Chapter 6: Results management and accountability of Denmark'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

Denmark is strengthening its results-based management. It is stepping up efforts to measure results at outcome and country level and support its partners' monitoring capacities. New performance-based funding for framework agreements with civil society organisations (CSOs) demonstrates Denmark's attempts to link results and budget decisions. Its results monitoring is also sensitive to conflict and fragility. However, because Denmark relies on partners' results monitoring, it needs to consolidate and check the quality of the information it receives to ensure that results can inform decisions at policy and strategy levels.

Moving from outputs and projects to outcomes and country programmes

Denmark has made efforts to institutionalise results-based management in programming, monitoring and its relationships with partners.

The introduction of a country programming approach is shifting the focus of results-based management from projects to country programmes by introducing Danish results frameworks at country level.[1] When formulating new interventions, attention is also paid to the quality of the theory of change to clarify the chain of expected results and improve monitoring. Nevertheless, at present, results frameworks are still developed at project and programme levels and results are formulated as broad objectives in country strategies, not as measurable results. Denmark is also stepping up its efforts to measure outcomes – i.e. the changes that matter to people's lives – to inform decision making when managing programmes, both from a monitoring and an evaluation perspective. It has introduced a set of output and outcome indicators for project reporting[2] and launched real-time evaluations to measure key outcomes and programme assumptions every year.[3] However, the benefit of having two systems aiming at the same objective, one internal and one independent, is not clear.

This focus on results is not limited to country programmes. Denmark requires all its partners[4] to report on results and uses results information to manage the partnership, including when deciding on budget allocations. For instance, the new resource allocation model for strategic frameworks agreement signed with Danish CSOs introduces a variable performance-based tranche – of up to 40% – to the grants allocated annually.[5]

At corporate level, the results-based approach is oriented towards assessing the overall performance, looking at the share of goals fulfilled rather than results achieved.[6] Because Denmark's results monitoring relies mainly on its partners, it needs mechanisms for consolidating information to ensure that results inform decisions, not only at project level but also at policy level.

Denmark's partners are responsible for results	Implementing partners are responsible for monitoring and reporting on results, which is good practice. Expected results are agreed jointly; partners receive support to build their own monitoring and evaluation mechanisms, and results information is used to steer dialogue – although usually at output level.
	Denmark is not immune to the usual challenges of accessing good-quality data, but tries to balance access with capacity building. If data are not accessible, part of the country programme budget can be allocated to external monitoring. Programmes can also mobilise real-time evaluations funded and managed by headquarters. When piloting these real-time evaluations, Denmark will have to be careful not to set up parallel measurement systems and to keep its initial intention of conducting complementary exercises that can contribute to improving results measurement and strengthening partners' capacity in results management.
Good sensitivity to conflict, but monitoring capacities limit results-based approach	Denmark's programming processes in fragile states imply a good understanding of context. Indeed, programmes have to integrate three scenarios in their design, from best-case to worst-case, and their effect on implementation (see Box 5.1, Chapter 5). Building these scenarios requires a correct understanding the conflict drivers and risks. Such integration of risk management and conflict analysis into the design of country programmes improves the assessment of state capacity gaps, and allow early reaction if the situation deteriorates. Crisis contexts can mean limited access to project and primary data, however, which curbs Denmark's ability to measure, learn, adapt and adjust. In those contexts, Denmark's intention is to look beyond strict output measurement and evaluate its contribution to transformative processes. This is a pragmatic qualitative approach, which can be further balanced with its resort to third-party monitoring, as programmed in Somalia (See Box 7.1, Chapter 7).

Evaluation system

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

Denmark has the tools to implement its evaluation policy, which aims to support learning and improve decision making. Its evaluation department is independent, with clearly defined roles and responsibilities and has a dedicated budget to carry out evaluation plans. Denmark is also active in strengthening partners' evaluation capacities, notably by testing innovative approaches such as collaborative partner-donor evaluations. Whether this commitment to joint work will continue is, however, unclear.

An evaluation policy supporting learning and decision making	Denmark's evaluation system is in line with the Development Assistance Committee's (DAC) principles. Following the 2014 peer review of the evaluation function (MFA, 2014a), Denmark approved a new evaluation policy to inform how evaluations are conducted with developing countries, outline principles and standards and to foster a shared understanding of the priorities, usefulness and value-added of development co-operation (MFA, 2016a). The policy strengthens the emphasis on the timing of evaluations and innovative approaches to increase learning and inform decision making. For instance, it introduced the real-time evaluations mentioned above and follow-up evaluations that aim at enhancing evaluability through improved theory of change and results framework of future programmes and strategies. However, the 2014 peer review questioned the lack of

strategic evaluations, useful for key actors beyond programme managers. It is unclear how the introduction of real-time and follow-up evaluations is helping to address this gap.

The evaluation policy also clarifies the role and responsibilities of the evaluation department and its interactions with other departments in the Ministry of Foreign Affairs, with the evaluation department being responsible for quality and independence. With appropriate staffing and dedicated budget, it has the capacity to implement this policy.

Independent design and quality control of evaluations

Reporting to the Minister of Foreign Affairs through the State Secretary for Development Policy, the evaluation department is independent from policy making and implementation when it designs the evaluation plan and conducts evaluations.

In consultation with operational departments and embassies, the evaluation department is responsible for developing a two-year rolling evaluation plan. Its planning criteria support a good coverage of the development co-operation portfolio over a five to seven-year span, both in terms of modalities of bilateral support and countries of implementation. The evaluation plan is discussed with the Council for Development Policy and subject to public hearings before being submitted to the Foreign Affairs Committee in parliament by the Minister of Foreign Affairs. This mandate from parliament, along with dedicated budget for evaluation, helps to guarantee that the evaluation department has the necessary independence and means to fully implement the approved plan.

The use of reference groups set up for each evaluation and external consultants selected through a competitive bidding process safeguard the independence of each evaluation. Gathering representatives from the ministry, partner organisations and countries as well as technical experts from universities or think-tanks, the reference groups aim to improve the quality of evaluations by providing advice on factual, contextual and methodological issues.

Experimenting with collaborative partner-donor evaluation

Denmark engages in joint evaluation work with members of the OECD/DAC and the Nordic Plus group,[7] through conducting joint evaluations and exploring new ways of joint work on themes of interest. Over the last five years, approximately half of all evaluations have been implemented as joint evaluations, or have been conducted on behalf of other stakeholders. However, only one joint evaluation is planned for the period 2015-16, compared to an average of four in previous years.

Denmark promotes evaluation capacity development in partner countries by supporting international organisations and networks such as the International Initiative for Impact Evaluation (3ie) and the International Programme for Development Evaluation Training (IPDET). Denmark promotes ownership of evaluations among partner countries and local stakeholders by engaging them in the relevant reference groups. It is also trialling new approaches for collaborative partner-donor evaluations[8] with partner countries in the lead. Denmark's experience with the pilot collaborative evaluation to be launched in Ghana (Annex C) – in particular on the challenges, added-value and building blocks of such partnerships – could be of interest to DAC members.

Institutional learning

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

The Ministry of Foreign Affairs is a learning organisation that uses knowledge from research, evaluations and implementation. However, its knowledge is neither consolidated nor disseminated well enough to staff, especially knowledge generated by partners. Stronger knowledge management will be critical at a time of reduction of development expertise.

Mechanisms are in place to learn from evaluations

Denmark has set up various mechanisms to strengthen the use of evaluation findings. It disseminates evaluation reports widely, follows up management responses one to two years after the evaluation has been conducted, and senior management meet twice a year to discuss issues related to evaluations. In addition, the evaluation department can commission follow-up and real-time evaluations which have the objective of directly feeding into programming decisions. It can also commission smaller evaluation studies or systematic reviews drawing on already published material to make sure that information is available when needed.

Better use could be made of partners' knowledge

Several departments co-operate within the Ministry of Foreign Affairs and mobilise knowledge-management tools to promote institutional learning. In addition to the work conducted by the evaluation department, and to financial support for South-driven research, the Quality Assurance Department and the Technical Advisory Services – now merged into the Technical Quality Service – facilitate knowledge dissemination through reviews, seminars and workshops, while programme committees, the Grant Committee and the Council for Development Policies are useful forums for knowledge sharing.

Still, knowledge management is an ongoing challenge. The lack of an overall, cohesive strategy for research weakens the links between research and programming. Knowledge information is neither consolidated nor disseminated well enough to staff and there are no systematic feedback loops between decentralised and central levels. This will become more problematic as the proportion of local staff increases (Chapter 4). Building strong knowledge management systems which use knowledge from partners, including CSOs, would help both headquarters and local staff, especially at a time of reduction of development expertise.

Communication, accountability and development awareness

Indicator: The member communicates development results transparently and honestly

Denmark is commended for its commitment to transparency and the quality of its communication strategy, which enhances accountability and raises development awareness. Partnerships with schools, civil society organisations, the private sector and researchers, as well as use of social media, strengthen the engagement of a broad audience. Agenda 2030 presents an opportunity to enhance communication on global citizenship and the interdependence between Danish interests, development goals and global public goods.

Chapter 6: Results management and accountability of Denmark's development co-operation

A top performer in terms of transparency

Up-to-date data published on the OpenAid website (http://openaid.um.dk/en) and public hearings are key features of Denmark's commitment to transparency. OpenAid presents frequent and timely information, including on results. The Danida Transparency website offers space for public consultation on projects, programmes and strategies before they are approved. Annual reports published and presented to parliament increase transparency by framing information in an understandable way for citizens.[9] These efforts towards transparency led to improved scores by 15% points in the Aid Transparency Index, moving Denmark up in the "good" category (Publish What You Fund, 2016).

This level of transparency enhances Denmark's accountability towards its partners, the general public and parliament, as evidenced by the increased number of visitors to the OpenAid website and responses to public hearings.[10] Denmark is now well placed to push the agenda further by supporting its partners to reach the same degree of transparency.

Improved communication of results

Following the recommendation of the 2011 peer review (OECD, 2011), Denmark is communicating more on results. Notably, one of the five goals of its communication strategy for development co-operation (MFA, 2013) is to provide Danes with greater knowledge about the results achieved through the development co-operation programme.

Messages are designed to inform the public on what Denmark's official assistance supports, how support is provided, and how poverty reduction and human rights determine the overall development co-operation policy (OECD, 2014). Denmark publishes on OpenAid information on the indicators used for measuring results, along with targets and actual outcomes, where available, and on the overall organisation performance. Risks and risk mitigation strategies are also published where available. However, communication on results could be improved as the information is not necessary consistent across interventions (Publish What You Fund, 2015).

Evidence-based strategy to raise development awareness

Denmark has an informed and strategic approach to raising public awareness on development. It conducts annual survey on Danes' attitudes towards and knowledge of development assistance to identify target groups and adjust its communication tools accordingly.[11] Based on a core narrative and five main messages (MFA, 2013),[12] it communicates the results of its development co-operation to reach "convinced" Danes and relays messages of broader political interest to reach more sceptical target groups. The Ministry of Foreign Affairs also uses social media to engage in a two-way dialogue with this wider public and adjusts its social media strategy based on weekly monitoring. In addition, Denmark partners with CSOs, researchers and the Ministry of Education to produce communication and education materials promoting global citizenship and raising development awareness (Box 6.1).

The latest annual public opinion polls show that support for development co-operation has fallen from 70% to 60% over recent years. Even though this remains high compared to other donors, it suggests that Denmark should invest in maintaining public support in order to achieve its development co-operation goals. The Sustainable Development Goals (SDGs) and Agenda 2030 represent an opportunity to communicate on the links between Danish interests, development and global public goods in a comprehensive framework, while maintaining the voice of development co-operation. Such communication could also strengthen public awareness on global citizenship – as targeted by SDG 4 on quality education – particularly at a time when official development assistance expenditures are shifting towards security and trade, in line with Danish interests.

Box 6.1 Denmark engages with a wide range of partners to raise development awareness

In 2010, the Ministry of Foreign Affairs launched the World's Best News campaign together with the United Nations, 100 Danish development organisations and 90 business partners. The World's Best News is a journalistic awareness campaign that publishes news about progress in developing countries. The evaluation of the campaign concluded that it created an innovative communication platform and sustainable partnerships. However, the campaign did not manage to change people's understanding of development or improve Danish knowledge of the Millennium Development Goals.

Denmark also developed an extensive development education programme. It publishes educational material every year to support the educational goals of the first four grades of primary school and has developed an online platform to learn about the lives of children in developing countries. The material has grown steadily in popularity among primary school teachers over the last couple of years.

Source: MFA (2016b), *OECD-DAC Peer Review of Denmark 2016: Memorandum*; MFA (2015a)*, Evaluering af Kampagnen "Verdens Bedste Nyheder"* [Evaluation of the Campaign "World's Best News"].

Notes

1. The framework consists of a country policy paper, a country programme document and development engagements agreed with implementing partners.

2. One outcome-level indicator per development engagement and one to five output indicators with annual targets.

3. Contrary to monitoring, real-time evaluations are independent and external processes that run in parallel to a country programme.

4. Countries and territories, CSOs, multilateral organisations, etc.

5. The performance-based funding component looks at organisations' capability to effect real changes through their programmes based on: strategic focus and goals, strategic financing for sustainability, role as Danish civil society organisation and evidence of change.

6. Annual reports present a summary of goal fulfilment at corporate and country levels, rated from "very satisfactory" to "not satisfactory". Results are measured in relation to 251 objectives for bilateral assistance. Objectives and targets are not included in the reports, only a synthesis.

7. The Nordic Plus group is made of Denmark, Finland, Ireland, The Netherlands, Norway, Sweden and the United Kingdom.

8. Promoting collaborative partner-donor evaluations is an initiative launched by the Evaluation Capacity Development Task Team of the DAC Evaluation Network. As a learning-by-doing instrument, it is complementary to trainings, technical support, and advocacy and is designed to add value to other international efforts. It focuses on co-operation between development partners and concentrates on collaborative evaluation activities that are intended to strengthen country evaluation systems. Eighteen partner countries and 16 development co-operation providers have been involved in the scoping study looking at how the Paris Declaration Evaluation process contributed to building evaluation capacity; positive stories of partner-donor evaluation work; and exploring future opportunities for undertaking such work at partner country level. Following a workshop organised in Manila in 2015, Denmark decided to take this work forward and launched a collaborative partner-donor evaluation with Ghana.

9. Annual reports consolidate key information on ODA allocation, results and highlights of the past year.

10. In 2015, the site published 25 concept notes for policies and programmes for public consultation and received 48 responses, mainly from Danish civil society organisations. Some responses were sent by priority country non-governmental organisations (NGOs) and private sector organisations.

11. The 2013 communication strategy identifies seven target groups, including three cross-cutting groups, who they are, their knowledge of development assistance and possible channels of communication.

12. The five messages of the strategy are:
    * Denmark has contributed to lifting millions of people in priority countries out of poverty – and to securing fundamental human rights.
    * Significant progress has been made in many developing countries – but there are still major needs in many places.
    * Denmark supports the efforts of citizens in developing countries to fight for their human rights – and the ability of national authorities to deliver these rights.
    * Development co-operation must involve risk in order to achieve results.
    * Development co-operation also benefits Denmark itself – it contributes to creating new opportunities and a safer world.

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