive the evaluation programmes and weaken the focus on learning. Maintaining the independence of the evaluation function in this context may be challenging. It would be good practice to move the evaluation function outside of the direct reporting line, having it report to MFA's Secretary General or an evaluation committee, for example. Specific measures may also be needed to guarantee that accountability and learning drive the evaluation programme.

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**A need to establish a medium-term evaluation plan**

The work of the evaluation unit is at an early stage.<sup>4</sup> The unit still focuses on creating a baseline before setting clear strategic directions for the evaluation programme. This might explain why the first ever two-year evaluation programme (2010-11) was followed by annual evaluation programmes (for 2012 and 2013), with annual budgets of EUR 1 million. DGCS is reviewing strategic criteria for identifying evaluation needs and priorities in light of programming requirements. Building on this work, it should now elaborate an overall multi-annual evaluation plan and budget, and decide on an evaluation model which is feasible given the resources available. At the March, 2014 DAC peer review meeting, the committee was informed that Italy had recently adopted a three-year evaluation plan. DGCS is also encouraged to continue building an evaluation culture within the Italian system and strengthening expertise on evaluation.

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**Selecting evaluations strategically**

In Albania, evaluations are planned in partnership with the relevant counterparts. These counterparts are thoroughly consulted, whether projects are implemented by multilateral organisations, NGOs, or the partner country's national or sub-national authorities. However, in recent years, among the evaluations planned by headquarters, only one evaluation has been conducted in Albania<sup>5</sup> while four more are scheduled<sup>6</sup>. If this is the general practice, it is all the more important, when planning future evaluations, to select the most strategic projects or programmes that could provide useful lessons. DGCS is therefore encouraged to identify clear criteria to guide this process.

## Institutional learning

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

Italy still needs to build an effective management response to evaluations, so that findings from the evaluations inform strategic decisions and can be used as a forward-looking management tool. The Italian system does not widely disseminate the findings from evaluations or capture lessons at global and country levels in a structured way. A knowledge management system, which systematically takes lessons and experiences from monitoring and evaluation into account, would help to inform decision making and strengthen staff capacities at headquarters and in partner countries. In establishing the system, Italy could seek inputs from external stakeholders.

### Lack of a follow-up system hampers use of evaluations as a management tool

In Albania monitoring systems help local steering committees to adjust the implementation of a project to ensure that it meets its objectives. It is less clear how evaluations inform decision making within the Italian development co-operation system. At headquarters level draft evaluations are discussed within DGCS. Once a report is final, however, there is no formal evaluation feedback mechanism or management response for follow-up and implementation of evaluation recommendations. For example, it was only “for information” that the *ex post* evaluation on soft loans was presented to DGCS’s Steering Committee. Discussing strategic evaluations in the Committee could help to draw lessons and influence future policies. Italy plans to address this issue when revising the 2010 guidelines on evaluation, which is positive.

### Further disseminate evaluation results and lessons

In partner countries evaluation reports are shared with local counterparts, implementing entities and other relevant stakeholders, mainly through the organisation of mid-term or final workshops following completion of a project. Final evaluation reports are sent to headquarters, and some are made available through the DAC Evaluation Resource Centre (DEReC).<sup>7</sup>

DGCS recognises the need to disseminate the results of its evaluations more broadly. It is considering various modalities for achieving this, such as organising an “evaluation day”, widely circulating the abstracts of evaluation reports, or elaborating annual reports on evaluation activities (a first report should be issued in 2014). DGCS’s final decision on this should be guided by the overall objective of enabling key stakeholders to learn about what works and why.

**Set up a knowledge management system to help deliver quality aid**

The Italian system is not capturing lessons in an informed, useful way at global and field levels. Co-operation offices in partner countries are asked each year to provide inputs that feed into the annual report shared with parliament and inform Italy's dialogue with multilateral organisations. In Albania, the Co-operation office also put information related to its activities into a database. However, the office does not have enough resources and time to be able to capitalise on this information. Sharing of experience is therefore limited.

At headquarters level there is no formal framework for building on monitoring results, compiling and organising information from the field, and making it available to a large number of stakeholders.

Italy recognises the need to consolidate good practice from development co-operation. A knowledge management system, building on experience in different sectors and countries, would help to inform decision making, strengthen the capacity of staff throughout the system, and thereby improve the quality of co-operation programmes. This could take various forms, such as structuring the information in a database or putting in place platforms for discussion on thematic or sector issues. In establishing the system, Italy could also seek inputs from external stakeholders (other donors, research institutes and academia) and invest in international knowledge dissemination networks.

## Communication, accountability, and development awareness

Indicator: The member communicates development results transparently and honestly

**Italy has taken steps to increase transparency and comply with the Busan commitment to implement a common standard for aid transparency. A comprehensive database of ODA allocations covering all official assistance managed at national and sub-national levels would go a long way towards achieving this. Italy is taking a number of communication initiatives and could reinforce its strategic approach. With support for the aid programme declining, it could do more to raise public awareness of development-related issues, including in the context of Expo 2015 in Milan.**

**Italy is taking steps to increase transparency**

Internal and external pressures have led Italy to strengthen transparency. It has published the timetable for implementing the new standard on aid transparency agreed in Busan and is establishing an open-data electronic platform to meet its commitment. While Italy is not part of the International Aid Transparency Initiative (IATI), it made a commitment at the 2013 G8 Summit in Lough Erne to publish in the IATI registry by 2015. To ensure full transparency, all ODA allocations managed by government departments as well as sub-national authorities need to be collected and put on line. The new tendering procedure for NGO projects, put in place to comply with the EU's and Italy's audit requirements, will also increase transparency, making criteria for the selection process public.

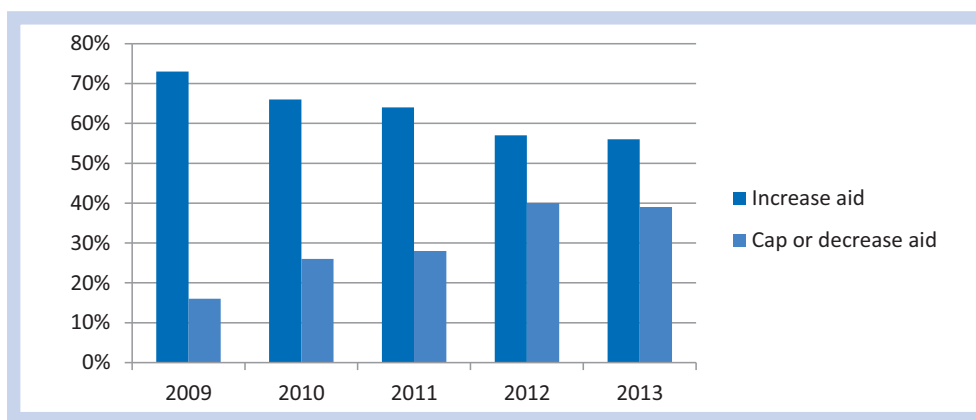
DGCS submits annually to parliament its proposal for the next ODA budget and, together with the Ministry of Economy and Finance, provides a report on development co-operation. Foreign Affairs Committees in the two chambers scrutinise the aid programme through questions, hearings or surveys. However, development co-operation does not seem to feature high on the parliament's agenda.<sup>8</sup> As mentioned in Chapter 1, a new momentum could result from the creation of a cross-party parliamentary group on development co-operation in April 2013. This group could be a vehicle for strengthening awareness and widening support to development co-operation within parliament.

NGOs play a dynamic role in making government accountable. They are actively involved in Italian consultative and policy-making processes (e.g. the Inter-Institutional Table on Development Co-operation) and sensitise decision-makers on development co-operation issues, engaging with the government, meeting candidates before national elections and participating in parliamentary hearings.

**Public support for development co-operation is declining**

In spite of the current economic climate, 78% of Italians think it is important to help people in developing countries and slightly over half think that aid to developing countries should be increased. However, there has been a clear negative shift in Italian opinion over the last four years, with the number of those wishing to increase aid declining and the share who wish to cap or reduce aid increasing. In 2013, 56% of Italians would have liked to see aid increased to the level promised or beyond (compared to 73% in 2009) and 39% would have liked to see aid capped or reduced (compared to 16% in 2009) (Figure 6.1).

**Figure 6.1 Italians' opinions on future development aid**



Source: Eurobarometer (European Commission, 2009-2013).

**Italy's  
communication  
could be more  
strategic**

Expanding communication and raising awareness on development co-operation is all the more important since the 2012 *Eurobarometer* shows that 44% of Italians do not know anything about where their country's development aid goes. At the same time, 71% think corruption and bad governance are the main obstacles which can prevent successful development in developing countries (EC, 2012).

The 2009 peer review recommended that Italy develop a well-targeted and resourced strategy to raise public awareness and the political profile of development co-operation. Recognising that information is not well disseminated to the public, Italy has since developed communication guidelines (DGCS, 2010) and established a communication unit, equipped with two seconded staff and six contractual staff. Since 2013 communication has a specific budget, amounting to EUR 1 million that year. Five staff in MFA's press office are also involved in communicating development issues.

With these resources, DGCS has developed closer relations with the media (including social media) and makes more use of new communication tools (e.g. publishing electronic bulletins, establishing a multi-media database in 2012 and renovating the development co-operation website). DGCS also promotes a new visual identity for Italian development co-operation and encourages co-operation offices to communicate on their projects, using their websites. To do so, some offices contract out work to communication experts – a move which headquarters encourages and which could be systematically emulated by all country offices.

DGCS has drafted a new communication strategy that aims to maintain a broad consensus on Italian development co-operation, increase political support and raise public awareness. The strategy identifies key messages and targeted audiences, as well as actors and tools for communicating. This strategy is a welcome step. DGCS could reinforce it by tailoring messages to each audience and considering how to communicate on risks and mitigation strategies. Italy could also develop a strategic approach to engaging with various groups of parliamentarians. Finally, monitoring the impact of communication and development education activities, using surveys and polls, could contribute to adjusting the communication strategy to evolving information needs.

**Enhanced efforts  
needed to raise  
public awareness**

Italy works with NGOs to raise public awareness. DGCS finances up to 70% of projects on information and education for development presented by NGOs and selected through a specific call for proposals.<sup>9</sup> DGCS is also furthering its collaboration with the education sector. It is preparing an agreement with the Ministry of Education to introduce development co-operation and global citizenship awareness in school curricula. In addition, it is exploring ways to use blogs and forums on the internet to engage with students and youth. These are all positive steps.

Italy needs to strengthen efforts to raise public awareness on development-related issues in a more structured way, linking information, public engagement and development education. It could make more use of decentralised co-operation and its approach to local development. While looking at enhancing its approach to public awareness further, Italy will have opportunities to bring development issues up front, including at Expo 2015 (whose slogan is “Feeding the Planet – Energy for Life”) in Milan on 1 May-31 October 2015. This international exhibition will offer a good opportunity for Italy to invest in communication and public awareness before and after the events themselves. In a positive move, DGCS is bringing together universities, research institutes and NGOs to identify key themes and messages to convey at Expo 2015. The Italian presidency of the EU starting in July 2014 will offer other opportunities to raise awareness on development co-operation.



## Notes

1. Decreto legislativo n°150/2009.
2. The MFA's performance plan for 2013-15 establishes the strengthening of geographic and sector concentration and articulating better bilateral and multilateral funding as strategic objectives for enhancing the quality of ODA. It also makes improving planning and budgeting processes a structural objective for DGCS.
3. This is the purpose of Section 5 of the STREAM document. STREAM stands for a “synthetic, transparent, realistic, exhaustive and measurable” country framework.
4. As of November 2013, the unit had commissioned 12 evaluations.
5. The Art Global Initiative (Articulation of Territorial and Thematic Networks of Cooperation for Human Development) Gold programme managed by UNDP.
6. At project level, final evaluations can also be foreseen in the project document or carried out according to the decisions taken by the relevant stakeholders. In Albania, two UN programmes and one NGO programme were evaluated following these principles.
7. As of November 2013, four evaluations were available on the DEREc website, covering the period 2011-13 ([www.oecd.org/derec/italy/publicationsdocuments/all/](http://www.oecd.org/derec/italy/publicationsdocuments/all/)).
8. The Memorandum submitted by Italy states that only 62 parliamentary questions related to development co-operation were submitted over 2008-13, compared with 2 548 concerning the Ministry of Foreign Affairs (and 84 parliamentary motions and/or resolutions related to development co-operation compared with 630 for the Ministry of Foreign Affairs) (OECD, 2013).
9. The budget allocated to development education activities by NGOs (Info/EaS) amounted to EUR 1.75 million in 2013. Priority issues identified for this call for proposals are: food security/Expo 2015; migration and development; and people with disabilities. For more information on Expo 2015, see <http://en.expo2015.org/expo-2015>.

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