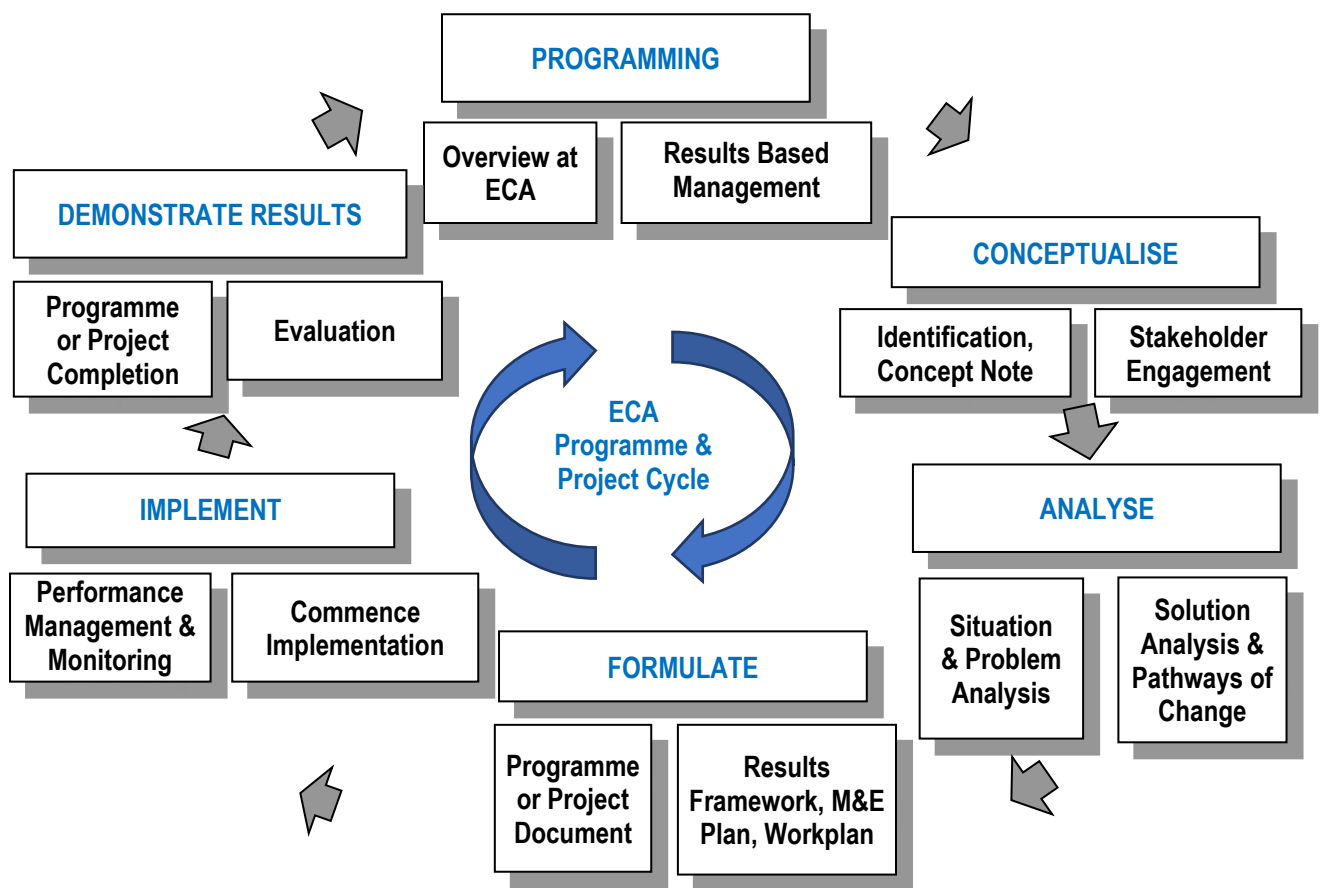


PROGRAMME AND PROJECT MANAGEMENT MANUAL



December 2019

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Foreword

Acronyms and abbreviations

ABP.....	Annual Business Plan	PPBS	Programme Planning and Budgeting Section (in SPORD)
ACABM.....	Advisory Committee on Administrative and Budget Matters (ECA)	PRF.....	Programme Results Framework
CDO.....	Capacity Development Office (UNHQ)	PRMS	Partnership & Resource Mobilisation Section (in SPORD)
CN.....	Concept Note	ProDoc.....	Programme Document
COM	Conference of Ministers	PSC	Programme Support Cost
COP	Community of Practice	PU	Procurement Unit
CSO	Civil Society Organisation	QRC	Quality Review Committee (ECA)
DA	UN Development Account (UNHQ)	RACI	Responsible, Accountable, Consulted, Informed
DESA	Department of Economic and Social Affairs (UNHQ)	RB	Regular Budget
DOA	Division of Administration (ECA)	RBM	Results-Based Management
ECA	UN Economic Commission for Africa	RPTC	Regular Programme of Technical Cooperation
ECOSOC.....	Economic and Social Council (UNHQ)	SDG	Sustainable Development Goals
ERM	Enterprise Risk Management	SF	Strategic Framework (Biennial)
HR.....	Human Resources	SMT.....	Senior Management Team
IDEP	African Institute for Economic Development and Planning (ECA)	SPORD.....	Strategic Planning Oversight and Results Division (ECA)
IP	Implementing partner	SRO.....	Sub-regional Office
IT	Information Technology	SQAS.....	Standards and Quality Assurance Section (in SPORD)
M&E.....	Monitoring and Evaluation	ToR.....	Terms of Reference
MoU	Memorandum of Understanding	UN HQ	United Nations Headquarters (New York)
NGO.....	Non-Governmental Organization	UNDP.....	United Nations Development Programme
OVI	Objectively verifiable indicators	UNEG.....	United Nations Evaluation Group
PIKMD.....	Public Information and Knowledge Management Division (ECA)	USD	United States (\$)
PMO	Programme Management Officer	WBS	Work break down structure
PPB	Proposed Programme Budget	XB.....	Extra-budgetary

Introduction to the Manual

Why have an ECA Programme and Project Management Manual?

The *ECA Programme and Project Management Manual* has grown out of the need for a strengthened and professionalized approach to the management of programmes and projects in the Economic Commission for Africa (ECA). This manual is designed to streamline programme and project management activities at the Commission. The intended audience includes all ECA staff members responsible for designing, implementing and overseeing programmes and projects. Staff responsible for knowledge and skills of programme and project management include senior managers, technical staff, project team members and partners.

Box 1: Programme and project phases at ECA

This manual is structured around the management of the ECA programme and project cycle and the associated processes. In brief, the contents of this manual provide an overview of:

- The overall approach of ECA to results-based management of the programme and project cycle;
- The respective roles and responsibilities of programme and project managers, programme management officers and project-implementing partners;
- The respective roles and responsibilities of divisions, centres, sub-regional offices (SROs), the African Institute for Economic Development and Planning (IDEP) and other ECA structures that steer and oversee programme and project implementation;
- Programme and project quality standards at the Commission and processes for developing and managing programmes and projects within these standards; and
- Key areas and basic requirements of operational management to ensure efficient programme and project delivery.

The annexes provide standard formats and templates for a variety of agreements, including concept notes, programme and project documents, budgets and requests for funding. The Programme Planning and Budgeting Section (PPBS) in the Commission's Strategic Planning, Oversight and Results Division (SPORD) will regularly review and update this Manual. The latest versions will be available on the programme and project management e-platform.¹ Future versions may include additional annexes dealing with specific topics, such as evolving standards and approved standard operating procedures.

¹ The e-platform is accessible at <http://discourse.uneca.org/t/programme-project-management>. The ECA Programme and Project Management Community of Practice is accessible at <https://connections.unite.un.org/communities/service/html/communitystart?communityUuid=98ba0898-652f-48fe-874a-c7e0bf9a0e6f>. The Manual is available for download on both platforms.

Overview of Programme and Project Cycle at ECA

The programme and project cycle is a way of linking the phases over the life of a development initiative (i.e., a programme, project or event). This enables ECA staff and stakeholders to see what needs to be planned and carried out to make initiative successful. The following paragraphs outline the six interrelated phases of the programme and project cycle. The phases, plus the associated templates in the Annexes, should guide the planning and implementation of programmes and selected projects at ECA.²

1. Programming phase

1.1 Mandates and policy

The ECA strategic framework (SF), its policy and work programme, and learning from the evaluations of successful projects are all important inputs that can lead to possible programmes and projects. The strategic focus areas of ECA include policy review, the scope for scaling up successful projects to national and regional levels, and the replication potential for impactful initiatives.

1.2 Accountability

“Accountability” refers to the obligation of ECA and its staff to be answerable for all decisions made and actions taken by them, and to be responsible for honouring their commitments, without qualification or exception. This section presents how accountability is managed at portfolio, programme and project levels in ECA.

2. Inception phase

2.1 Programme and project identification

The three main approaches to identifying opportunities or needs for new programmes and projects in ECA are: (a) Responding to suggestions or requests from member States; (b) Desk review, including examination of recommendations from ECA’s various knowledge products; and (c) Scoping mission to understand conditions and contributing factors to a given situation. The identification process should include a review of previous efforts, with particular attention to ECA evaluations and lessons learned from related initiatives. It will also benefit from exploration of issues with potential stakeholders, such as potential collaborating agencies and implementing organizations.

2.2 Stakeholder engagement

Programme and project design should be conducted in a collaborative fashion. It should include key stakeholders and ECA staff, such as technical experts, officers with field knowledge based at SROs and support staff with relevant competence and specialization. Where applicable, it should also include prospective donors. Consultation is essential in building ownership and joint responsibility for the programme or project, which will influence the quality of design, smoothness of operation and sustainability of outcomes.

3. Analysis phase

3.1 Situation, problem, and solution analysis

This section moves from assessment, to solutions, to a coherent overall approach or strategy for the desired programme or project. The programme or project designers will assess the current situation

² In cases where the procedures described in this Manual are not adhered to, because it is not feasible or practical for various reasons, a “note to file” should be written. The selected projects are those that are large in size or of long duration. See details in Phase 4 below.

through analyses of stakeholders, target group, institutions, examining causes and effects of the core problem, and opportunities and solutions.

3.2 Concept note preparation and appraisal

Developing the concept note on the basis of a careful analysis and review of evidence about the situation and the core problem will lay the groundwork for the overall design of the programme or project and guide the formulation phase that follows. Preparation of a high quality concept note allows ECA to examine the feasibility and strategic relevance of a potential programme or project before investing heavily in the development of a full proposal

4. Formulation phase

4.1 Programme and project design

This stage is where the full programme or project design is achieved through developing a theory of change for the steps needed to reach the ultimate desired impact result for the target population, which then leads to reflections on risks, assumptions and sustainability. The product of these reflections will be prepared as a results chain or results framework matrix (sometimes called a logical framework or log frame) with identified results and associated indicators at impact, outcome and deliverable (output) levels.

4.2 Programme or project document

The results of the previous stage will be the core of the programme or project document, which will include by several additional important sections, including a preliminary monitoring and evaluation (M&E) plan, a budget and procurement plan, a human resources (HR) plan, a partnering plan, a risk management plan, an implementation strategy and a workplan or schedule. The programme or project document should follow a format acceptable to all partners and be accompanied by supporting documentation.

4.3 Appraisal and approval

The ECA Quality Review Committee (QRC) appraises the technical quality of proposed programmes and projects at the stages of concept note and full proposal document. The appraisal process ensures that designs are of a high technical standard, are consistent with the Commission's policies and guidelines and are relevant to its mandates and priorities. It reviews development aspects of the proposal - whether the programmes and projects contribute to national and international development strategies and frameworks. The Committee also reviews the management plan for the proposal, including the financial and administrative implications for ECA.

TIPS: Sufficient time should be set aside for the design, appraisal and approval processes. These steps can take up to several months to ensure for adequate consultation and participation, to achieve consensus between the partners, and provide sufficient reflection and discussion during each of the preliminary design phases. Sufficient time should also be planned for the procurement of critical inputs and the recruitment of essential HR, both of which can take weeks to months in the UN system.

5. Implementation and performance management phase

5.1 Implementation

Implementation involves the execution of the programme or project in accordance with the agreed programme document or project document. In the first stage of the implementation process, the funds are received from the donor, and the programme or project budget is set up and activated in the United Nations Umoja administrative management system. Funds are then supplied first to the implementing division or subprogramme within the Commission and then to the implementing

partners in the field, in accordance with the workplan. With the funds in hand, implementation commences: The project design and workplan are reviewed with stakeholders and revised, if needed. The monitoring plan is refined, inputs are used, all programme and project activities begin in line with the agreed workplan specified in the programme document, deliverable outputs are completed, and, ideally, outcomes are achieved.

5.2 Monitoring and review

Monitoring and review are ongoing management tools to ensure that the programme and projects are on track to meet their objectives, and to guarantee success. Monitoring is an important management function for reviewing progress and ensuring any necessary corrective measures are taken in time. This is done by tracking the indicators defined in the programme or project document. Progress reports and annual or midterm reviews are prepared to document and measure progress. Staff based at ECA headquarters, IDEP and SROs review the monitoring data and progress reports to oversee the programme and project implementation.

6. Demonstrating results phase

6.1 Programme or project completion

This is the time when programme and project activities are completed, achievements are documented, contracts are terminated for personnel working on the programme or project, the physical assets are disposed of and the accounts are closed. Once these steps have been completed, the programme or project manager is required to prepare a termination report. All involved parties take part in preparing and reviewing the final report.

6.2 Evaluation

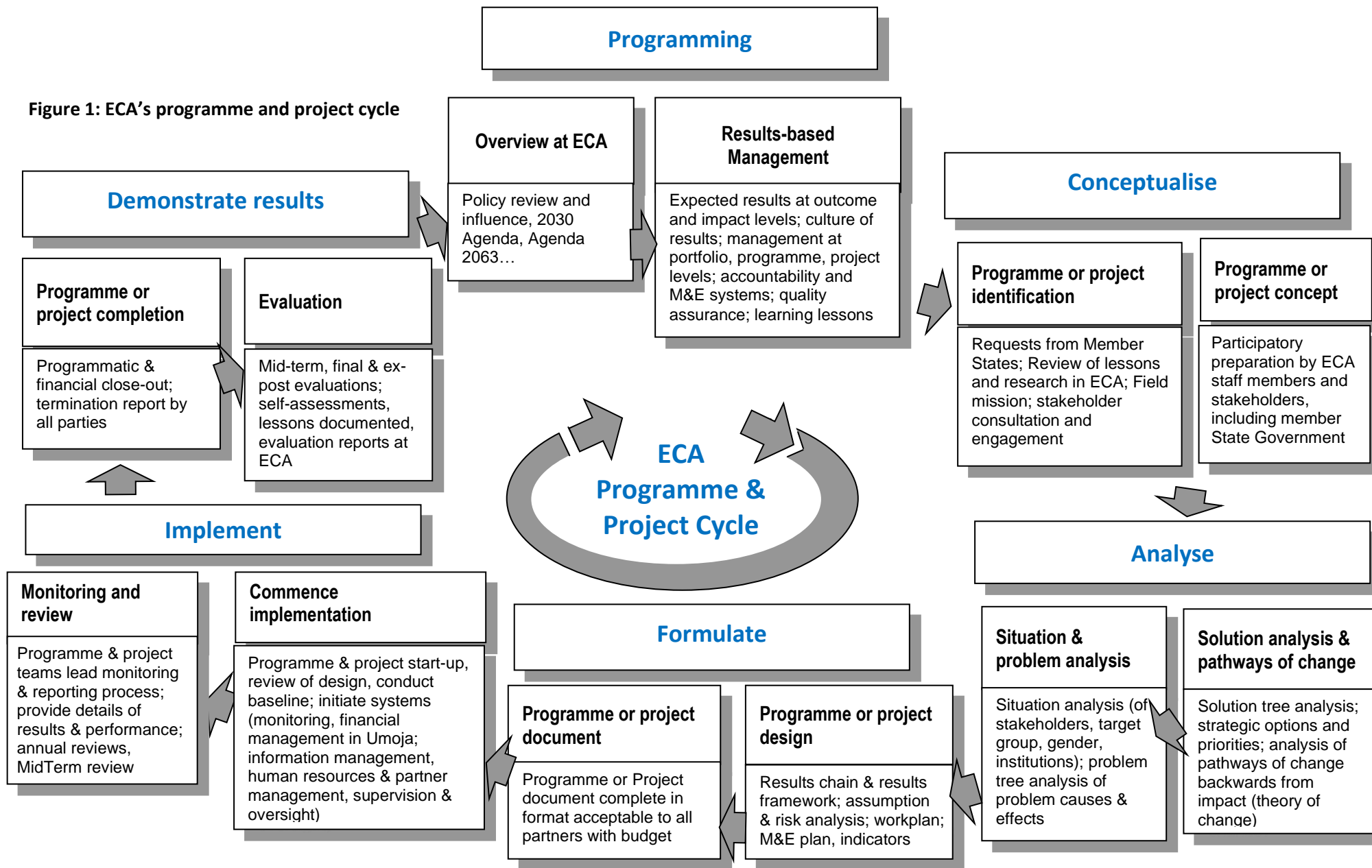
A terminal evaluation is conducted, usually by independent evaluators. This evaluation serves to provide accountability to the internal and external stakeholders of the Commission; to examine the relevance of intended outcomes and impacts and whether they have been achieved; to identify unintended outcomes; to look at efficiency, effectiveness and sustainability; and to contribute to organizational learning. The benefit of efforts to demonstrate results and learn lessons is that the process gathers useful evidence and perceptions that are fed into policy formulation at ECA and also guide the programme or project partners for their future activities. This phase feeds directly into the programming phase (phase 1 above) for new projects, and the cycle starts again.

Summary

The introduction and brief descriptions above and Figure 1³ below show the main steps of the ECA programme and project cycles and how to manage them. The subsequent sections of this manual dive deeper into each of those steps and provide guidelines and checklists for the management of both the stages and of the cycle as a whole. Formats and templates to support the required outputs are all available in the annexes.

Adapted from the UN-Habitat Programme Project Cycle Management Manual

Figure 1: ECA's programme and project cycle



Key terminology for programming and results based management in ECA

- Accountability:** Obligation to demonstrate that work has been conducted in compliance with agreed rules and standards or to report fairly and accurately on performance results. OECD, 2002
- Activity:** Actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources are mobilized to produce specific outputs. OECD, 2002.
- Attribution:** The ascription of a causal link between observed (or expected to be observed) changes and a specific intervention. OECD, 2002
- Baseline study:** An analysis describing the situation prior to an initiative, against which progress can be assessed or comparisons made. OECD, 2002
- Beneficiaries:** The individuals, groups, or organizations, whether targeted or not, that benefit, directly or indirectly, from an initiative. OECD, 2002
- Concept note:** An initial document prepared during the identification and design phases of development of an initiative. It should provide enough information to enable (ECA) and other stakeholders to assess the strategic appropriateness of any proposal. ILO, 2015
- Contribution (vs attribution):** The changes in development results that can be credibly and plausibly linked to an intervention. ECA, 2014
- Evaluability:** Extent to which an initiative can be evaluated in a reliable and credible fashion. OECD, 2002
- Evaluation:** The systematic and objective assessment of an ongoing or completed project, programme or policy, its design, implementation and results. OECD, 2002
- Expected results:** The outcome and impact level results approved in the strategic framework and programme of work under each of ECA's subprogrammes. This is the level of measuring success for ECA. The products and services that ECA promises to deliver for achieving the expected results are called the deliverables or outputs.
- Goal:** The higher-order objective to which an initiative is intended to contribute. OECD, 2002
- Impact:** Positive or negative, primary and secondary long-term effects of an initiative, directly or indirectly, intended or unintended. OECD, 2002
- Implementation:** Implementation of a programme or project is the step where all the planned activities are put into action. Implementation starts when the initiative has been approved and the budget activated, and ends when it is financially closed.
- Implementing partner:** A government or non-governmental agency engaged as an entity responsible and accountable for managing and delivering a project on behalf of ECA.
- Indicator:** Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor. OECD, 2002 Note: unlike a target, an indicator does not include an anticipated direction of change.
- Initiative:** Term used in this manual and its annexes to embrace development programmes, projects and events.
- Inputs:** The financial, human, and material resources used for the initiative. OECD, 2002.
- Managing division:** The managing division for a given project is the division where the project manager sits. The managing division is responsible for delivering the project outputs and outcomes. UNEP, 2013
- Means of verification (MOVs):** The means of verification provide a precise reference to the sources of information to be consulted and how the data will be analysed in order to verify the project's performance and results. ILO, 2015
- Milestone:** A scheduled event signifying the progression or completion of work towards a project output and ultimately the project outcome. It is a key event that provides a measure of progress and a target for the project team. UNEP, 2013
- Monitoring:** A continuing function that uses systematic collection [and analysis] of data on specified indicators to provide management and the main stakeholders of an ongoing initiative with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds. OECD, 2002
- Objectively Verifiable Indicators (OVIs):** These are the measures, direct or indirect, that can verify the extent that objectives have been fulfilled. UN-HABITAT, 2003
- Outcome:** The likely or achieved short-term and medium-term effects of an initiative's outputs. OECD, 2002. Outcome results are generally expressed in terms of "changes in attitude, capacity, behaviour, performance, procedures and delivery" on the part of target groups, institutions or organizations.
- Outputs:** The products, capital goods and services that result from an initiative. OECD, 2002. These products, which are necessary to achieve the objectives of an

initiative, are the deliverables that project managers are expected to deliver and for which they are accountable. WIPO, 2010

- Oversight:** Processes of review, monitoring, evaluation, supervision, reporting and audit - of activities, programmes, policy implementation and results of the organization. Helps to ensure organizational, financial, operational and ethical accountability, and the effectiveness of internal controls. UNDP, 2009
- Performance:** Degree to which a development intervention or a development partner operates according to specific criteria/ standards/ guidelines or achieves results in accordance with stated goals or plans. OECD, 2002
- Portfolio:** All the programmes and stand-alone projects being undertaken by an organization that need to be managed collectively to achieve maximum value from available resources.
- Portfolio management:** Portfolio management is the selection, prioritisation and control of an organisation's projects and programmes in line with its strategic objectives and capacity to deliver. The goal is to balance change initiatives and business-as-usual while optimising return on investment. APM, 2012
- Programme:** A programme is a coherent time-bound framework of action to achieve precise results. It may include several projects the objectives of which are linked to the achievement of higher level common objectives/ outcomes. ILO, 2015
- Programme management:** The centralized and coordinated management of a specific programme to achieve its strategic goals, objectives and expected results. UN DPKO, 2012
- Programme manager:** This is the division director, sub-regional office director or centre coordinator with overall programme-level responsibility for a programme and the technical cooperation projects within the programme.
- Project:** an undertaking or intervention with a specific *objective (outcome)* that addresses an identified problem or gap in a specific area. A *project* has a start and an end date, an allocation of resources and defined roles and responsibilities for the *project* team and other *stakeholders*. UN IAEA, 2012
- Project document:** Provides sufficient information about project strategy, log frame, implementation, monitoring and evaluation for project managers and responsible officials to implement the project, report on its progress and evaluate its outcomes. ILO, 2015
- Project management:** Application of processes, methods, knowledge, skills and experience to achieve the project objectives. APM, 2012
- Project manager:** ECA staff member assigned by division managing the project to have overall responsibility for implementing the project on behalf of ECA.
- Quality assurance:** Quality assurance encompasses any activity that is concerned with assessing and improving

the merit or the worth of a development intervention or its compliance with given standards. OECD, 2012

- Relevance:** The extent to which the objectives of an initiative are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies. OECD, 2002
- Results:** output, outcome or impact (intended or unintended, positive and/or negative) of an initiative. OECD, 2002
- Results-based management:** A management strategy focusing on performance and achievement of outputs, outcomes and impacts. OECD, 2002
- Results chain:** The causal sequence for a development intervention that stipulates the necessary sequence to achieve desired objectives beginning with inputs, moving through activities and outputs, and culminating in outcomes, impacts, and feedback. OECD, 2002
- Results framework:** The program logic that explains how the development objective is to be achieved, including causal relationships and underlying assumptions. OECD, 2002
- Stakeholders:** Agencies, organisations, groups or individuals who have a direct or indirect interest in the development intervention or its evaluation. OECD, 2002
- Sustainability:** The continuation of benefits from an initiative after major development assistance has been completed. The probability of continued long-term benefits. OECD, 2002.
- Sustainable development:** "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." It is about taking action, changing policy and practice at all levels, from the individual to the international. UNEP, 2009
- Target:** Specifies a particular value that an indicator should reach by a specific date in the future. It is what the project would like to achieve within a certain period of time, in relation to one of the expected results. UNICEF, 2017
- Target group:** The specific individuals or organizations for whose benefit the development intervention is undertaken. OECD, 2002

Programming at ECA

0.1 Programme and results-based management in the United Nations system

Results-based management in the United Nations

- (a) what is RBM
- (b) key steps of RBM
- (c) principles of RBM
- (d) benefits of RBM
- (e) pitfalls and challenges of RBM
- (f) developing an 'RBM culture'

An illustration of accountability frameworks in the United Nations is provided in figure 7, just below.

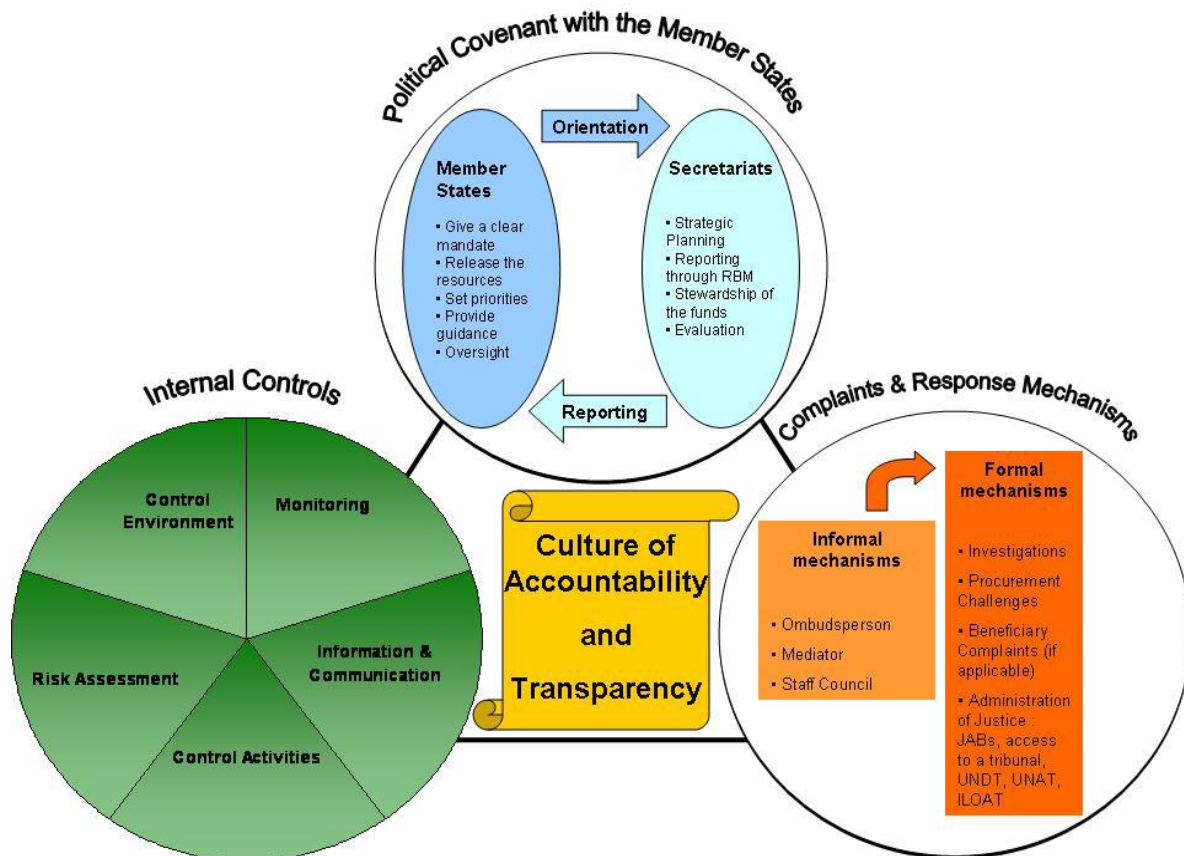


Figure 7: Accountability Framework at the United Nations

0.2 Context of programme and results based management in ECA

The Commission is moving away from implementing isolated projects and toward maintaining programmes with a cohesive portfolio of projects that relate to broader strategic objectives and together create greater impact than the sum of the individual projects. A well-designed programme represents the link between the Commission's SF, its approved programme budget and its projects.

While the SF and approved programme budget are biennial strategic planning and budgeting documents, a programme at subprogramme level will be formulated every four years, i.e., once in every two biennial planning processes. Each programme will be based on a credible analysis (more is detailed below about the requisite analysis process) and designed to show the intervention and outcome pathways to achieve a subprogramme objective and contribute to other subprogramme objectives. The Commission will mandate that all ECA subprogrammes are evaluated every four years. This means that each subprogramme at ECA should have a complete four-year programme document

All ECA projects and business plans in each subprogramme must be based on the subprogramme results framework (SPRF) and show their contribution to it. In addition, all of the Commission's large-scale, long-duration projects (longer than two years, and so spanning more than one biennium) and centre business plans must undergo a rigorous stakeholder and situation analysis (see details below).

Programme in ECA and ECA reforms

The strategic programming framework at ECA

The programme cycle of ECA begins with strategic analysis and the establishment of a biennial SF. The proposed SF and proposed programme budget (PPB) are reviewed by the Department of Management at Headquarters and by the General Assembly. After approval, the SF and the programme budget are translated into annual business plans. The SF and approved programme budget are documents that cover all the work of the Commission, with separate sections for each subprogramme⁴ of ECA (see Figure 3).

The process requires several reviews by the senior management team to ensure that all documents are well aligned with the priorities expressed in the mandates of the Commission and are informed by regional, sub-regional and country assessments of economic and social needs. Each SF and programme budget planning process builds upon lessons learned and results of previous programme evaluations, as part of the cycle of institutional learning and analysis.

A main product of the SF planning process is identification of strategic thematic priorities, known as "subprogrammes", which are supported by clearly defined objectives and strategies. The SF sets out expected results, or desired outcomes, for each subprogramme (see figure 2 below for how these pieces fit within ECA's results-based approach).

⁴ In ECA terminology, the overall portfolio of programmes and projects of the Commission is called the "programme" of ECA. Therefore, the next level down of management structures are "subprogrammes", which operate in a similar way to programmes and are the level for managing the third tier, which is projects.

Figure 2: From SF to annual business plan

Mandate		Strategic frameworks (2 years)		Proposed programme budget (2 years)		Annual business plan (1 year)
<ul style="list-style-type: none"> • Vision • Priorities • Expected results 	to guide	<ul style="list-style-type: none"> • Subprogrammes (priorities under the SF) • Expected results with indicators of achievement • Strategy 	to guide	<ul style="list-style-type: none"> • Subprogrammes (priorities under the SF) • Objectives • Expected results with indicators • Performance measurements (including baselines and targets) • Strategy • External factors • Deliverables (Outputs) • Input requirements 	to guide	<ul style="list-style-type: none"> • Expected results by subprogramme; targets + indicators for each • Deliverables (Outputs) + key activities in the PPB and from emerging mandates • Resource requirements and funding sources • Anticipated risks and mitigation strategies • Partners and expected roles • Gender costing
Endorsement by COM ⁵ ; approval by ECOSOC ⁶		Approval by the Committee for Programme and Coordination		Review by the Advisory Committee on Administrative and Budgetary Questions; approval by the General Assembly		Approval by the ECA senior management team

The annual business plan is the Commission’s main annual planning tool. It is developed on the basis of the Commission’s approved programme budget and new legislative mandates for issues emerging after the General Assembly has approved the programme of work. The annual business plan serves to:

- Articulate deliverables (outputs) and key activities for each expected result, with a budget requirement for each output;
- Demonstrate the Commission’s investment in promoting gender equality;
- Track annual performance against the biennial ECA programme budget; and
- Contribute to the Commission’s accountability framework by providing sets of annual milestones to be used in tracking and reporting on expected results and the corresponding indicators of achievement.

Programme results framework (PRF)

PRFs lay out what the Commission will aim to deliver in each two-year period (biennium). The Commission uses PRFs to strengthen the causal logic between planned programme objectives, subprogramme efforts and the projects that are intended to contribute to the expected results at the level of desired outcomes.

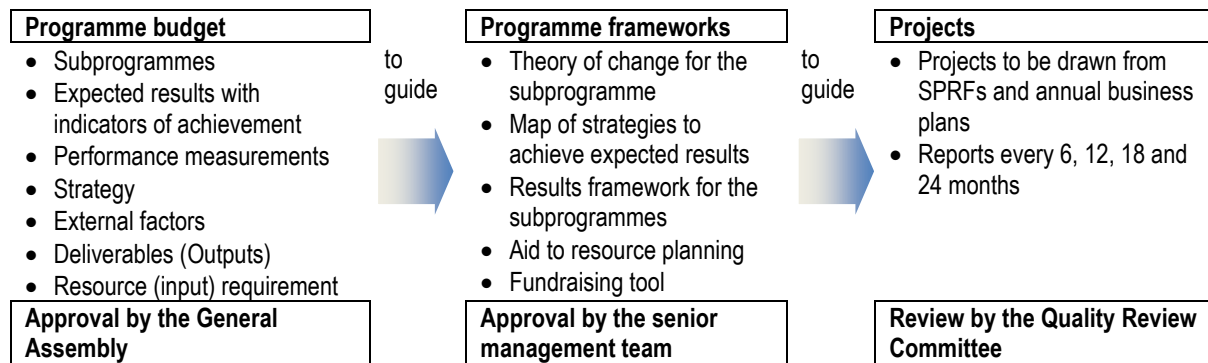
The Commission expects that one results framework will be developed for each subprogramme (see figure 4). This is where performance indicators are defined for each of the related expected results from the overall SF of ECA. Normally, two to three expected results are associated with each subprogramme. The SPRF should be based on the Commission’s overall programme-level

⁵ COM = Conference of Ministers of Finance and Economic Planning

⁶ ECOSOC = Economic and Social Council (UNHQ)

framework. It may include more detailed strategies for guiding subprogrammes as they develop projects that will contribute to the expected results.

Figure 5: From programme budget to projects



Programming principles

The Commission's programme of work is guided by a set of key programme management principles (see box 2 below).

Box 2: Programming principles at ECA

- **Results-based management (RBM):** this is a fundamental principle guiding the operations of ECA, and a cornerstone of the Commission's efforts to demonstrate results in tangible terms. With RBM, the focus shifts away from inputs and activities, and emphasizes achievement of outputs, outcomes and impacts.
- **Putting Africa First:** ECA projects and programmes are designed to address the needs and priorities identified by member States.
- **Integrated and coherent approach:** ECA project and programme management will be conducted in an integrated and coherent manner, promoting efficient use of ECA resources, operational effectiveness and accountability to its constituencies. ECA aims to increase its organizational visibility and credibility to more effectively facilitate constructive policy influence.
- **Good fit:** ECA programme design and implementation will be well attuned to Africa and member States' context and dynamics, with sound results chains.
- **Gender mainstreaming:** ECA is mainstreaming gender into its full work programme to ensure that gender equality and women's empowerment are pertinent to and inform all of its programming. ECA mainstreams a gender perspective in the design, implementation, monitoring and evaluation of policies and programmes in the political, economic and social spheres. It will also integrate a gender perspective into the expected results of each subprogramme
- **Partnerships:** ECA makes its contribution in areas of comparative strength, promoting synergy as a complement to its six types of partners, as defined in its partnership strategy. Project and programme documents will define the strategic contribution of each partner
- **Quality of engagement:** during project and programme design and implementation, ECA nurtures trustful and vibrant relationships where frank dialogue on issues is possible. It maintains high flexibility to adjust programme and project strategies to engage with evolving circumstances and opportunities
- **Development traction:** In delivering its projects and programmes, ECA leverages African potentials and strengthens relevant regional, sub-regional and country set-ups. The SROs of ECA are key players in the Commission's efforts to achieve coordination and coherence at country and sub-regional levels.

Programme and project management levels in ECA

The overall organization and management of the Commission's contributions to development in Africa can be clustered functionally into three levels of management: portfolio, programme and project management. In a very simplified summary, the three levels can be interpreted as follows:

- Managing portfolios is about choosing which projects and programmes should be undertaken
- Managing programmes is about delivery of outcomes and business benefits
- Managing projects is about delivery of deliverables (outputs) or products.

The management roles at these three levels are further elaborated in the following paragraphs.⁷

Portfolio management

Portfolio management is the selection, prioritization and control of an organization's projects and programmes in line with its strategic objectives and capacity to deliver. The benefits of applying a portfolio approach include:

- Maintaining a balanced and strategically aligned portfolio in an evolving context
- Improving delivery of programmes and projects through a portfolio-wide view of risks, dependencies and scheduling, based on the capacity of different divisions and units
- Better use of limited resources by matching demand and supply and optimizing the allocation of available resources.

Achieving these benefits depends on:

- A clearly articulated strategy;
- Senior management commitment and active championing of portfolio management processes to ensure that stakeholders collaborate in pursuing the strategic goals;
- A clear governance structure that is understood by stakeholders;
- A portfolio management structure and function to provide impartial analysis and decision-making support to portfolio, programme and project managers.

Good governance of the portfolio will enable continuous, coherent and consistent improvement in the management of programmes and projects. A well-managed portfolio will facilitate improving functional maturity at ECA. There is no single portfolio manager, but the function of portfolio management and support lies within the realm of SPORD.

Programme management

Programme management is the coordinated management of projects to achieve beneficial outcomes, aligned with strategies leading to organizational impact.

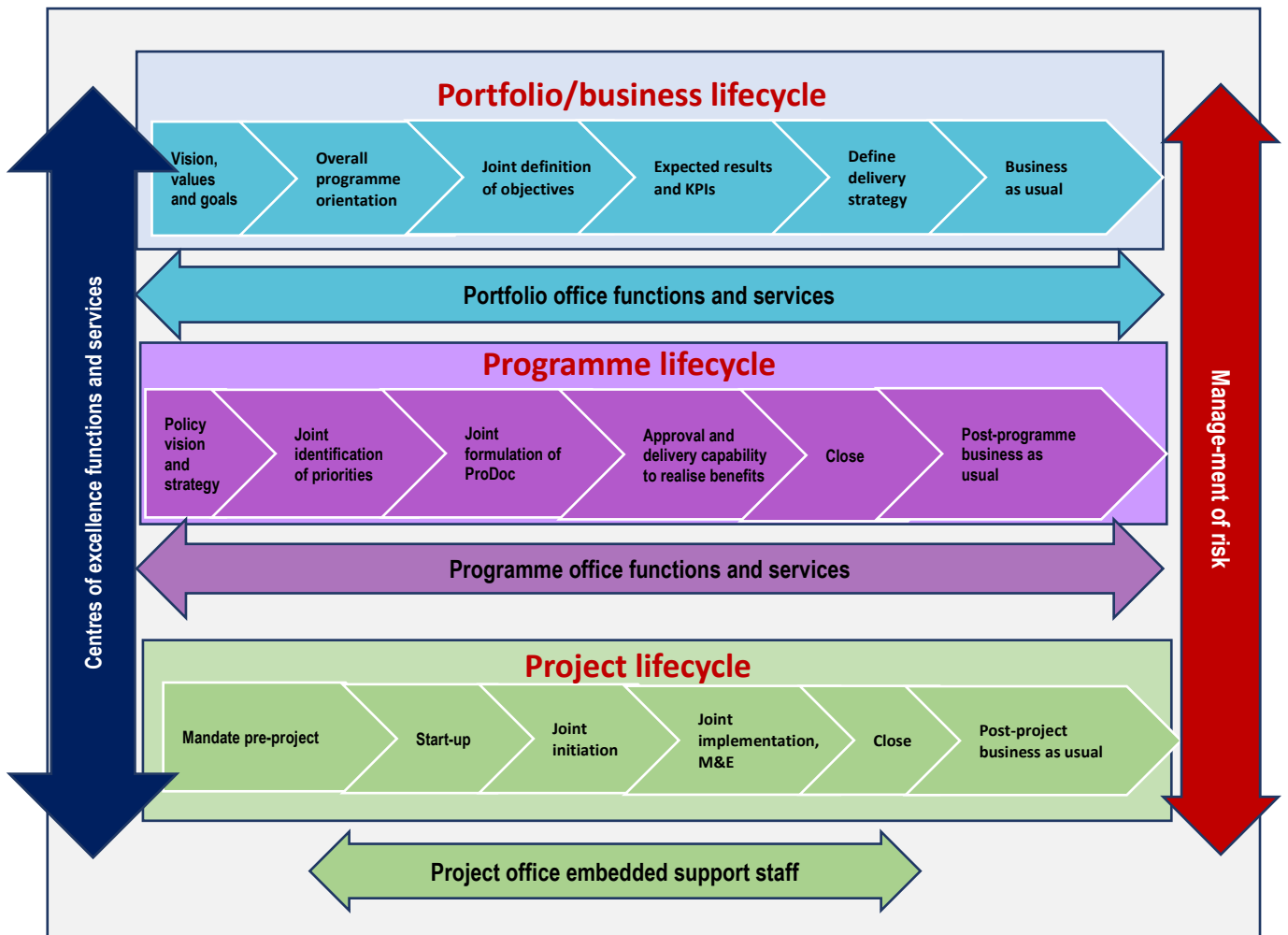
The core programme management processes are:

- Project coordination: identifying, initiating, overseeing and, at times, redefining and terminating projects within the programme;
- Transformation: managing processes so that deliverables (outputs) contribute to outcomes;
- Benefits management: defining, measuring and monitoring benefits;
- Stakeholder engagement: ensuring ongoing, productive, two-way communication with all key stakeholders.

⁷ Adapted from APM Body of Knowledge Online, developed by the Association for Project Management. Available at <https://www.apm.org.uk/body-of-knowledge/>.

Responsibility for these processes lies with a portfolio manager (or portfolio management structure) and a programme manager. As the portfolio manager, SPORD is accountable for programme contributions to the organizational strategy, and for providing senior-level commitment and oversight to programmes. The programme manager is responsible for day-to-day management of the programme, including the coordination and oversight of projects. Programme managers comprise divisional directors, SRO directors and centre coordinators, who are supported by decentralized programme management officers.

Figure 8: Portfolio, programme and project life cycles



Project management

Project management is the application of processes, methods, knowledge, skills and experience to achieve the project objectives. This involves the comprehensive planning, delegating, monitoring and control of all aspects of the project and the motivation of those involved in order to achieve the project objectives within the expected performance targets for time, cost, quality, scope, benefits and risks.

Box ## core components of project management

- | | |
|--|--|
| <ul style="list-style-type: none"> • Defining the project rationale, i.e., the reason why a project is necessary; • Specifying the quality, quantity and timing of the deliverables; • Identifying project requirements, estimates of resources needs and timescales; • Preparing a project document as a business case to justify the investment; • Securing key agreements and funding; • Developing and implementing a management plan for the project; | <ul style="list-style-type: none"> • Leading and motivating the project delivery team; • Managing the risks, assumptions and modifications in the project; • Monitoring progress against plan and budget; • Financially managing the project budget; • Maintaining communications with stakeholders and programme management; • Closing the project in a controlled fashion when it is complete; • Facilitating evaluations (with the Evaluation Section in SPORD). |
|--|--|

Responsibility for these processes lies with a divisional director (the programme manager) and a section chief or technical officer (the project manager). The programme manager is accountable for

achieving the business case and providing senior-level support to the project. The project manager is responsible for day-to-day management of the project and must be competent in managing the six key aspects of a project: scope, schedule, finance, risk, quality and resources. The principal differences between the three main levels are further illustrated by the characterizations in Table 2.

Table 2: Comparison of the characteristics of portfolios, programmes and projects

Portfolio	Programme	Project
Collection of projects, programmes or smaller portfolios with a common theme	Outcome (desired benefit) is known at the start. Outputs (deliverables) are defined as the programme evolves	Outputs (deliverables) and how they can be delivered are known at the start
Balancing strategic objectives	Knowing when to drive for certainty	Driving for certainty
Tight governance and control structure	Tight governance and control structure	Tight governance and control structure
Single sponsor for portfolio; there may be others for projects and programmes	Single sponsor for programme: there may be others for projects	Single sponsor
Budgets and timescales continually balanced to deliver strategic objective	Budgets and timescales defined as part of programme	Budgets and timescales known at the start
Managing people and organizational issues, balancing skills and finance	Managing people and organizational issues, developing new capabilities	Managing technology, specialist skills, contracts to deliver
Success measured in movement towards organization's strategic goals	Success measured in creation of usable capacity or business benefits	Success measured in creation of specified deliverables within time and cost
Long duration during which balance of portfolio may change	Long duration during which work, skills and behaviours will change	Work, skills and behaviours change over life cycle
Manager: outcome-focused, driving for consensus, holistic approach, political awareness	Manager: outcome-focused, comfortable with uncertainty, strategic vision, political awareness and high emotional intelligence, good leadership	Manager: output-focused, driving for certainty, management and control oriented
Cross-organizational boundaries	Cross-organizational boundaries	Generally a single organization

Event management

Project management approaches can be applied when creating and developing large events such as conferences, the launching and dissemination of flagship publications, or expert group meetings; this is known as “event management”. In order to be successful, an event manager studies the organization and its brand and follows the project management steps (event planning) before launching an event: identification of the target audience, devising of a concept for the event, and production of a coordinated plan and timetable for the technical aspects and materials. The event plan also includes a budget, schedule, coordination with all internal participants, selection of the venue or site, acquisition of necessary permits, arranging for speakers and panellists, coordination of transport for participants, event security, emergency plans, catering, and coordination with third parties involved, including any vendors or contractors.

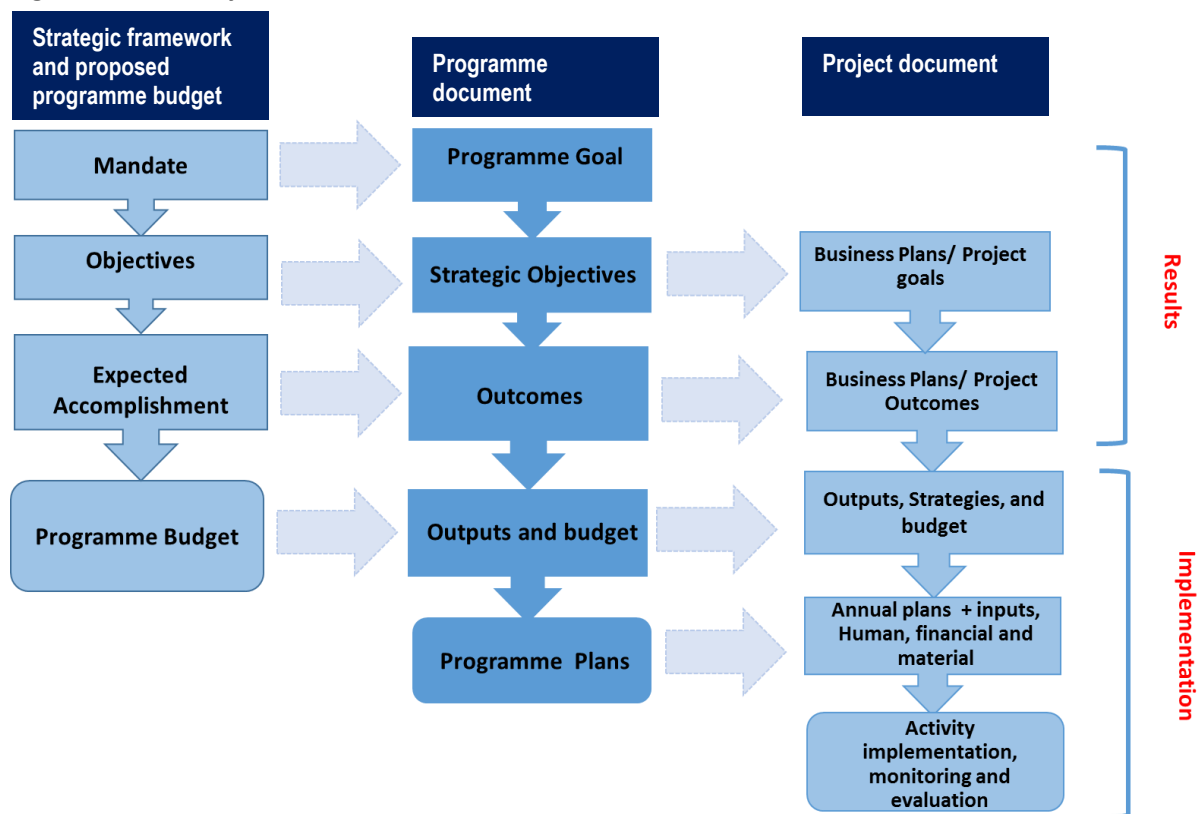
Programme and project cycle in ECA

All programmes and projects are designed within the context of the official mandates that guide the work of the Commission, i.e., the programmatic priorities identified in the SF, approved programme budget and annual business plans (for new mandates not captured in the SF). The core mandate of ECA is to promote the economic and social development of its 54 member States, foster intraregional integration and promote international cooperation for Africa’s development aspirations as outlined in the African Union’s Agenda 2063, the New Partnership for Africa’s Development and related regional and sub-regional programming instruments, the 2030 Agenda for

Sustainable Development, the Addis Ababa Action Agenda adopted by the Third International Conference on Financing for Development and the outcomes of various major United Nations conferences and international agreements concluded since 1992. The Commission's interventions typically include policy studies, economic research, facilitated dialogue and capacity-building projects such as training. Any programme or project proposal should cite the specific subprogramme under which the proposal falls, the subprogramme's objective, and sustainable development goals (SDGs) it will contribute to at the impact level.

Subprogramme Directors are responsible, as programme managers, for ensuring coherence, synergy and efficacy between programme or project concepts within the subprogrammes. They are also responsible, in collaboration with project managers, for ensuring similar coherence between the projects funded through any of the funding streams: regular budget (RB), DA, RTPC or extrabudgetary (XB).

Figure 6: Hierarchy of results



Accountability structures in ECA

What is "accountability" and who is responsible for it?

Accountability is the obligation of the Secretariat and its staff members to be answerable for all decisions made and actions taken by them, and to be responsible for honouring their commitments, without qualification or exception. Accountability includes:

- Achieving objectives and high-quality results in a timely and cost-effective way;
- Fully implementing and delivering on all mandates to the Secretariat approved by the United Nations in compliance with all resolutions, regulations, rules and ethical standards;
- Truthful, objective, accurate and timely reporting on performance results;
- Responsible stewardship of funds and resources;

- All aspects of performance, including a clearly defined system of rewards and sanctions, with due recognition of the important role of the oversight bodies and in full compliance with accepted recommendations.⁸

As in other United Nations bodies, there are four main dimensions of accountability at the Commission: organizational accountability, programmatic accountability, accountability for resources and staff accountability.⁹

a) Organizational accountability

The ECA accountability framework is founded on the United Nations financial regulations and rules, as approved by the General Assembly, in accordance with the provisions and principles of the United Nations Charter. The Commission is accountable to the General Assembly through the Executive Secretary for providing leadership and direction to achieve the organizational mandate and mission and fulfil its obligations under the General Assembly and the commitments made in the strategic plans and the approved biennial programme of work.

b) Programmatic accountability

The Commission's programmatic accountability is defined through its strategic plan and the work programme. The Executive Secretary is accountable and responsible for all activities of ECA, as well as its administration. The Executive Secretary is accountable to the Secretary-General through the senior management compact, which includes, in addition to the programmatic and financial objectives, specific HR objectives and targets agreed with the Assistant Secretary-General for HR Management.

The Commission's sub-regional directors, divisional directors and other senior managers are accountable to the Executive Secretary for contributing to the achievement of planned results of the strategic plan approved by the General Assembly and the work programme and budget. They are responsible for providing an enabling environment including the necessary policy, programme, operational and management guidance and oversight for their respective areas of operation. Subprogrammes report on achievements through the preparation of programme performance reports and annual reports, which include key performance indicators to measure progress.

c) Accountability for resources

The directors and staff members of ECA are accountable for the effective management of human, financial, technical, information and contractual resources entrusted to them. This is secured through sound stewardship to ensure that spending is responsible, decision-making is transparent, risks are identified and mitigated, deliverables are produced on time and within budget, assets are safeguarded, employees are valued, and human and intellectual capacities are developed.

The United Nations has established a broad range of regulations and rules, policies and practices for the efficient and effective management of resources that form the standards to which the Commission and all its staff are held accountable. All United Nations staff are obligated to comply with the Financial Regulations and Rules and with administrative instructions issued in connection with those Regulations and Rules. Any staff member who contravenes the Financial Regulations and Rules or corresponding administrative instructions may be held personally accountable and financially liable for her or his actions.¹⁰

⁸ Definition adopted by the General Assembly in resolution 64/259. See Zahran, (2011) Accountability Frameworks in the United Nations System. Joint Inspection Unit report JIU/REP/2011/5. United Nations, Geneva. Available at https://www.unjiu.org/en/reports-notes/JIU%20Products/JIU_REP_2011_5_English.pdf.

⁹ The following paragraphs were adapted from UN-Habitat Programme Accountability Framework (United Nations, Human Settlements Programme, 2015).

¹⁰ Financial Regulations and Rules of the United Nations (ST/SGB/2013/4 2013). Rule 101.2

d) Staff accountability

Managers at all levels of the Commission are expected to provide their staff with the appropriate authority, resources and tools to enable them to assume responsibility and be accountable for fulfilling their duties. In turn, staff are accountable for exercising their authority and achieving agreed results as outlined on the electronic performance appraisal system (e-PAS) by using resources and tools in an effective and efficient manner and in accordance with United Nations and ECA regulatory frameworks, rules and regulations.

Staff are equally expected to keep themselves informed of all relevant information pertaining to their roles, such as regulations, rules, policies, procedures and standards, and for sharing their own professionally acquired knowledge as and when appropriate. Sharing knowledge and information is a cornerstone of organizational excellence, as it enables staff to continuously further their professional development while contributing to the mandate of the Commission.

Accountability goes beyond robust internal controls and includes: the political covenant with member States; recourse for stakeholders to complaints and response mechanisms; transparency within organizations to member States, beneficiaries and the general public; and a strong personal and organizational culture of accountability. (See accountability matrix in Annex [##])

Quality assurance

Quality assurance is a critical accountability function that is the responsibility of all ECA staff throughout all stages of the programme and project cycle. The quality assurance function of the Commission is guided by its Operational Quality Policy and Plan 2014-2017,¹¹ which has recently been revised as the ECA Quality Assurance Policy. The requirements to be fulfilled are derived from the Commission's strategic direction and its work programme and embodied in its five quality objectives. The quality objectives are the basis for measuring the quality of ECA's products and services. The quality of ECA's products and services will be assessed by the extent to which they comply with these objectives in line with ECA's new mission of delivering ideas and actions for a transformed Africa. These quality objectives will be applied to the three core functions of the Commission along the line of:

- (i) Its five strategic directions;
- (ii) The level of innovative thinking introduced in developing the knowledge product;
- (iii) Its contribution to agenda setting;
- (iv) Support to continental global and regional development agendas; and
- (v) The credibility of supporting data and information.

The Standards and Quality Assurance Section (SQAS) in the Strategic Planning, Oversight and Results Division (SPORD) provides support and guidance for improving the quality of the Commission's products and services within its mandate to promote the economic and social development of Africa. Essential quality assurance procedures, structures and tools for reviewing the major products and services of the Commission are available through the SQAS and the programme and project management e-platform. The Section also provides a series of briefings to improve staff awareness about the Commission's quality assurance function.

Quality assurance panels, such as the programme or project committee, will undertake quality reviews. The SQAS will ensure that lessons learned from the reviews and quality assurance checks on a particular programming cycle are reflected in subsequent programming cycles. The quality

¹¹Available at <http://repository.uneca.org/pdfreview/bitstream/handle/10855/22851/b11524662.pdf?sequence=1>.

assurance system will be embedded into the results system, rather than operating in parallel, in order to facilitate the work of programme managers and the focal points who will assist them.

Guiding principles for quality assurance in the Commission

The following six quality principles are the foundation for ECA's interactions, both internally and with its clients. They are:

Principle 1 – Focus on beneficiaries: ECA exists to serve its end users, and therefore should understand their needs, meet their requirements and strive to exceed their expectations.

Principle 2 – Staff Engagement: The production of quality products and services is the responsibility of every member of staff. Therefore, their full involvement is necessary for ECA to achieve its objectives.

Principle 3 – System approach to management: ECA is a system of interrelated and interconnected processes. To achieve its objectives efficiently and effectively, these processes should be managed as a system and in a consistent manner aimed at preventing quality problems.

Principle 4 – Evidence-based decision making: Effective decisions are based on the analysis of data and information, including feedback from beneficiaries.

Principle 5 – Continual organizational learning: ECA should strive to continually improve its overall performance by harnessing the collective knowledge and skills of its staff, clients, and partners.

Principle 6 – Recognition: ECA should celebrate success by publicly recognizing exceptional performers in advancing innovative programme delivery in the secretariat.

Quality assurance of programmes, projects and events in ECA

The quality assurance approach for ECA initiatives including programmes, projects and events is outlined in Figure ## below. It summarizes the main roles and responsibilities of the responsible organizational divisions during self-assurance and of the Standards and Quality Assurance Section (SQAS) and quality assurance panels during external reviews. The Commission's quality assurance process links very well with the phases of programme and project management. Phases 1-4 of programme and project management will be addressed by the quality assurance processes for "quality at entry"; phase 5 by the quality assurance processes for "implementation"; and phase 6 by the quality assurance processes for "quality at exit" and "lessons learned". Quality assurance guidance documents will be available from the SQAS in SPORD and on the programme and project management e-platform.

Quality assurance in the Commission is organized into two tracks.

- Under track 1, the divisions, SROs and IDEP will set quality goals for initiatives under their responsibility, with an associated quality assurance plan to be monitored over the life cycle of the products and services. The self-assessment reports and reviews will facilitate the reviews by SQAS and the quality assurance panels under Track 2. The staff of SQAS will work closely with the assigned focal points in each programme area to ensure the completion of quality self-assurance activities.
- Under track 2, the SQAS and the quality assurance panels will undertake reviews of the products and services to enhance learning and continuous improvement of products and services. For strategic products and services, quality assurance panels will undertake the reviews. The quality review process will include reviews of programmes and major projects and events by the Quality Review Committee, which serves as a panel under the Commission's quality assurance function.

In each of the quality assurance reviews, the following key issues will be assessed:¹²

- To what extent does the initiative (programme, project or event) comply with the Commission's quality objectives?
- To what extent does the initiative comply with the provisions of its concept note (CN) or guidelines for its production or delivery?
- Are the quality goals and plans set by divisions, SROs and IDEP based on the quality objectives?
- Are lessons learned in previous programming cycles reflected in the current programme and project?
- Are the quality assurance guidelines and polices being followed? If not, why?
- Have the quality goals and plans that were set by divisions, SROs and IDEP been met?

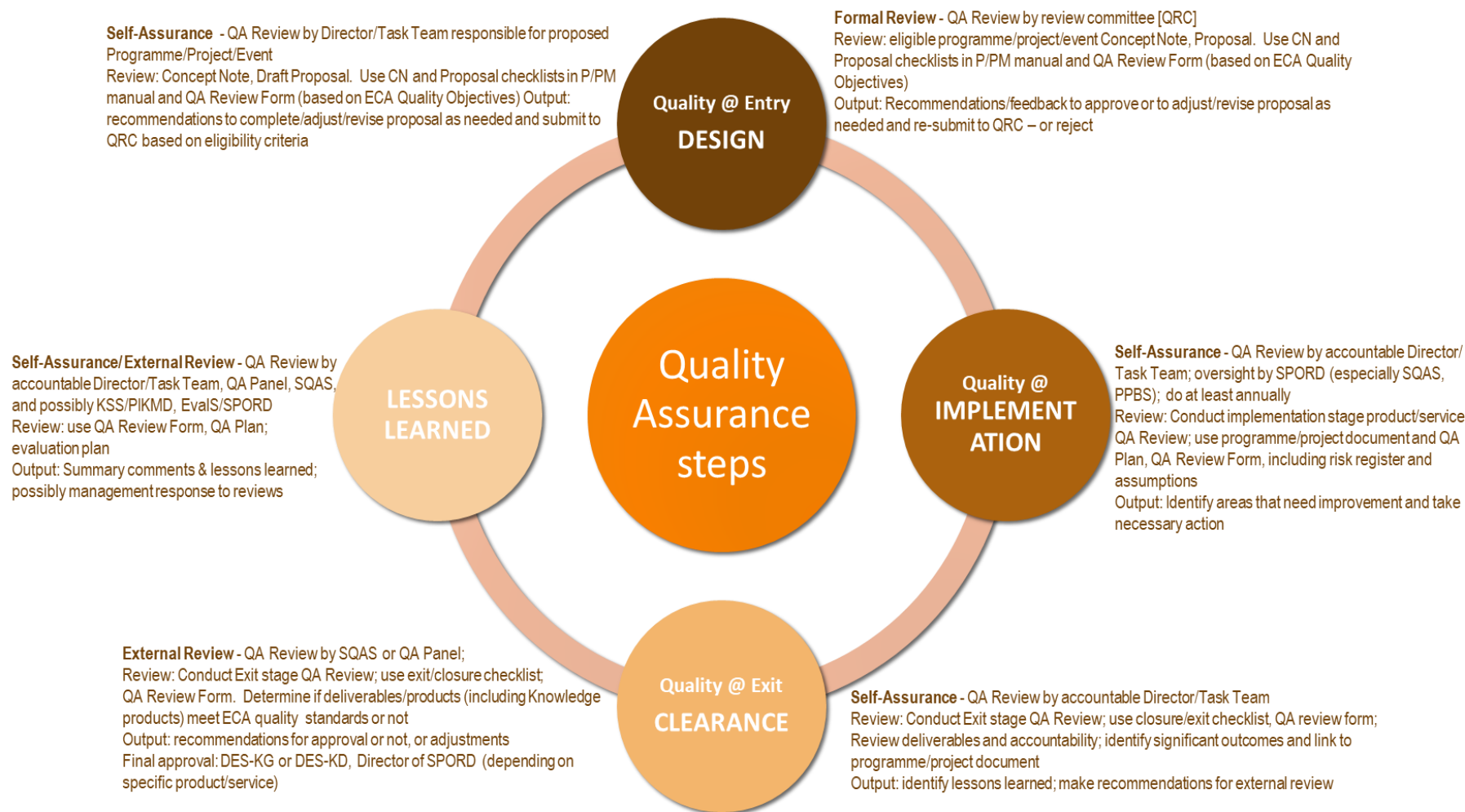
Under the overall process by combining Track 1 and Track 2, the conceptual framework for quality monitoring and measurement at ECA follows a four-step procedure:

- **Quality assurance at entry** - These interventions are aimed at assuring the quality of planning documents including concept documents and accompanying plans such as the quality assurance plan, the data plan (if data is to be collected), and the communications plan relative to guidelines.
- **Quality assurance during implementation** - Interventions at this stage ensure the product/service development and production are in compliance with the content in the approved concept documents and accompanying plans.
- **Quality at exit** - Interventions at this stage ensure that the outputs meet the quality criteria set by ECA, and are deemed appropriate for carrying the ECA logo and ultimately distribution to clients.
- **Lessons learned** - These interventions have the objective of learning from the planning and implementation of the outputs, and ensure that the lessons learned are reflected in planning of other outputs with a view to improve their quality.

¹² For more details, see Annex [##].

Figure : The quality assurance process for initiatives in ECA

ECA Quality Assurance Procedures for Programmes/Projects/major Events



Programme and project proposal reviews

A committee will be in charge of reviewing programme and project proposals for technical quality (against development framework and organizational standards). The QRC (box 3), which is already in place in the Commission, is the logical body to take up this responsibility. There will be a threshold for these reviews, based on proposed budgets. Only programmes and larger projects will pass through the higher-level ECA-wide review committee; smaller proposals will need to be reviewed within divisions, preferably by divisional committees that mobilize division-wide technical and administrative perspectives.

Box 3: The Quality Review Committee

The Quality Review Committee is an accountability mechanism within ECA that reviews programme and project documents against clearly defined criteria. Its primary function is to ensure the alignment of proposals with the strategic objectives of the Commission, and to assess the technical and managerial quality of their design. It also assesses the integrative aspects of designs and whether they exploit opportunities for synergies.

Composition:

- Chair – Director, Subregional Office for Central Africa
- Five members from multiple divisions
- Secretary – supplied by the Standards and Quality Assurance Section in SPORD

Key templates: Concept note template and review criteria; programme document template and review criteria.

Larger programme and project proposals will be reviewed at portfolio level to assess the financial and administrative implications for ECA, in addition to the review of their technical and development merits. The likely body for such a review function is the Advisory Committee on Administrative and Budgetary Matters (ACABM) (box 4).

Box 4: The ACABM

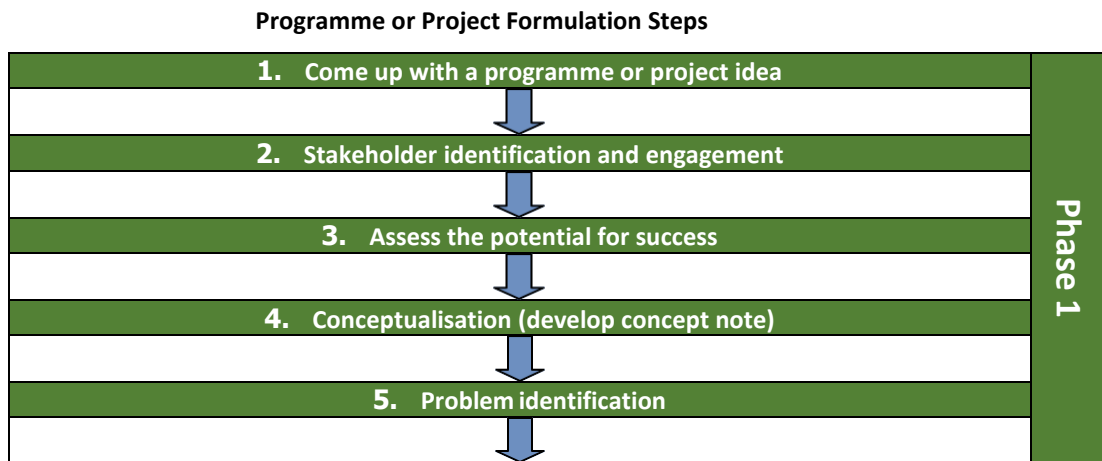
The Advisory Committee on Administrative and Budgetary Matters (ACABM) contributes to organizational accountability in ECA at the portfolio level by reviewing the financial and administrative implications for ECA of proposed programmes and large projects prior to funding and implementation. Using clearly defined criteria, the Committee considers the financial and administrative risks and the capacity and sustainability implications of implementing programmes and large projects within the overall portfolio capacity and available resources (financial and otherwise) of the Commission.

Composition:

- Chair – Director, SPORD
- Director, Division of Administration (DOA)
- Three section chiefs (on a rotational basis)
- Senior Budget Officer
- Secretary – from Programme Planning and Budgeting Section in SPORD.

Key templates: Financial and administrative review template and criteria and accountability cover sheet with signatures.

1 Phase 1 - Conceptualise



1.1 Identifying and justifying a programme or project idea

Sources of programme or project ideas

Most ECA programmes and projects are based on requests received by ECA for policy advice and technical support submitted from the member States. It is important to keep track of requests from regional economic communities and member States in a systemic way so that they can be built into the design process for programmes and projects. Efforts to identify relevant programmes or projects can also be initiated with a desk review or an expert group meeting. A desk review examines research and publications in the Commission and existing background literature related to the potential programme or project, including current programme and project documents as well as evaluation reports of past efforts. Keeping a registry of ideas will facilitate planning. It is also important to maintain checklists of evidence to be attached as part of project identification; these can include documented requests from stakeholders.

Table: Generating Project Ideas¹³

1. A formal or informal request of Member state authorities to the Commission
Member state authorities may make an official request to the ECA executive structure or to an ECA decision-making body (Conference of Ministers, Senior Leadership Team) regarding the felt need for a project. This is the most common source of new project ideas at ECA.
2. Original project idea of an ECA staff member
An ECA staff member may develop an original project idea as a result of the strategic programme planning process, personal observations, formal and informal consultations with host country authorities, civil society or as a follow-up action to a project previously implemented.
3. Project proposal is received from a civil society organization
A non-governmental organization/civil society organization (NGO/CSO) may submit a project proposal to an ECA division, sub-regional office, or specialized centre to work as the Commission’s implementing partner in a Member country. If the ECA executive structure decides to collaborate on the proposed project, the proposal will be revised to address ECA’s strategic aims and to underscore the Commission’s added value to the initiative. Any involvement of this kind would be based on a full due diligence assessment by ECA and negotiating a formal partnership to ensure the proper monitoring,

¹³ Adapted from: OSCE (2010) Project Management in the OSCE: A Manual for Programme and Project Managers

controlling and self-evaluation of the project.

4. Response to an informal recommendation made at an ECA forum, conference, training or other meeting

Informal recommendations from or the momentum created by various meetings convened by ECA may translate themselves into concrete project ideas.

5. Response to a call for proposals or initiatives of other international organizations.

Bilateral development agencies, as well as multilateral organizations such as the European Commission and the United Nations, launch regular call for proposals in conformity with their own strategic policy priorities. If the call for proposals is in line with an ECA executive structure's mandate and within the capacities of the Commission, an XB project idea may be explored.

Several conditions need to be met for a project request to be considered for inclusion in the Commission's workplan and portfolio of programmes and projects.

- 1) The programme or project should be in line with the Commission's Strategic Framework as well as the subprogramme results framework and the current focus of activities undertaken by one or more of the subprogrammes or centres.
- 2) There should be a clear avenue to sufficient resources to support the proposal. This may come as:
 - a) Commitment by the partners in development (by both the "target" organization or government that is seeking support and a donor committing to financing the activities) or
 - b) By alignment with requirements for access to potential resources from the United Nations, which include the Development Account (DA) or its Regular Programme of Technical Cooperation (RPTC).

Ensuring links to ECA mandates and programmes

The goal and outcomes of a proposed programme should be based on a subprogramme's objective and expected results, while proposed project's goal and outcomes should be based on the subprogramme's programme document. Ideas for new project within a subprogramme should be linked to the subprogramme's theory of change. A thorough desk review, or an expert group meeting, can help in the formulation or refinement of a focused programme objective. Generative research is also particularly important at the programme level. The Commission has a wealth of knowledge and should audit this knowledge periodically. At the project level, systemic country needs assessment from an indigenous perspective can support a critical analysis of whose problems the project is really trying to solve.

Process of focussing the concept

Programme and project identification entails clarifying, firstly, the needs, problems and objectives that the programme or project intends to address, with a relevant response such as a programme strategy or a project intervention, and secondly the stakeholders to be involved in the implementation of the programme or project. This step focuses on elaborating and understanding the context, emerging issues and problems to be addressed. Previous activities and efforts carried out in this and other relevant fields are to be explored in order to avoid duplication, build on previous efforts, learn from successes and failures and orient the project in the correct direction.

An expert group meeting is an alternative. Bringing together experts in the thematic area provides access to considerable knowledge that is relevant for identifying programmes or projects. Experts invited to such meetings should include both theoretical experts and persons with practical implementation experience. Collaborative discussions are particularly useful, including mutual discussions across divisions, SROs and technical advisory services in order to identify projects jointly. It is also important to engage with beneficiaries in identifying needs and opportunities. The

approach to project identification should be systematic, involving joint planning across the various entities within the United Nations, including various thematic committees and regional commissions.

In the case of projects arising directly from member States' requests, it is often preferable to mobilize a field or scoping mission for a participatory initial assessment of needs, resources and opportunities. If the project is small and no funds are available for an identification mission, then the identification can be carried out by means of a desk review and virtual contacts with member States' representatives. The results of an internal capacity assessment should be carefully investigated, especially when external perspectives are limited for any reason.

1.2 Assess the potential of succeeding

The second step of conceptualization is to check whether the project idea has the potential for success¹⁴. In order to do this, four factors for success should be assessed:

- Does it address the needs of the intended beneficiaries?
- Does it fall within IOM's capacities, Mission, and strategic focus?
- Is it in line with donor priorities and funding mechanisms?
- Does it take into account the priorities, strategies, and policies of key stakeholders?

When you are satisfied that the project idea meets these criteria, you can conclude that the project idea has the potential for success. Making such an assessment at this stage of conceptualization avoids the loss of time and resources, and it may lead to the realization that the project idea should be reformulated. Use Tool in the annex section of this manual to verify whether each of the factors was taken into account.



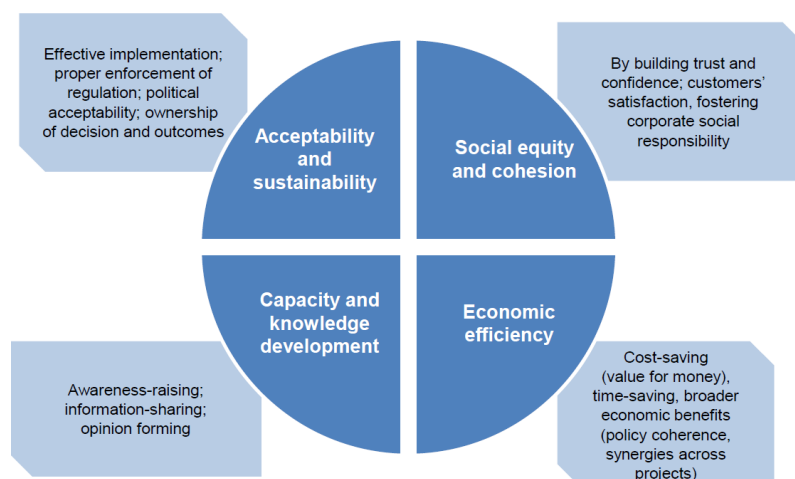
1.3 Stakeholder engagement

1.3.1 Rationale for engagement

Programme and project design should be developed in a collaborative and participatory way, involving the requesting member State(s), the key stakeholders, the prospective donor(s) and staff of the Commission. It is critical to keep the following two key points in mind regarding stakeholder involvement in developing programmes or projects:

¹⁴ IOM (2011) IOM Project Handbook

- The value of having clear and deliberate involvement by a member State or States throughout the design process. This will help to focus the programme/project on the “real” issues and identifying the correct stakeholders¹⁵ to target. Mobilising the interest of relevant stakeholder in contributing to the programme and project implementation will maximize the capacity, behaviours and benefits created through any project, as well as helping to ensure the sustainability of the programme.
- The need to hear the voices of the marginalized during design and planning of a programme/project. This addresses ECA’s mandates to Mainstream Gender and to Leave No One Behind.



Benefits of stakeholder engagement

Engaging stakeholders in implementing ECA’s programmes and projects will help to support effective implementation of the 2030 Agenda for Sustainable Development and Agenda 2063 in two main ways¹⁶:

(a) by improving inclusion and integrated delivery of policy-related goals in the programme cycle. Involving stakeholders in policy analysis and planning improves understanding of the driving forces behind a policy challenge. Involving stakeholders at the initial stages of the programme and project cycle increases ownership and awareness. It is especially important to involve the target groups of a policy or project — and any marginalized or vulnerable groups that might normally not be able to participate. During implementation, stakeholders who are involved can bring new ideas, resources and energy to solving problems and accelerating progress. The 2030 Agenda and the SDGs cannot be achieved by Governments alone — all sectors of society should be enabled and engaged in advancing the progress of sustainable development. There are also several entry points for engaging stakeholders during monitoring — assessing, proposing and prioritizing indicators, “ground-truthing” to understand whether data shows the reality, and during a review process can strengthen understanding of the reasons behind the progress — or lack of progress shown.

(b) by localisation of the SDG goals, targets and indicators and boosting action. Many SDGs represent *complex* challenges — challenges such as gender equality, decent work and inclusive growth, youth unemployment, or addressing corruption. Engaging stakeholders with different perspectives helps to disentangle complex issues and to build social consensus and shared understanding towards solutions. The more complex the issue, the more intensive and long-term the engagement needed, and the bigger the potential rewards.

The benefits of using a stakeholder-based participatory approach include being able to use the ideas and opinions of influential stakeholders to shape your initiatives at an early stage. Not only does this make it more likely that they will support you, but also their input can improve the quality of your initiative (whether a programme, project or event). Gaining support from powerful stakeholders can

¹⁵ In most cases, but not all, the Commission’s interventions are targeted at ministries or specialized departments in the member States.

¹⁶ ESCAP (2018) Effective Stakeholder Engagement for the 2030 Agenda: Training Reference Material, Version 1

also help you to mobilize more resources, which also makes it more likely that your initiative will be successful.

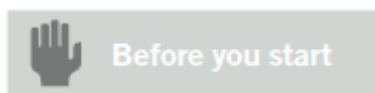
Purpose

Stakeholder engagement has the specific purpose of working across stakeholders, organisations, and communities of interest to shape the decisions or actions of the stakeholders or organisations in relation to a problem, opportunity or outcome. When it is done well, stakeholder engagement is¹⁷:

- Purposeful:** it is an intentional process that has a clear objective and is mostly planned
- Influential:** it provides opportunities to shape decisions and actions of individuals, institutions and organizations
- Iterative:** it recognizes the interrelationships between the decisions and actions of organisations, stakeholders, and individuals
- Collaborative:** it recognizes the rights, responsibilities and roles of organisations, stakeholders, and individuals.



1.3.2 Process for stakeholder engagement¹⁸



Define the overall scope – what programme/project or strategic issue/s will this process of engagement be addressing?

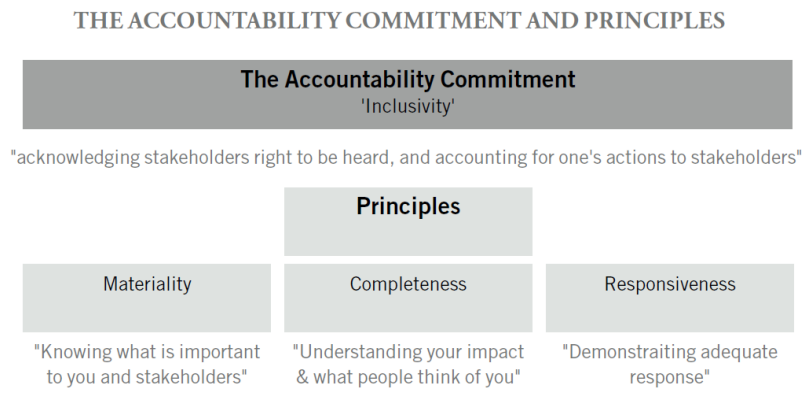
Secure overall organisational commitment to stakeholder engagement at this level. You need to have basic commitment to the idea of stakeholder engagement before embarking on the process. This commitment will need to be revisited throughout the process as the particular costs, benefits and demands of the engagement process become clearer.

Develop an understanding of the principles of materiality, completeness and responsiveness, how these relate to stakeholder engagement and to your own organisational values.

¹⁷ ESCAP (2018) Effective Stakeholder Engagement for the 2030 Agenda: Training Reference Material, *Version 1*

¹⁸ Krick, T., et al (2005). The stakeholder engagement manual: The practitioner's handbook on stakeholder engagement. AccountAbility, UNEP and Stakeholder Research Associates.

Do you understand these principles? How do they differ from or relate to your organisation’s guiding principles and working practices? How can they best be communicated and applied in your context?



Assemble a cross functional group of relevant people from within the organisation and outside. Stakeholder engagement should ideally begin with a process of internal learning and engagement. Those

who have knowledge about the organisation, the issues of concern or the stakeholder groups involved as well as those in charge of putting insights and agreements into action need to be involved in the process at each step. Start by identifying these people – the list may change and grow throughout the process. It might include company insiders from the strategic planning, the legal department, risk management, external communications, operations, or Human Resources. It could also include external consultants or stakeholders you already engage with. At many stages you will need to gather information and initiate discussion with these people through interviews, workshops or meetings as well as involving or keeping them informed of the engagement process itself. You may also want to formally convene a group to steer the process.

Review of past and present work in the problem area is particularly useful in identifying the different potential stakeholders to be involved. This includes the work of the Regional Coordination Mechanism, the Sub-regional Coordination Mechanisms and the bureaus of statutory meetings, and their outcomes. All those with substantial involvement should be identified and contacted, including those who cause the problem, those affected by it and those who might provide potential keys to the solution. The various significant participants could include government officials, politicians, beneficiaries, civil society and the private sector. Through this process, issues, problems, objectives and desired benefits can be clearly identified. This will provide a clear foundation and framework for the project design.

Consider how you will keep track of information. The process outlined in this handbook has the potential of generating a mass of information – first about general categories such as stakeholders and issues, and later about specific stakeholders, information sources, benchmarks and viewpoints. You will need a robust mechanism for organising this information both in order to make it useful and available to stakeholders and managers and to enable external assurance of the process if necessary.

Identifying relevant stakeholders

A starting point is when we are undertaking stakeholder engagement is to look beyond the usual and familiar actors, i.e., to seek out those people and groups that are not frequently seen in our work. The analogy of a radar is a useful reminder that we need to explore those stakeholder groups who are not visible to us, in other words existing below the surface of society. It will help to seek advice from agency partners about marginalized stakeholders, and to continue to ask the question, “Who are we missing?” or “Which groups are less likely to have voice in these discussions?”¹⁹ The design leaders, e.g., the programme manager or division director, should consult relevant SROs for assistance in identifying key stakeholders and how to engage them in planning exercises.

¹⁹ ESCAP (2018) Effective Stakeholder Engagement for the 2030 Agenda: Training Reference Material, Version 1

Setting an agenda for engagement

There are some very important questions to ask internally in your planning team as you consider how to initiate and manage stakeholder engagement in a programme or project:

- What are our external drivers for stakeholder engagement?
- What benefits can we gain from stakeholder engagement?
- What are the risks of not engaging?

When these questions have answers, you can capture them as brief declarations that link stakeholder engagement to strategic organisational objectives²⁰:

- – “To manage the risks associated with...”
- – “To develop a new approach to...”
- – “To learn more about...”
- – “To collaborate in addressing...”
- – “To improve our relationship with...”
- – “To find an agreement on...”
- – “To develop our policy on...”
- – “To inform our decision on...”

What are the main approaches to engagement?²¹

Stakeholder engagement encompasses relationships built around open communication, basic consultation, in-depth dialogue and working partnerships. Each successive approach represents a greater commitment on both sides in terms of time and money, and risk and cooperation. Choosing an approach to engagement is not a technical question about focus groups versus public meetings but about understanding the

drivers, risks and opportunities associated with an issue and the needs and aspirations of the company and its stakeholders in relation to that issue.

Box ##: A provocative reflection guide for stakeholder engagement²²

- Are we emphasizing reflective and generative dialogue over expert presentations and debate?
- Are we surfacing assumptions and exploring rationales: “Why is this issue important? Why do we think this potential intervention will work?”
- Are we using facilitation methods that allow for individual input and collective analysis? (e.g., brainstorming on cards and dot scoring).
- Are we trusting the people and the process?
- Are we putting the system in the room, bringing together multiple actors who can and will work on achieving the desired changes?
- Are we including diverse perspectives, especially the disenfranchised who understand the issues from the inside?
- Are we creating a space for people to listen deeply with open minds, hearts and wills to each other and to the future that wants to emerge?

See Annex [##] for a worksheet template for managing stakeholder engagement.

Final thoughts on stakeholder engagement:

Experience has shown that inclusion of a full range of stakeholders is essential not only for successful decision-making, but also for promoting equity and social justice in all development efforts. When decisions are made, priorities set and actions taken without involving the relevant stakeholders, the result is usually misguided strategies and inappropriate action plans that are badly

²⁰ Krick, T., et al (2005). The stakeholder engagement manual: The practitioner’s handbook on stakeholder engagement. AccountAbility, UNEP and Stakeholder Research Associates.

²¹ Partridge, K. et al (2005) The Stakeholder Engagement Manual; Volume 1: The Guide to Practitioners’ Perspectives on Stakeholder Engagement. Stakeholder Research Associates Canada Inc., United Nations Environment Programme, AccountAbility

²² Adapted from: UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

implemented (if at all) and may have negative effects on the intended beneficiaries and the community at large.

The involvement and engagement of stakeholders is facilitated by mutual confidence, respect and common values. Stakeholder engagement means working towards a common goal or objective. It does not necessarily focus on “what others can do for us” but rather on “what we can do together”. It is a process of exploration: first understand the potential motivations, reasons and levers to address an issue from the start, and then consider how best to work together. Stakeholder engagement is collaborative and not competitive in nature and is based on openness, transparency and mutual trust. Well-managed stakeholders will actively promote and support an initiative. Where there is respect for each other’s goals and an understanding that the achievement of positive outcomes will mean different things for different stakeholders, significant progress can be made in tackling social issues.

Critical success factors in meaningful stakeholder engagement ²³	
<ul style="list-style-type: none"> • Be flexible • Allow time to build trust • Be realistic • Demonstrate clarity of purpose • Involve stakeholders in planning the process 	<ul style="list-style-type: none"> • Field the best people • Be prepared for change • Acquire Individual and Organisational skills • Engage key stakeholders – which may include ‘difficult’ stakeholders

Important obstacles to participation ²⁴
<ul style="list-style-type: none"> • <i>Structural Obstacles</i> – centralized political systems typically have a top-down approach and are not oriented towards participation. • <i>Administrative Obstacles</i> – administrative structures may be control-oriented, operated by sets of guidelines and adopting a blue-print approach, thus providing little space for participation. • <i>Social Obstacles</i> – embedded attitudes of dependence, culture of silence, domination by local elites, and gender inequality all tend to militate against people’s active participation.

1.4 Programme and project concept notes

1.4.1 Programme or Project Design Overview

Programme and project design should be conducted in a collaborative way using a participatory approach, including the requesting member State(s), the key stakeholders, the prospective donor(s) and staff of the Commission. During this phase, other units within the Commission that have relevant knowledge, competence and specialization should be consulted. This will ensure that the programme and project will promote interdivisional collaboration and programme synergy, and will be in line with the latest policies, strategies, methodologies and approaches that have been tested and are mainstreamed in the Commission’s philosophy and normative work.

The design process for a new programme or project will build on the initial identification step by exploring the nature of the core issue, modalities of intervention, and institutional arrangements. The concept note (CN) will set out the overall design framework of the project, which will guide the full-scale design in the subsequent formulation phase.

²³ Jeffery, N. (2009) Stakeholder Engagement: A Road Map to Meaningful Engagement; #2 in the Doughty Centre ‘How to do Corporate Responsibility’ Series; Doughty Centre, Cranfield School of Management

²⁴ ITC (2011) ITC Results Based Management Guide and Toolkit

In the Commission there are two main types of documents for potential programmes or projects, containing varying degrees of detail. These are the programme or project CN and the full programme or project proposal document. The purpose of these documents is to ensure that full and high-quality design does not take place without first ascertaining that the proposed programme or project is consistent with ECA strategic objectives and responds to funding priorities. The format of the appropriate document may also depend on specific donor requirements or funding mechanisms, and the complexity and scope of the programme or project.

The output at the conclusion of the identification phase is a CN that responds to a specific problem or opportunity with a preliminary description of a suitable initiative (programme, project or event) to address the problem or opportunity. The final result of the full design process is a programme or project proposal that can be appraised, has funding potential, and provides the basis for implementing, monitoring and evaluating the programme or project.

Concept notes for new initiatives

The concept note is an initial document prepared during the identification and early design phases of developing a proposal for programme or a project. The concept note is brief and will not replace a programme or project proposal document. A concept note should provide enough information to enable the Commission, constituents, development partners and other stakeholders to assess the strategic value of any proposal and whether it is appropriate to be developed into a full initiative design.

1.4.2 Concept notes for initiatives (programme, project or event)

What is a 'Concept Note'?

The CN is an initial document²⁵ prepared during the identification and early design phases of developing an initiative (programme, project or event). The CN summarizes key findings from the identification phase assessments (especially, context analysis, stakeholder analysis, problem analysis and target group analysis). It will include the rationale of the project and justification for action to be undertaken, and have an outline of the objectives, elements and strategy of the initiative with pathways to reach the desired impact.

What is the purpose of a concept note?

The CN does not replace either a full proposal or a programme/project document. It should, however, provide enough information to enable the ECA, constituents, development partners, governments and other stakeholders to assess the strategic appropriateness of a proposed initiative. Its function is to facilitate informed decisions about further development of the initiative by²⁶:

- Examining the rationale for ECA to implement the initiative
- Assessing the initiative's feasibility;
- Flagging any issue of concern/risk and possible mitigation measures.

The CN can also be a helpful vehicle for resource mobilization. Note that resource partners often have their own preferred formats for a CN and the ECA format would have to be adjusted in such cases.

Benefits and risks in developing concept notes²⁷

Benefits - CNs have many advantages for seeking funds, as it gives a practical framework for seeing the ideas. It is the first public expression of the project and gives flexibility for ECA to revise and adapt ideas before presenting to a donor. CNs help donors assess whether or not the proposed

²⁵ ILO (2018) Development Cooperation Internal Governance Manual

²⁶ WMO (2016) Project Management Guidelines and Handbook

²⁷ Adapted from: Dillon, L.B. (2014) Writing a Concept Note. SSWM

project is aligned with their funding priorities and enables them to offer suggestions before the submission of a full proposal. As a CN is much shorter than a full proposal, less time and resources are needed than are used in preparing a full proposal before any assurance of its probable success.

Risks - The preparation of CNs requires time and money, and will not always fit a specific call for proposals linked to committed resources. Donors requesting CNs as a first step in their selection process frequently put severe limits on the number of pages and words, which may not be enough to adequately communicate the programme or project idea. CNs may be seen as binding documents by funders, and they may not be willing to incorporate evolving ideas and improvements that emerge in the further design process.

Steps in the concept note process

Timing – After carrying out the various data gathering and analyses expected in the identification phase, the conclusion of this phase will up to the appraisal and endorsement of the CN and initial efforts to mobilise support with resource partners, as outlined in the following steps²⁸:

- a) Identification of a significant problem (or opportunity) [with problem analysis]
- b) Establishment of an initiative task force to develop the ideas [with stakeholder engagement and analysis]
- c) Preparation of a CN
- d) Appraisal and endorsement/approval of the CN

Initiating formal relations with resource partners - An initiative Task Force²⁹ (i.e., a working design group or development team) should be established by a programme or project manager at the beginning of the inception phase of the programming cycle. Ideally, the design group participants should include: key stakeholders, such as any requesting member State(s), the prospective donor(s) and both management and technical staff of the Commission.

During the inception phase, other units within the Commission that have relevant knowledge, competence and specialization should also be consulted. This will ensure that the programme and project will promote interdivisional collaboration and programme synergy, and will be in line with the latest policies, strategies, methodologies and approaches that have been tested and are mainstreamed in the Commission's philosophy and normative work. This is necessary to ensure a smooth and complete process for preparation of the CN and leading to the programme or project formulation. It also helps to promote design relevance, ownership and follow through for implementation of the initiative.

Preparation of the CN - The CN helps to structure preliminary analysis of the relevance, feasibility and sustainability of the future initiative and to facilitate broader consideration within ECA³⁰. At this stage, high level preliminary discussions should take place about aspects that could affect the sustainability of results, such as capacity development, gender analysis and sociocultural considerations. Some of these may be able to use available documents, e.g., CCA, UNDAF; others may require collective reflections with members of the task force and other relevant stakeholders. Large scale or deeply intensive collection of primary data should be avoided at this early, as yet unfunded, stage of the process to avoid stimulating expectations that ECA and partners may not be able to meet.

²⁸ Adapted from: FAO (2012) Guide to the Project Cycle: Quality for Results

²⁹ FAO (2012) Guide to the Project Cycle: Quality for Results

³⁰ FAO (2012) Guide to the Project Cycle: Quality for Results

Basic format of the concept note

The CN should be very short (generally, the maximum size is 3 – 5 pages). In summary, the CN for an initiative (programme, project or major event) includes:³¹

- The rationale of the initiative and justification for action to be undertaken.
- An outline of the main elements and strategy of the initiative with likely pathways to reach the desired impact.
- Analyses the ECA’s comparative advantage in addressing the issue.
- Highlighting which ECA strategic objectives the initiative will address.
- It indicates how this proposal is relevant to national and international development strategies and cooperation frameworks (e.g., UNDAFs, Agenda 2030, Agenda 2063).

Tips

- Don’t overwhelm the reader with details!
- Consider your audience (in-house and stakeholders).
- Consider your language (be clear, minimal jargon).
- Be positive and definite
- Only include budgetary details if it is specifically requested.

A concise template for a CN at ECA is included in the Annex section of this Manual (see Annex [##]).

Appraisal of the CN

Self-appraisal first - The programme or project manager should share and review the draft CN with staff members within her or his division and with other divisions or SROs that could have a potential role in contributing to the achievement of the expected results. She or he should solicit comments and feedback, particularly on the content and scope of the programme or project, in accordance with relevant quality assurance standards within ECA. The aim of internal circulation in ECA is to identify possible areas of collaboration and synergies within the Commission and to ensure that the proposal is worth pursuing. Experience has shown that most programme and project designs are very ambitious, especially when they are dealing with burning socioeconomic and development issues; this can be corrected when the design is collectively reviewed by the team members.

Review by SPORD - Before the programme or project CN is finalized by the division, a copy of it should be submitted to the PPBS and the Partnership and Resource Mobilization Section in SPORD for review and comments, particularly in the areas of content, format, budget, donor priorities and consistency and compliance with the United Nations rules and regulations. The review by SPORD does not require formal meetings and can be carried out electronically with a selection of reviewers appointed by the SQA section. It should normally be conducted within five working days using a specific checklist (*see Annex for the CN peer review template*).

A standard template for CNs is available in Umoja and needs to be completed. In practical terms, the preparation and endorsement of the CN through Umoja is a mandatory step for creating a pipeline entry in the ECA database of programmes and projects. It will also ensure that information gathered through the CN is readily available for use later in the initiative design and evaluation, avoiding double data entry. Posting the CN into the appropriate Umoja module allows for consistency of approach in pipeline management within the Commission and sharing of key information with other ECA units that may be directly involved.

Review and approval of concepts by the QRC- In order to maintain minimum quality standards, ECA has one consistent approval process for all programmes and large projects. Regardless of the lead division or funding sources - projects can be funded from XB, RB, RPTC and DA sources - all the

³¹ Adapted from: ILO (2007) ILO Technical Cooperation Manual, Version 1

programme and large project concepts at ECA are reviewed and approved by the Quality Review Committee.

The subprogramme director clears a programme CN with the Deputy Executive Secretary concerned before submitting it to the Quality Review Committee. However, for a project CN, the project manager obtains authorization from the lead division director (programme manager) to submit a final draft of the CN for review by the Committee. [confirm] The Committee reviews both the overall portfolio of programme or project concepts within the programme frameworks, and emerging concepts during the biennium, using specific criteria (see box [##] below).

The Committee will take one of three decisions:

- a) The CN is acceptable and should to develop a programme or project document;
- b) The CN needs amendments to be inserted before proceeding;
- c) The CN requires significant overhaul and needs to be reformulated.

The programme manager (director of the lead division) and the PPBS in SPORD will be responsible for following up the decisions of the QRC with the project design team.

- **Coherence:** Logic and rationale in relation to the subprogramme strategy and expected results
- **Structure:** Clarity on the roles and responsibilities of divisions and SROs, the coordination mechanism and accountability between them
- **Capacity:** How will the expertise in divisions and SROs be used to deliver the projects, and how can shortfalls in capacity be addressed? How can due diligence and a capacity assessment of the proposed implementing partner(s) be carried out?
- **Programme support:** Feasibility of recruiting staff or consultants and procuring services within the proposed period
- **Partnerships:** Use of partnerships in implementing the annual business plan, in particular to leverage the strategic and catalytic roles of ECA
- **Geographical balance:** Appropriate geographical balance between different levels of engagement at the subregional and national levels, and suitability of geographical locations for activities
- **Risk:** Implications of relevant risks and opportunities
- **Resource mobilization:** Potential and ability to attract donor funding
- **ECA programming principles** alignment with these core principles (see Phase 1).

Box 5: Criteria for reviewing programme CNs

Next steps after appraisal and approval of a CN

Resource mobilisation

After appraisal and approval of the CN, an officer in the Partnerships and Resource Mobilisation section will examine any opportunities for resource mobilization in support of the initiative and will advise accordingly. If the CN meets standard quality criteria but resources for further development of the initiative are not already identified, the PRM officer will continue to explore possibilities for financing and inform the programme or project manager in due course on the requirements of any potential resource partners.

Finalising the CN³²

After the above-mentioned steps have been completed, the initiative manager finalizes the CN and loads it into Umoja. The Umoja software carries out an automatic screening to ensure that the form has been adequately filled. The initiative manager is then able to endorse it and start the preparation of a full proposal document. If the CN has been formulated in response to an official government request, at this point the initiative manager should inform the relevant government(s) that:

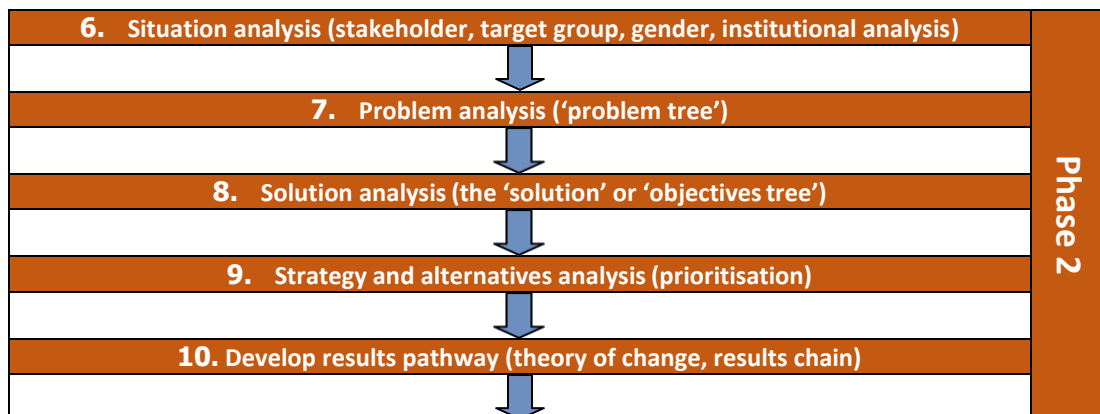
- ECA has developed and appraised positively the CN;
- ECA will pursue elaboration of a full-fledged project document based on the CN and seek to confirm agreement from resource partners.

The next stage for the design group after a CN will be preparation of a programme document or a project document. The programme document and project document are used for appraisal of the full designs and form the basis for subsequent approval, implementation, and monitoring and evaluation. They will go beyond the outline level of a CN to provide sufficient information to enable programme managers and project managers to implement the programme or project and report progress. The next chapter will detail the processes of gathering and analysing the information needed to prepare a proposal document.

³² Adapted from: FAO (2012) Guide to the Project Cycle: Quality for Results

2 Phase 2 – Analyse

Programme or Project Formulation Steps



2.1 Situation analysis

2.1.1 Overview of situation analysis

A programme is essentially a cohesive collection of structured actions to solve a certain problem. Therefore, programme design must start with an agreed understanding of the existing situation. The analysis of the situation will seek answers to the questions: “What is the problem to be addressed? What are its causes and consequences? Who does it affect? What other key stakeholders are involved?”

Preparing a full situation analysis – with input from member States

Diagram map of potentially significant situational issues relevant to a programme or project idea³³

Previous research findings, needs analyses and evaluations provide a starting point for a situation analysis. Additional research, such as a gender analysis, may be required for some issues. Although there are many sources of information on the constraints or problems, rigorous and systematic analysis is required to understand their underlying relationships. It also requires a sensitized design team to gather information and reflect on accessible resources and sources of resilience. The figure below is an example of a visual tool to start a brainstorming session about the context of a possible programme or project.

What is a situation analysis?

A situation analysis involves research and broad consultation with relevant stakeholders in order to:

- Develop a shared understanding of the problem in its various dimensions;
- Identify the key stakeholders involved;
- Identify any knowledge or information gaps;
- Select those elements that the project or programme would be best placed to address;
- Identify potential partnerships;
- Gather lessons learned and evidence from similar initiatives;
- Begin to delineate key objectives.

UNODC, 2018

³³ OSCE (2010) Project Management in the OSCE: A Manual for Programme and Project Managers

Figure ##: Potentially significant situational issues relevant to a programme or project idea³⁴

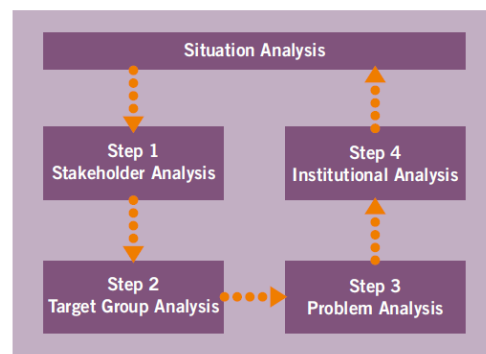


The information required to undertake the situation analysis is usually distributed among different people, including ECA staff, constituents and other stakeholders.³⁵ The programme manager or division director at ECA headquarters should consult relevant SROs for assistance in identifying key stakeholders and how to engage them in planning exercises. When stakeholders may become partners in implementing the project, programme managers should consult Phase 5 later in this Manual.³⁶

Constituents can provide essential insights into the significance of the problems, based on their stake in the issues, their experience and the national or regional context. Stakeholders have a deep understanding of the core problem affecting them, especially when the causes are immediate to their environment. Other agencies and key informants that have worked in similar fields or in the same geographical area will also have useful experience that can be helpful. These may include, for example, government institutions, national organizations, universities and independent think tanks.

The design team must consider carefully how it intends to manage this process of stakeholder consultation, since there may be significant costs associated with it. An optimal approach uses facilitated workshops and participatory approaches to ensure that the process is transparent and owned by the relevant stakeholders. This in turn increases the chances of the programme and projects being successful and the outcomes being sustainable. Programme success strongly depends on reaching agreement among stakeholders regarding the exact target groups, ministries or departments, the nature of the problem the programme or project will address and the acceptability of the intervention strategy, and a common understanding of what the indicators will be for programme or project success.

Table 1 - Situation analysis steps



³⁴ OSCE (2010) *Project Management in the OSCE: A Manual for Programme and Project Managers*

³⁵ For ECA, member State stakeholders are called “partners”. Other key stakeholders may include the two pan-African institutions, the African Union Commission and the African Parliament, as well as regional economic communities, bilateral and multilateral agencies, etc.

³⁶ See also: ECA Partnership Strategy, available at https://www.uneca.org/sites/default/files/PublicationFiles/ECA-Partnership-framework-strategy_ENG.pdf; and the Guidance note on selection and engagement of implementing partners

Core components of a situation analysis

At a minimum, a situation analysis consists of the following interrelated analyses:

2.1.2 Stakeholder analysis

What is a 'stakeholder analysis'? - Stakeholder analysis aims to identify the stakeholders likely to be affected by the activities and outcomes of an initiative (programme, project or event), - or to have an effect on the initiative - and to understand the nature of those affects in both directions. It is a vital tool for identifying those people, groups and organizations that have significant and legitimate interests in specific issues related to the initiative. Stakeholder analysis helps to understand the characteristics, motivations, expectations and constraints of different stakeholders. The goal is developing cooperation between the stakeholders and the initiative team and, ultimately, to ensure successful outcomes for the initiative.

Purpose of a stakeholder analysis - After you have gained some clarity about the conditions you want to help change for children (together with the interrelated issues that need to be addressed to achieve a meaningful change, and the assets you can build on to help make that change), your next step is to identify key stakeholders who can address those issues, and then to analyse their roles and capacities. A solid, participatory stakeholder analysis will help you to³⁷:

- 1) Make strategic choices about where you intervene, and who you work with or seek to influence, as you will not be able to address *all* the causes of your problem, or build on *all* the resources and opportunities.
- 2) Identify *your* entry points for programming and policy. Whose capacity will *your* initiative develop, and whose behaviour will *you* seek to change in order to make a difference for your target group?
- 3) Based on a sound understanding of the other players and how they are addressing the issue, decide how best to:
 - Select appropriate partners;
 - Avoid duplication;
 - Contribute *your* added value;
 - Take advantage of synergies;
 - Undertake policy and advocacy work to influence key actors;
 - Play a convening role among relevant players to coordinate whole-system change;
 - Be a thought leader, influencing and supporting stakeholders through ground-breaking research, pioneering pilots and prototyping, knowledge sharing, and dissemination of data and analysis.

Benefits and risks - Inclusion of a full range of stakeholders is essential not only for successful decision-making, but also for promoting equity and social justice in all development efforts. When decisions are made, priorities set and actions taken without involving the relevant stakeholders, the results are usually misguided strategies and inappropriate action plans that are badly implemented (if at all) and may have negative effects on the intended beneficiaries and the community at large.

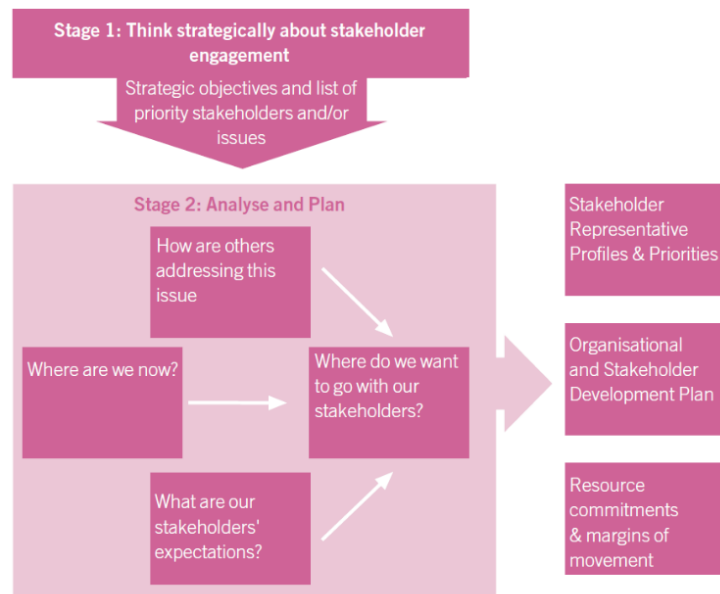
By the end of the stakeholder analysis, the managers of the initiative should be able to answer³⁸:

- Who are our stakeholders?
- How do we or how will we segment our stakeholders?

³⁷ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy *A Reference Guide*

³⁸ Jeffery, N. (2009) Stakeholder Engagement: A Road Map to Meaningful Engagement; #2 in the Doughty Centre 'How to do Corporate Responsibility' Series; Doughty Centre, Cranfield School of Management

- What benefits can we expect from meaningful stakeholder engagement?
- What information sources do we already have about our stakeholders and their views?
- What is the best methodology for meaningful engagement with key stakeholders?
- What does the organisation need to do to maximise chances of success?
- How does the organisation learn and continuously improve meaningful stakeholder engagement?



Timing - Stakeholder analysis is useful at the start of new initiatives or when there is a need to clarify the consequences of making any significant changes in the initiative.

Steps in a stakeholder analysis

A well-done stakeholder analysis has six inter-related stages or tools enabling a careful reflection about the core issue, the potential and relevant stakeholders, their influence and interests, and ways to engage them effectively for the initiative.³⁹ Consider doing your stakeholder analysis with key stakeholders. Gather those *you* have identified as key stakeholders and use these tools to ask *them* to identify other vital actors you missed in your initial analysis.⁴⁰

Step 1: Specifying the issue(s) of concern - Stakeholders are defined as people and groups that have a concrete "stake" in a particular issue or topic. The process of identifying stakeholders categorizes people and groups in respect of specific issues linked to the core focus of the initiative (programme, project or event).

Step 2: Preparing a "Long list" - With respect to the specified issue, a "long list" of stakeholders, as comprehensive as feasible, should be prepared. There is no generic list of stakeholders for all organisations, or even for a single organization (these will change over time) – those who affect and are affected depends on the nature of the issue in question. Political and economic shifts will often mean a new set of stakeholders. To ensure balanced representation, look widely to identify all relevant stakeholders through brainstorming and probing to stimulate divergent thinking and include multiple opinions and information sources. Ideally, the long list should identify all those that:

- Are affected by, or significantly affect, the issue
- Have information, knowledge and expertise about the issue
- Control or influence implementation channels relevant to the issue.

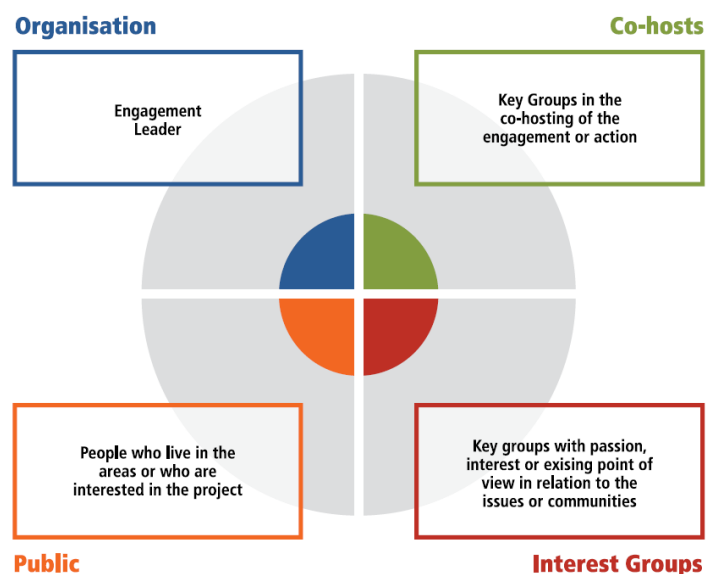
³⁹ Krick, T., et al (2005). The stakeholder engagement manual: The practitioner's handbook on stakeholder engagement. AccountAbility, UNEP and Stakeholder Research Associates.

⁴⁰ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Step 3: Develop a stakeholder ‘map’ – at this point, it is useful to cluster or map out the various categories of stakeholders. This can help to ensure that you have identified a full range of stakeholders, including any stakeholders likely to be marginalized in relation to gender, youth, ethnicity, poverty or other criteria relevant for the planned initiative. The list and box below highlight some of the broad groupings or dimensions typically considered⁴¹.

- a) **By responsibility:** people to whom you have, or in the future may have, legal, financial and operational responsibilities enshrined in regulations, contracts, policies or codes of practice.
- b) **By influence:** people who are, or in future may be, able to influence the ability of your organisation to meet its goals – whether their actions are likely to drive or impede your performance. These can include those with informal influence and those with formal decision-making power.
- c) **By proximity:** people that your organisation interacts with most, including internal stakeholders, those of longstanding relationships, those you depend on in day-to-day operations, and those living next to your sites.
- d) **By dependency:** the people most dependent on your organisation, e.g., employees and their families, people or groups who are dependent on your products for their livelihood or welfare or suppliers for whom you are a dominant customer.
- e) **By representation:** the people that are part of regulatory structures or culture/ tradition leaders who are entrusted to represent other individuals, e.g., civil servants, politicians, councillors, representatives of membership-based organisations, etc.

Step 4: Focus with a Stakeholder Influence and Interest Grid – a list of potential stakeholders for an initiative will always outweigh time available for analysis and a tool’s capability to display the results sensibly. The challenge is to focus on the “right” stakeholders who are most significant and to use the tools to visualize this critical subset of the total community. When the initial list and categorizing of all potentially relevant stakeholders is reasonably complete, an influence and interest grid⁴² can be used to visually map the stakeholders and assign priorities in a coherent and replicable way.



⁴¹ Krick, T., et al (2005). The stakeholder engagement manual: The practitioner’s handbook on stakeholder engagement. AccountAbility, UNEP and Stakeholder Research Associates.

⁴² ESCAP (2018) Effective Stakeholder Engagement for the 2030 Agenda: Training Reference Material, Version 1

Figure 9: Power/influence and interest grid – profile and implications

		Stakeholder analysis grid	
INFLUENCE High ↑ ↓ Low	High power to influence change	Satisfy: Medium-priority stakeholders that you will need to work with and engage as opportunities arise to impact Examples: Media, other NGOs and CSOs	Influence: High priority stakeholders that have the ability to impact and take decisions to support your overall advocacy objectives Examples: Policy-makers, local or national decision-makers, high-level officials
	Little power to influence change	Monitor: Low priority stakeholders to involve only when resources permit or where there is potential added value to one of your objectives Examples: Local businesses affected by the issues	Inform, consult, and involve: Medium-priority stakeholders that could be most affected by this issue, and would be beneficial to consult with and keep informed of your work Examples: Local communities and stakeholders that are impacted by the issues you cover
		Doesn't matter much to them and/or does not work closely on issues	Matters a lot to them and/or works closely on issues
		Low ← INTEREST → High	

Step 5: Build up profiles for the most significant stakeholders - After the influence/interest mapping has identified the most significant stakeholders, it is then possible to profile these important stakeholders in more detail⁴³. This will facilitate planning for activities together, roles in the initiative, and communication messages. See template in the [Annex](#) to this guide for a way to document the stakeholder profile. [see [Annex \[##\]](#) for more details about building a profiling matrix]

6: Plan interactive strategies - Stakeholder analysis by itself only identifies potentially relevant stakeholders. It does not ensure that they will become active and meaningful participants. The following stakeholder engagement worksheet is an optional tool to identify and summarize the engagement and communication strategies with the various high-priority stakeholders.

More details and tools on conducting a stakeholder analysis are included in [Annex \[##\]](#) of this Manual.

2.1.3 Target group analysis

Introduction, overview

A *Target group analysis* is a participatory process carried out to obtain an in-depth characterization of the group that must ultimately be the beneficiary of the project, highlighting its needs and its priorities.

TIP - The success of the programme or project will largely depend on ensuring that all stakeholders agree and are on the same page regarding the target population, together with the nature of the problem the project will address.

Target group analyses comprise a qualitative description and analysis from the point of view of the people that the programme or project wants to affect⁴⁴. This does not exclude quantitative data or assessments (e.g., the percentage of female-headed households in a region). But target group analyses are not meant to be representative in a statistical sense, nor do they intend to give a

⁴³ Krick, T., et al (2005). The stakeholder engagement manual: The practitioner's handbook on stakeholder engagement. AccountAbility, UNEP and Stakeholder Research Associates.

⁴⁴ Forster, R. and Osterhaus, J. (1996) Target Group Analysis: What for, When, What and How? GTZ

complete ethnographic description of the situation. Their special value is rather to explore strategic features and typical patterns, to illustrate these by examples and to develop, out of these, relevant contributions to the project's strategy.

Links between levels and to other analyses

The stakeholder analysis feeds directly into identification of potential target groups for the programme or project. Likewise, the target group analysis feeds directly into the problem analysis

Benefits and risks

Benefits - Target group analyses have many positive benefits for the design and implementation of programmes and projects⁴⁵.

They help to learn about how potential target groups perceive their problems, about the changes they desire and their scope for action. The target group analysis can thus help assess whether the planned project strategy corresponds to the felt needs and potentials of the target groups. The analysis enables the design team to understand social differences within the population (according to gender, social stratum, age, ethnic identity, etc.) and the varying extent to which different social groups are able to participate or engage with the potential programme or project. The analysis helps the designers to recognise the target groups' perceptions of and attitudes towards other stakeholders and institutions in the field, and to develop a realistic strategy for on-going interaction. Perhaps most importantly, the target group analysis facilitates the assessment of the risks and impact of a project idea or strategy.

Risks and challenges – meanwhile, the target group analysis also comes with some risks that may have profound effects for the programme or project being considered. In the interest of avoiding unachievable expectations, a programme or project should only engage in participatory processes with the target group if the major political decisions have been made (e.g., sectoral and regional focus, strategic goals, funding ceiling, etc.)⁴⁶. During project identification, however, this is often not the case. As such, the selection of methods to be applied and amount of data to be gathered should be carefully balanced against the amount of time required for the people involved. As a good working rule, it is wise to keep the collection of primary information at a minimum during programme or project preparation, i.e., making an effort to gather only what is necessary to work out the SF of the project.

When the target group is not sufficiently differentiated or segmented, the problem analysis tends to be superficial or too broad, and does not capture the effect of the core problem within the various subgroups⁴⁷. For example, focusing on the unemployed without differentiating age groups may lead to a wrong strategy for unemployed youth. Appropriate differentiation of the target groups during situation analysis facilitates the definition of project objectives and tracking of project outcomes, and expedites project evaluation.

Definitions

A **target group** includes the specific individuals or organizations for whose benefit the development intervention is undertaken (OECD, 2010). From a results perspective, this is the group at which the programme or project's intervention is aimed and where it wants to achieve an impact (Schiefer & Döbel, 2001).

A **target group analysis** is a participatory in-depth characterization of the group that must ultimately be the beneficiary of the programme or project, reflecting its needs and its priorities.

Common mistakes in target group assessments:

- Focusing on all stakeholders rather than on the main target group (i.e., the people who can really make a difference to solve the issue).
- Trying to convince stakeholders rather than listening and taking on board their points of view, understanding their motivations and how they relate to the issue.
- Seeing stakeholders with different opinions as 'enemies', rather than agents of change and interest groups that are as legitimate as the development experts. (Hesselink et al, 2008)

⁴⁵ UNU/CRIS (2003) Participatory Methods Toolkit: A practitioner's manual

⁴⁶ Forster, R. and Osterhaus, J. (1996) Target Group Analysis: What for, When, What and How? GTZ

⁴⁷ ILO (2018) Development Cooperation Internal Governance Manual

Where there is a risk of conflict (e.g., in certain regions or around certain problems and issues), the target group analysis and identification must be done very carefully to avoid aggravating inequalities, which could worsen the conflict at a later stage⁴⁸. The minimum requirement is that the project should not be perceived to be partial towards any one of the conflicting groups. Non-discrimination should be a clearly formulated and communicated basic operating principle of interventions.

There is also a risk of not doing a participatory target group analysis. However preliminary this may be due to limited resources, it is essential in the pre-design phase of programmes and projects for the identification of and engagement with the target group(s). Without documented participatory elements, it has become difficult to mobilise funding of social intervention initiatives (whether in the areas of policy influence, education, climate change, agriculture, minority rights, or any other) because participation, along with sustainability, are at the top of the priority lists of virtually all national and international funding organisations⁴⁹.

Steps in the process of a target group analysis

Timing - The timing of the target group analysis should be chosen as to allow for an integration of its results in project planning. Therefore, the target group analysis should be carried out as early as possible, i.e., during project identification. This requires that incoming requests for a programme or project have to be examined for the presence (or lack of) information regarding the potential target groups. Any deficits should be communicated to the applying organisation. Early engagement in learning and sharing with the target group strengthens the target groups' influence on the initiative as well as their feeling of ownership.

Participation - Usually, the depth of understanding achieved during the programme or project identification phase only yields some first indications of how target groups actually perceive their problems, their vision of change, their patterns of behaviour and existing social differences⁵⁰. Later, in the course of implementation, on-going interaction with the involved groups enables joint learning processes and helps to clarify and modify the first understanding. The impact of a target group analysis significantly improves if colleagues of the partner organisation/-s (in case they have already been identified) join the study team. Staff from partner organisations will make new experiences, get new insights and a better understanding of the situation and problems of the target population by participating at a target group analysis. In addition to an increased acceptance of the results of the target group analysis this may also help to plan and design interventions that are more according to people's needs.

Method – if resources are available, it is desirable to carry out the Target Group Analysis as a qualitative field study gathering and analysing primary data. In such a case, the target group analysis should concentrate on a few typical places selected according to the most important criteria, such as ecology or population structure, or other factors linked to the nature of the potential programme or project. The team should take care that the selection of research sites is not guided by unintended factors such as accessibility. The results drawn from a small sample of typical locations can be transferred to the entire region with a reasonable degree of plausibility. The sampling of interviewees should be as representative as possible and adequately cover disadvantaged social groups such as the poor, women and female heads of households, the youth and different ethnic groups. [details of how to conduct such a study are available in Forster and Osterhaus, 1996]

⁴⁸ Grossmann, H.; Bagwitz, D.; Elges, R.; Kruk, G.; and Lange, R. (2009) Sustainable Economic Development in Conflict-Affected Environments: A Guidebook. Second and Revised Edition. GTZ

⁴⁹ Schiefer, U., & Döbel, R. (2001). *MAPA-Project: a practical guide to integrated project planning and evaluation*.

⁵⁰ Forster, R. and Osterhaus, J. (1996) Target Group Analysis: What for, When, What and How? GTZ

The SWOT analysis (strengths and weaknesses, opportunities and threats) is a powerful tool for carrying out a diagnosis of the target group⁵¹. It can be used to complement and enrich the stakeholder analysis. A SWOT analysis examines both the internal and the external situation of the target group and partners. Therefore, it is particularly useful in projects where the target group's capacities might have a big influence on the achievement of the objectives, or when there are external elements in the context of the target group's capacities that can affect the project. A SWOT analysis can reveal the capacity of the target group and the implementation partners to perform their roles, as well as their comparative advantages. It can also show hidden obstacles to a potential project.

Analysis of the target group

A good understanding of the target group is particularly important. Since in most of its programmes and projects, the ECA assists its constituents to build their capacities, or to improve the context in which they operate. Therefore, there is a need to distinguish between the direct recipients of programme and project outputs, and the ultimate beneficiaries.

Key Point - The project proposal should spell out the intended results of the project beyond just the direct recipients.

Direct recipients of project services: These are primarily the relevant government ministries of the Member States, but it may also include others, e.g., specialized offices or departments, educational or training institutions, think tanks and civil society organizations.

Ultimate beneficiaries: ECA programmes and projects rarely provide services directly to this group; more commonly, ECA targets this group through the strengthening of institutions and policies that support, or advocate on behalf of the ultimate beneficiaries. For example, although the direct recipients of a programme's services may be policy makers, the ultimate beneficiaries might be unemployed youth, landless women, etc. The programme documents should describe the ultimate beneficiaries of the policy changes, even when the programme has no direct control over the way the direct recipients interact with the ultimate beneficiaries.

Persons living with disabilities

In all countries, people with disabilities are at risk of being excluded from development cooperation programmes and projects unless proactive measures are taken to include them in all stages of the programming cycle. At the stage of target group identification and consequent problem analysis, baseline data should be disaggregated by disability status and type, in addition to other relevant variables such as sex, age and ethnicity. Such data will make disabled people visible to all stakeholders. Disability status refers to whether a person is disabled or not, while disability type refers to different kinds of impairments that lead to disability.

To ensure their real representation, people with disabilities and national or local Disabled People's Organizations (DPOs) have to be involved in stakeholders' meetings and focus groups for planning and design. They should also take an active part in implementation, monitoring and evaluation. Relevant actors working on disability issues, such as disability NGOs, social partners, other UN agencies, and Government ministries/agencies in charge of disability issues, should be involved as well. If the programme or project staff lacks capacity in addressing disability issues, provisions for training in disability awareness and/or related technical issues should be set out in the proposal. In addition, the proposal should refer to, and be in compliance with, relevant national laws, policies and disability plans, as well as the UN policy framework and the Convention's principles regarding disabilities.

[Content adapted from: ILO (2018) Development Cooperation Internal Governance Manual]

The distinction between direct recipients and ultimate beneficiaries is particularly important for partner-funded development cooperation projects, where resource partners are primarily concerned with the impact of the project on the ultimate beneficiaries⁵². For example, although the

⁵¹ ILO (2010) Project Design Manual: A Step-by-Step Tool to Support the Development of Cooperatives and Other Forms of Self-Help Organization

⁵² ILO (2018) Development Cooperation Internal Governance Manual

direct recipients of a project's services may be labour market policy makers, the ultimate beneficiaries would be workers or employers in the labour market. The proposal should describe the ultimate beneficiaries of the policy changes, even when the programme or project does not have any direct control over the way the direct recipients interact with the ultimate beneficiaries.

Target group differentiation: Target groups are rarely homogeneous, and the situation analysis should differentiate between groups within the population (by sex, age, sector, etc.). This depends on the specific situation and scope of the project, but may require differentiation of the interests of the social partners, regions and sectors, the formal and informal economy, youth and the elderly, persons with disabilities, and women and men.

Reviewing the target group analysis (outputs & process)

At the conclusion of the exercise, it is wise to review the outputs and process in a participatory way with the programme or project team, stakeholders and representatives of the target group. The following quality criteria should be considered in reviewing the quality of a target group analysis⁵³:

- 'Target groups' are not homogeneous social groups. Therefore, any analysis of the situation of the intended beneficiaries and of their point of view has to differentiate with regard to gender, age, social stratum, socio-cultural and ethnic background and other relevant aspects.
- The aim of target group analyses should not be an overly detailed and static description of social and socio-political structures. Rather, the analysis should strive for some understanding of dynamic processes in the context or within the target population that would influence the motivation for change, the decision-making process or the patterns of self-organisation.

TIP - Good project design first defines the target population and then specifies the core problem, while taking into account the perspective of the target group.

2.1.4 Gender analysis

The Commission's programmes must assess how the programme will contribute to transformative change that gives equal rights, opportunities and treatment to women, men and youth as beneficiaries, participants and decision makers. Gender mainstreaming is not an "add-on" or a "step" that has to be taken while drafting a programme document, but is a mandatory approach to all phases of the programme and project cycle.⁵⁴ During the design phase of the programme and eventually of the projects, the situation analysis should be gender-responsive, providing information that supports understanding of the specific concerns and needs of women and men.⁵⁵ It is also important to remember that not all women have the same views and concerns simply because they are women. A situation analysis that does not provide gender-differentiated information will significantly reduce the success of programmes in advancing gender equality, and could exacerbate inequalities.⁵⁶

⁵³ Forster, R. and Osterhaus, J. (1996) Target Group Analysis: What for, When, What and How? GTZ

⁵⁴ Gender mainstreaming is defined as a process and a strategy to make women's as well as men's needs and concerns an integral dimension in the design, implementation, monitoring and evaluation phases of a project. In this way, women and men benefit equally, and inequality is not perpetuated. United Nations, Office of the Special Adviser on Gender Issues and Advancement of Women, *Gender Mainstreaming: An Overview*. New York, 2002.

⁵⁵ See Annex, for a checklist to be used in a gender review of a proposal, with proposal sections and related guiding questions.

⁵⁶ Refer to the ECA Gender Mainstreaming Strategy

Special attention - gender

It is important that gender be considered at all stages of the programmes and projects. Integrating the potentially different impacts on working women and men in the situational analysis makes it much easier to integrate gender at the design stage and beyond. The intervention strategies of all of ECA's programmes and projects must give equal rights, opportunities and treatment to men and women as beneficiaries, participants and decision makers. Gender mainstreaming is not an "add-on" or a "step" that has to be taken while drafting a programme or project document, but is a mandatory approach to all phases of the programme and project cycle.

During the design phase, the situation analysis should be gender-responsive, providing information that allows for understanding of the specific concerns and needs of women and men. Such an analysis should include:

- Sex-disaggregated data and qualitative information about the target group;
- An identification of the division of labour between women and men – both paid and unpaid work, including care in the household and community;
- Information on both women and men's access to and control over productive resources and benefits;
- An understanding of the practical and strategic needs of women and men, together with the social and economic opportunities and constraints that may influence achievement of the expected results;
- An assessment of the challenges, opportunities and capacity to promote gender equality in respect of the capacities of government, civil society organizations, and other relevant actors.

[Content adapted from ILO (2018) Development Cooperation Internal Governance Manual]

2.1.5 Institutional analysis

As noted elsewhere in these programme and project management guides, programme design must start with an agreed understanding of the existing situation, from problems to assets, from stakeholders to target groups. One of the key components of a situation analysis is an institutional and policy context analysis. Institutional analysis for sustainable development focuses on the ways in which institutions influence policies, poverty and the people who get left behind.

When programming for policy results there is one important dimension your situation and stakeholder analyses should always pay attention to: policy effectiveness and public finance⁵⁷. Achieving policy results typically implies leveraging significant public resources, as lack of funding means no proper implementation (i.e., ineffective policy or public programme). Indeed, public budgets and social expenditures are clear and concrete manifestations of government policy priorities. Without exploring the *existing public effort* toward addressing some of the basic causes identified in the problem tree analysis, the analysis will be incomplete.

The Commission has a lot of internal technical expertise in this area, but it is accustomed to working at great depth on institutional and policy issues in large scale studies and capacity building programmes. In contrast to this kind of in-depth approach, what is needed in the process of programme and project development is an 'institutional lite analysis'. The team tasked with developing a programme or project concept and design need an approach that will give enough depth to ensure that the process is:

- Participatory – see stakeholder engagement and analysis guides
- Attuned to strategic problems and opportunities – see problem and solution analysis guides [also strategic priorities – coming later]
- Leaves no one behind – see target group analysis [also assumptions and risks analysis – coming later]
- Pays attention to the enabling environment for the emerging initiative – and thus, the need for a limited (or 'lite') institutional and policy analysis

⁵⁷ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Concepts of institutional analysis

In this guide, the term ‘institution’ does not mean ‘organisation’. *Institutions* involve rules and social norms that facilitate human and organisational interaction⁵⁸. Institutions are therefore important to the attainment of efficient, sustainable and equitable development outcomes (through, e.g., the creation of trust and confidence in societal systems such as the financial system, etc.). Formal institutions (e.g., the laws governing the workforce) are just as important as informal institutions (e.g., traditional system of labour in some societies). *Organisations and agencies* are structures that have been either created to take advantage of the opportunities for action provided by existing institutions, or created to implement new institutions such as laws and regulations.

Institutional and context analysis focuses on the relationships between the different types of agencies, and in particular, the relationship triangle between government agencies, programme or project management and the target population. While the stakeholder analysis examines the characteristics of different stakeholders, the institutional analysis focuses on the formal and informal relationships between the major players in this triangle. A good understanding of these institutional relations is essential, because the structure of interaction among the different stakeholders greatly determines what can be done and how. Institutional mapping helps identify obstacles and potential strengths in relationships. This can also improve understanding of the problem that the programme or project seeks to address, because in many cases inadequate institutional relationships can be among the root causes of the problem⁵⁹.

Institutions take many forms, but concretely we can identify two types of institutions that are of critical importance to sustainable development – service providers that provide goods and services, and enabling agencies that establish the policy and legal framework, set the rules and determine how resources are distributed⁶⁰. In order to understand these, we need to understand not just the structures and capacities of the organizations and agencies that fall into these two categories, but also the quantity and quality of relationships between these institutions and the target populations. Acknowledging the Commission’s strategic focus on helping shape policies that support the SDGs, the ‘lite’ version of institutional analysis in this guide will concentrate on the ‘enabling’ institutions and agencies.

Key Definitions
<p>Institution - An institution constitutes humanly devised constraints that structure human interaction. They are made up of formal constraints (rules, laws, constitutions), informal constraints (norms of behavior, conventions, and self imposed codes of conduct), and their enforcement characteristics. [From UNDP, 2009]</p>
<p>Any set of rules, whether formal or informal, that regulate relationships between groups or individuals by providing incentives and sanctions can generally be described as an institution. [From UNDP, 2017]</p>
<p>Institutional and context analysis is an analysis that focuses on political and institutional factors in a given country and how these may have a positive or negative impact on the implementation of policies for the achievement of the SDGs. [From UNDP, 2017]</p>
<p>Institutional mapping - is a key tool for analyzing formal and informal relationships between stakeholders. The mapping must include the most relevant actors identified during the stakeholder analysis. This includes ultimate beneficiaries, direct recipients, governing and oversight agencies, implementing agencies and the social partners. [From ILO, 2018]</p>
<p>Organisations - have a structure and functions; they are designed to achieve specific goals; they have identifiable boundaries; they work within, or are influenced by, the institutional context, while usually also attempting to influence the ‘rules of the game’; and they use resources, knowledge or technology to perform work-related activities. [From Pritchard, 2014]</p>
<p>Policy - can be defined as a ‘purposive course of action followed by an actor or a set of actors’. [From Milovanovitch, 2018]</p>
<p>Policy analysis - is the process of systematic investigation of the implementation and impact of existing policy (ex-post analysis), and of options for new policy (ex-ante analysis). [From Milovanovitch, 2018]</p>

⁵⁸ Brouwer, H et al (2012) Tools for Analysing Power in Multi-Stakeholder Processes – A menu. Wageningen University
⁵⁹ IOM (2011) IOM Project Handbook
⁶⁰ IFAD (2009) Guidance notes for institutional analysis in rural development programmes

Enabling agencies are those institutions, organizations and agencies that do play, or should play, a “facilitating” role. They are responsible for establishing the rules, regulations, laws, and policies that govern the provision of services and control how people are able to access resources. See examples below:

Types of ‘enabling’ stakeholders with authority and/or influence (examples)⁶¹

Public sector stakeholders	Civil society stakeholders	Private sector stakeholders
Ministers and advisors (executive)	Media	Corporations and businesses
Civil servants and departments (bureaucracy)	Churches / religious groups	Business associations
Elected representatives (legislature)	Schools and Universities	Professional bodies
Courts (judiciary)	Social movements and advocacy groups	Individual business leaders
Political parties	Trade unions	Financial institutions
Local government / councils	National NGOs	Patrons (whether formal or informal)
Military	International NGOs	
Quangos and commissions	Funding agencies and donors	
International bodies (World Bank, UN)		

[keep here or put with stakeholder analysis above?]

Benefits and risks [this segment to annexes?]

What are the benefits of institutional and context analysis?

Some of the benefits derived from institutional and context analysis include ⁶² :
<ul style="list-style-type: none"> • Sharpening the focus and targeting of interventions - Conducting an in-depth institutional analysis will encourage project designers to think more carefully about who their interventions are intended to benefit and the channels through which these benefits will be generated, taking into account the contextual factors that influence poverty among different target groups.
<ul style="list-style-type: none"> • Tailoring development interventions to the institutional and policy context - What is and is not possible in terms of development interventions will be strongly affected by the institutional and policy context. If this context is understood in detail, more appropriate interventions can be designed that will not conflict with existing policies. This in turn will enhance their chances of success and their acceptability among local counterparts.
<ul style="list-style-type: none"> • Identifying key actors involved in development Interventions - Through understanding the institutional and policy context, development practitioners should be able to better understand the actors involved in development processes and their relative roles in future development interventions.
<ul style="list-style-type: none"> • Tailoring development interventions to the capacities of organizations and building that capacity - Development practitioners generally work with organizations, whether government departments, NGOs or community-based organizations. The institutional context within which organizations operate determines the incentives available for doing what they are supposed to do. A thorough understanding of these factors will allow development practitioners to design more pragmatic interventions that take into account the capacity of organizations to contribute and design appropriate capacity-building measures.
<ul style="list-style-type: none"> • Developing effective strategies for informing and influencing policy - In order to encourage changes in policies so that they are as supportive as possible, development practitioners must identify key leverage points where their efforts to inform and influence policy and policy processes can be most effective. To do this, a thorough understanding of the processes and mechanisms involved in policy formulation and the factors affecting policy implementation is essential.
<ul style="list-style-type: none"> • Taking account of institutionalized patterns of inclusion and exclusion in development interventions - Institutional analysis will help to reveal why particular groups are poorer than others and how institutional factors contribute to this phenomenon. This will help development practitioners develop ways to broaden and deepen the impacts of their interventions and ensure that those currently excluded from development are reached.
<ul style="list-style-type: none"> • Designing more process-oriented and sustainable projects - To address the complexities of poverty, longer-term, process-oriented projects are often required. These often involve multiple agencies and stakeholders and need to take account of, and manage, change. An understanding of existing institutional structures and processes and the

⁶¹ Melim-McLeod, C. (2012) Institutional and Context Analysis (ICA) for Participatory Governance Assessments. Oslo Governance Centre, UNDP Bureau for Development Policy

⁶² IFAD (2009) Guidance notes for institutional analysis in rural development programmes

<p>dynamics of relationships between different stakeholders is essential when designing such programmes or projects, and for sustainability. Project exit strategies should be based on an institutional analysis of the key institutions involved.</p>
<ul style="list-style-type: none"> • Dealing with issues of power and politics - Development interventions involve intervening in power relations and politics, intentionally or unintentionally. While power and political relationships are so complex and dynamic that they often defy simplification and analysis, thorough institutional analysis can help development practitioners understand some of the key patterns of power, prepare them to address possible areas of resistance and understand the interests of different stakeholders who are likely to be affected by their interventions.
<ul style="list-style-type: none"> • Creating the basis for institutional change and initiating the process - Most interventions aimed at poverty reduction involve processes of institutional change. Proper institutional analysis can provide the basis for initiating such processes and a better understanding of how those processes can be directed and managed to achieve specific results. In longer-term, process-oriented projects, carrying out an institutional analysis that involves a range of key stakeholders can help actors within the institutions understand where changes are needed and thus initiate processes of institutional change.

What are the risks, limitations and cautions for institutional and context analysis?

<p>Raising expectations - It is important to stress that institutional analysis is neither a magic bullet that can be used to change complex realities nor a tool to 'fix' undesirable circumstances - but it can help manage expectations and promote an informed dialogue with individuals or groups whose support for a given policy is key for its successful implementation⁶³.</p>
<p>Resource intensive - The process of institutional analysis is complex and potentially time- and resource-intensive⁶⁴. While it offers considerable benefits in terms of generating more appropriate and sustainable interventions in support of poor people, it is not a process that can be undertaken lightly. Organizational mapping takes time, money and some degree of expertise⁶⁵. It often requires personnel to be physically on-site – possibly in several organizations – to conduct interviews and group discussions.</p>
<p>Risk of distortion with small sample of stakeholders consulted⁶⁶. The products of the qualitative and participatory sessions are subjective outputs. The smaller the number of stakeholders consulted – or the fewer organizational levels addressed – the more likely the findings will be based on incomplete information.</p>
<p>Information overload⁶⁷ - The flip-side of thoroughness is too much data. Using a detailed questionnaire may make it difficult to prioritize or weight specific information. This makes tailoring the questionnaire an important option;</p>
<p>Quality of analysis - Perhaps the most difficult distinction to keep in mind in the analytical process is the one between description and interpretation of evidence⁶⁸. The description of evidence should precede its interpretation. Without a description, the analysis runs the risk of delivering results that are difficult to comprehend and easy to refute. In other words, the interpretation of evidence must contain a description of the evidence. However, the description of evidence should not contain any interpretation. It should be neutral, a basis for further analytical work. If the description is 'contaminated' with (premature) judgements, the analysis might become biased and its results might lose credibility.</p>
<p>Buy-in and ownership - An institutional and context analysis is only as good as its follow-up. If it is a one-off exercise, chances are that its findings will be shelved and forgotten. It is therefore important to establish who will be in charge of operationalizing its findings and monitoring engagement strategies⁶⁹. In some cases, follow-up depends on key actors. If they have not been involved in the analysis, or even in the design or the planning process, they may not feel the ownership needed to ensure that its recommendations are carried forward. Mitigate this by identifying in advance the actors whose buy-in is essential for following up the analysis and ensure that they are involved in the analysis process.</p>
<p>Handling sensitive information⁷⁰ - Have a clear strategy to deal with findings that may be politically sensitive for the government or other actors. Because ICA includes questions related to the distribution of power and resources, the findings of the analysis can be very sensitive. The potential sensitivity of the issues being addressed through an institutional analysis needs to be taken into account in deciding when, where and by whom such an analysis should be</p>

⁶³ UNDP (2017) Guidance Note: Institutional and Context Analysis for the Sustainable Development Goals

⁶⁴ IFAD (2009) Guidance notes for institutional analysis in rural development programmes

⁶⁵ WB (2002) Institutional analysis: Draft for PSIA Workshop

⁶⁶ WB (2002) Institutional analysis: Draft for PSIA Workshop

⁶⁷ WB (2002) Institutional analysis: Draft for PSIA Workshop

⁶⁸ Milovanovitch, M. (2018) Guide to Policy Analysis. European Training Foundation

⁶⁹ UNDP (2017) Guidance Note: Institutional and Context Analysis for the Sustainable Development Goals

⁷⁰ UNDP (2017) Guidance Note: Institutional and Context Analysis for the Sustainable Development Goals

carried out⁷¹. For example, ICA studies can reveal challenges of corruption and patronage in the government, or it may reveal patterns of ineffectiveness by donors. Given that potential, the analysis should be closely monitored by a manager to oversee all stages of the process from planning to completion. Because an ICA will typically produce sensitive information, it is up to the agency or agencies that commissioned the analysis to decide whether, and how, to share the findings, externally.

The process of institutional analysis

Institutions refer to cultural values, legal frameworks, market mechanisms and political processes: the 'rules of the game'⁷². The tool will therefore help you to think critically about how different aspects of institutions influence your intervention.

Tool 1: Institutional and Context Analysis

The implementation of a given policy succeeds when key players have an incentive to make it succeed. When one or more of society's key actors disagree with or are threatened by a certain policy, they have an incentive to make it fail. Understanding how different actors in society – civil servants, farmers, industrialists, incumbents, opposition parties, religious authorities, groups of men or women, and more – have differing incentives to enable or block interventions is key to successful policy implementation⁷³. All actors have distinct histories and – crucially – face constraints, such as institutional limits on their power, a weak resource base, or an inability to act collectively. This means that only some have the ability to act on an incentive. Illuminating this mixture of incentives and constraints is the aim of Institutional and Context Analysis (ICA) at the country level.

An ICA can help by identifying who is *actually* in favor of what, who is against, why, and what incentives guide their actions. In its simplest form, an ICA can be used to investigate why specific laws are not applied or policies not implemented in a given country despite any formal commitments and statements that may exist, and what realistically can be done about it as part of UN support. An ICA can be useful to support implementation of a particular SDG/SDG accelerator or a combination of them, by first of all, helping to identify the gaps between formal rules such as laws or regulations (or how things should work in theory) and informal ones (how things really work in practice), and to map those elements influencing the status quo. These could be political factors, cultural practices, or a general bias in the application of legislation favouring or neglecting one geographical region or ethnic group. Based on this information, stakeholder engagement strategies are then designed.

Understanding the institutional context

Mapping **institutions and agencies** will enhance our understanding of these elements of society influence national and regional poverty. However, the way in which these elements are defined will depend not only on the agencies and people involved themselves but also on:

- **policy factors**, including the policies themselves, the way in which those policies are generated, the mechanisms by which they are implemented, the feedback mechanisms that allow us to understand their impacts, and the degree to which conflict or harmonization exists between policies in different sectors;
- **legal framework**, including the different sorts of laws, rules and regulations that are in place as well as the processes by which these are established and enforced;
- **resource and incentive structures** that support pro-poor investment will play a major role in determining the extent to which institutional processes support the poor or otherwise.

⁷¹ IFAD (2009) Guidance notes for institutional analysis in rural development programmes

⁷² Brouwer, H et al (2012) Tools for Analysing Power in Multi-Stakeholder Processes – A menu. Wageningen University

⁷³ UNDP (2017) Guidance Note: Institutional and Context Analysis for the Sustainable Development Goals

Understanding power and processes

Processes that are likely to play a key role in determining power relations and livelihood outcomes include:

- “**rules of the game**” that establish how relationships between different actors are played out;
- **politics** and the way in which the political system and arrangements manage power within the country and determine what gets done;
- **culture and tradition**, which establish norms that are accepted throughout society, from the poor to people within institutions such as enabling agencies and service providers;
- **values** that influence what people, including poor people and institutional actors, regard as important and the priorities they have for change;
- **rights** that are recognized in society, including the rights of various social groups (such as women, children, the aged, the less able or different ethnic and religious groups) and universal rights to have basic needs met and services provided.

Exploring institutional relationships

- Is there feedback in these relationships? Does information and learning flow from one actor to another?
- How accountable are the different actors to each other?
- Are relationships transparent? Are there ways for actors on each side of these relationships to have a clear idea of their respective roles and responsibilities, and the roles and responsibilities of others?
- Are the terms of relationships, and the roles and responsibilities of those involved, clearly established by contracts?
- Are there ways to represent the interests of the various groups in these relationships?
- What levels of participation among the various sets of actors?
- How responsive are relationships to changes on either side?
- What choices can the various actors make about who they deal with and how they deal with them? (IFAD, 2009)

Understanding relationships

The **relationships** among institutions and agencies often determine the end results of the institutional system as a whole. The kinds of questions that need to be asked about these relationships include those suggested in the box.

Box ##: Questions to clarify relationships among institutions and agencies

Note: The ICA methodology is **not** meant to substitute for studies intended to inform country-level programming such as a Common Country Analysis (CCA)⁷⁴. Neither is it a traditional political economy analysis tool for development looking at issues regarding a country’s political settlement, territorial integrity, monopoly of power, legitimacy, fragility, historical trajectory, illicit flows, the role of foreign investments, ODA, etc. While these dimensions are key to understanding the context in which SDG implementation takes place, they should be covered by programme-level analyses such as the CCA. Ideally, these studies will already exist at country level and can inform the ICA, which will have a more limited scope, as it looks at a particular issue of relevance to one or more SDGs being targeted by a programme or project.

Reviewing the work (outputs & process) - It is critical to *define in advance what kind of output is expected or needed from an institutional analysis*⁷⁵. The output of an institutional analysis can be a debrief, workshop or report – or a combination of these. Workshops may be more suitable than reports to ensure that stakeholder engagement strategies are communicated and task forces are formed to carry the ideas forward in formulating a full programme or project proposal. (see **Annex ##** for a template to carry out an institutional analysis)

⁷⁴ UNDP (2017) Guidance Note: Institutional and Context Analysis for the Sustainable Development Goals

⁷⁵ UNDP (2017) Guidance Note: Institutional and Context Analysis for the Sustainable Development Goals

2.2 Problem analysis

This part of the situation analysis is intended to identify and define in precise terms the core problem that must be addressed, its effects and its causes (see next section).

2.2.1 Overview of problem analysis

One of the key steps in a thorough analytical preparation for a development initiative is to do a problem analysis, thereby positioning the design team for identifying desired results and specific objectives to reach them. The information that emerged from situation and stakeholder analyses will feed directly into the problem analysis.

Definitions

A **problem** - is the description of a poor state or negative situation.
[OSCE (2010)]

Problem analysis - A structured investigation of the negative aspects of a situation in order to establish the causes and their effects. [ILO (2010)]

The **purpose** of a **Problem Analysis** is to identify and define in precise terms the core problem that must be addressed, its effects and

Problem Analysis is a tool to:

- Analyse the current situation with regard to a specific development problem.
- Identify the main problems around this central development problem and their cause-effect relationships and interrelationships.
- Visualize the cause-effect relationships in a problem tree diagram.
- Establish the foundation for a logic model on which a programme or project will be based.

its causes, and identifying the stakeholder groups most affected. A careful problem analysis will help stakeholders to design programmes and projects that address the right problems and the right causes of those problems. It is critical to understand the cause(s) of the core problem, as problems and their causes do not exist in isolation, but are intimately linked to people, groups or organizations. The problem analysis will guide decisions on how to prioritize issues, and therefore how to set programme or project objectives. A problem analysis, which is sometimes referred to as a cause-effect analysis, is a requirement for all UN programming.

The key purpose of a problem analysis⁷⁶ is to try and ensure that 'root causes' and not just the symptoms of the problem(s), are identified and subsequently addressed as part of the strategic plan process. A clear and comprehensive problem analysis provides a sound foundation on which to develop a set of relevant and focused objectives.

Links between levels and to other analyses⁷⁷ - Good results-oriented programming requires that all project-level proposals be subject to a problem analysis to determine whether the stated problem is part of a bigger problem and whether the proposed solution will be adequate to address the challenges⁷⁸. This is one of the differences between a project approach and a results-focused programme approach to development. A thorough problem analysis at the programme level may reduce the need for one at the project level. Once the problem is properly analysed in the UNDAF, CCA or other national strategy documents, projects can be developed at different times and by different agencies to address the specific causes without undergoing another complete problem analysis. However, in some situations, only a limited set of stakeholders were involved in the national analysis or the analysis was not based on a thorough process. In these situations, it should not be assumed that all the critical issues at the project or even programme level have been well identified.

⁷⁶ UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future

⁷⁷ UNDP (2009) Handbook on Planning, Monitoring And Evaluating For Development Results

⁷⁸ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

Benefits and risks of conducting a problem analysis

Benefits - In general, a good problem analysis⁷⁹ plays a crucial role in developing a clear understanding of not only the surface problems, but also their **underlying causes** and constraints. The problem analysis helps to determine the real size and complexity of the problem and the **relationships** between different contributing factors. It will yield information about how the core problem affects various target groups (women, men, marginalized populations) or may be caused by the **unequal treatment** of different groups in society. It will contribute toward identifying short-, medium- and long-term interventions that may be necessary for a **sustainable** solution. It will help in identifying key **partnerships** that may be necessary to effectively address the problem and assessing the **roles** that different stakeholders may need to play in solving the problem. It will bring to the surface information needed to estimate the **resources** that may be required to deal with the problem and its causes. Additionally, a participatory problem analysis **plays an important role in building stakeholder consensus**. It is very difficult to develop a common vision and strategy if there is no shared understanding of the problems and their causes. This can be an important step in finding win-win solutions.

Risks in the problem analysis^{80 81 82} - One of the effects of a poor problem analysis is that the objectives and expected results of the project are not easy to define, and therefore progress is difficult to monitor. The quality of the information gathered and of the **assumptions** made must not be taken at face value, and should be challenged, verified and validated. As a result, it is often useful to bring different groups together to interact in a facilitated workshop – e.g., to confront, discuss and construct a new and shared understanding of the problem. Participants (stakeholders and design team members) frequently confuse what is a “problem” with the “absence of a solution”, especially a pre-determined specific solution. These are referred to as ‘Hidden Solutions’; e.g., “*We do not have a microfinance institution.*” Should be stated instead as: (problem) “*enterprises have difficulties to access credit.*”

Note: Problems are existing negative conditions (who has the problem?); a problem is not the absence of a solution but an existing negative condition; furthermore, a problem’s position in the problem tree does not indicate the importance of a problem. UNODC, 2018

One should not necessarily expect full consensus among stakeholders on what the priority problems are or what the causality of these problems is. It is important to recognize that the problem tree diagram— however it is produced— should provide a simplified but nevertheless robust version of reality. If it is too complicated, it is likely to be less useful in providing direction to subsequent steps in the analysis. Critical insights may be missed if some stakeholders do not have a voice in programme or project design. For example, it is difficult to imagine that gender issues have been fully considered in the analysis if consultation is limited to only one sex.

2.2.2 Steps in the process of problem analysis

Timing - The problem analysis is often undertaken during concept paper preparation and the associated scoping mission⁸³. Using the problem tree analysis tool (see more below), a sufficiently thorough analysis for the purposes of project design can be obtained in a short period of time⁸⁴. It is also very effective in participatory exercises, such as those in stakeholders’ workshops.

Participation - The problem analysis is performed with the participation of the key stakeholder groups identified during the stakeholder analysis⁸⁵. It can often be carried out in a half- to 1-day

⁷⁹ UNDP (2009) Handbook on Planning, Monitoring And Evaluating For Development Results

⁸⁰ ILO (2018) Development Cooperation Internal Governance Manual

⁸¹ UNDP (2009) Handbook on Planning, Monitoring And Evaluating For Development Results

⁸² UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future

⁸³ Asian Development Bank (2019) Guidelines for Preparing a Design and Monitoring Framework

⁸⁴ ILO (2018) Development Cooperation Internal Governance Manual

⁸⁵ Asian Development Bank (2019) Guidelines for Preparing a Design and Monitoring Framework

workshop, depending on the nature and complexity of the development problem. The problem analysis can also be performed in a series of smaller stakeholder workshops and the results of each merged into a comprehensive problem tree. It is the responsibility of the programme or project manager to find a suitable way to involve the stakeholders effectively, taking into consideration the country and the programme or project context.

Front-end work: Before starting work on a problem tree⁸⁶:

- Clarify the scope of the investigation or analysis. You will not want, or be able, to deal with a limitless range of problems. This information should thus help identify either an appropriate objective, or focal problem, to help give focus to the problem analysis.
- Inform yourself further. Collect and review existing background information on the main issue(s) of concern. Are you clear what the main issues are, or are likely to be?
- Identify the relevant stakeholder group(s). Who needs to be involved?
- Ideally, problem analysis should be undertaken as a group activity involving stakeholders who can contribute relevant technical and local knowledge. A workshop environment is an appropriate forum for developing problem trees, analysing the results, and proposing solutions.
- Depending on scale and complexity, it may be appropriate to conduct several separate problem analysis exercises with different stakeholder groups to understand different perspectives and how priorities vary.

Facilitation tip: At the beginning of a stakeholder workshop, explain the purpose of the exercise and the context within which it is taking place. Explain the problem tree method and the input expected from the participants. Provide some examples of the cause and effect relationship before starting, emphasizing the importance of identifying root causes. [UN-Habitat (2017)]

Step 1: Identifying Main Problem(s)

Once the stakeholders are gathered, they should start by looking at the problems to be addressed. At this stage, the aim is not to define a solution to the problem in the form of a programme or project but to correctly identify what needs to be addressed. The central problem to be addressed by a project must be identified correctly in order to design the most appropriate strategy (solution alternatives)⁸⁷. In other words, it is not possible to reach a satisfactory solution to a central problem if we do not make a reasonable effort to understand it, especially its causes and its effects.

Note: The way problems are stated is important, as very often the statement influences what stakeholders consider to be the solution. For example, consider the difference between stating a problem as: (a) "**minorities and marginalized groups do not have the right to vote**" versus (b) "**minorities and other marginalized groups do not participate in elections.**" In case (a), the problem identifies 'what is missing', i.e., the right to vote. This may lead stakeholders to think that updating laws to extend the right to vote is a solution. If the aim, however, was to increase voting by marginalized groups, then changing the laws may only be part of the solution. Changing the laws may not result in voting by marginalized groups if there are cultural, economic and other factors that constrain them. The second example (b) would be a better way to state the problem as it could lead stakeholders to analyse all the factors causing these groups not to participate or vote. In summary, the problem should be stated in a manner that facilitates thorough analysis and does not bias attention to one particular issue. [UNDP (2009)]

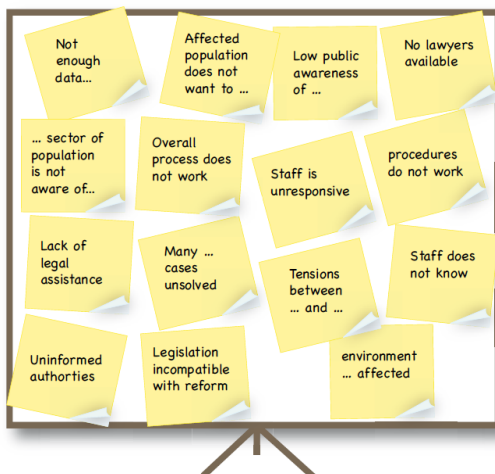
- The process should focus on discussing **what** is happening and to **whom**. This should involve discussing whether particular groups are affected more than others, e.g., by a denial of their rights. The stakeholders should be guided by a few key questions:
 - *Are the initial problems identified the most critical problems to be addressed?*
 - *Are we adequately capturing the problems facing both **men** and **women**?*

⁸⁶ UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future

⁸⁷ ITC (2011) ITC Results Based Management Guide and Toolkit

- Are we capturing the problems affecting **marginalized groups and the rights of various groups**?
- Are we addressing problems that relate to key issues of **national capacity**?
- All stakeholders should brainstorm the major problems as they see them, though it may be necessary to limit the exercise to a certain sector or issue that is within the scope of the stakeholders to address. At this stage, no ideas should be blocked or dismissed. All participants should be encouraged to engage the right/creative side of their brain. The participants are asked to write their ideas on post-its or cards.
- Problems should be stated in terms of negative conditions or realities, and not in terms of specific things being unavailable. Statements should adequately describe the negative situation without pointing to a specific solution. It is recommended to use a flipchart or a blank wall as background,
- The problems should be current issues faced by potential beneficiaries of the project, and not future or expected problems. Problems should not be stated as “if we do not address X, then Y may happen”, or “in the future, X is likely to happen.” At this stage, the focus is on having everyone agree on what the problem itself is. Combining present and future too early in the discussion can often create confusion over what is to be addressed.
- Stakeholders should examine all the problems identified against the main questions noted above: Do they adequately capture concerns faced by men and women as well as marginalized groups, and do they address core concerns of national capacity?

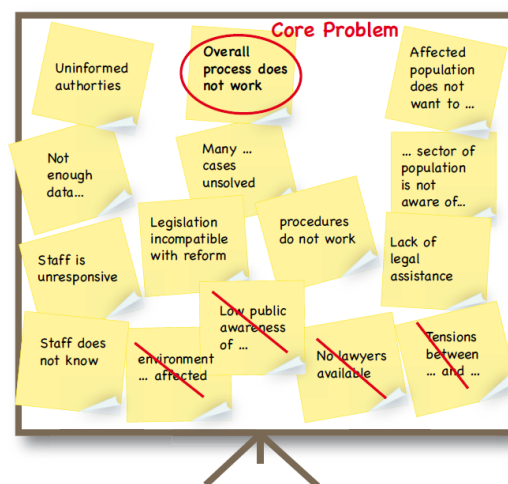
Figure 1 Problem Analysis: Posting Problems on a Flipchart



appear to be secondary issues or duplications and choose between statements that reflect a negative situation more correctly. Finally, a single core problem is selected, as shown in *Figure 2*, and is placed at the top of the flipchart.⁸⁸

- The major problems can then be grouped according to their common traits, such as the stakeholders they relate to, geographical proximity, thematic category, etc. The next phase is to determine within each cluster, which problem is a *cause of the problem* and which one is an *effect of the problem*. At this phase, the project team should eliminate problems that

Figure 2 Organizing Problems into Groups and Identifying the Core Problem



Stating the core problem is neither simple nor obvious⁸⁹. It may take several sessions to agree on what constitutes the core problem, but it is important that a consensus is reached. The programme/project leaders should refer to stakeholder analysis to understand the situation and develop the discussion.

⁸⁸ OSCE (2010) *Project Management in the OSCE: A Manual for Programme and Project Managers*

⁸⁹ Asian Development Bank (2019) *Guidelines for Preparing a Design and Monitoring Framework*

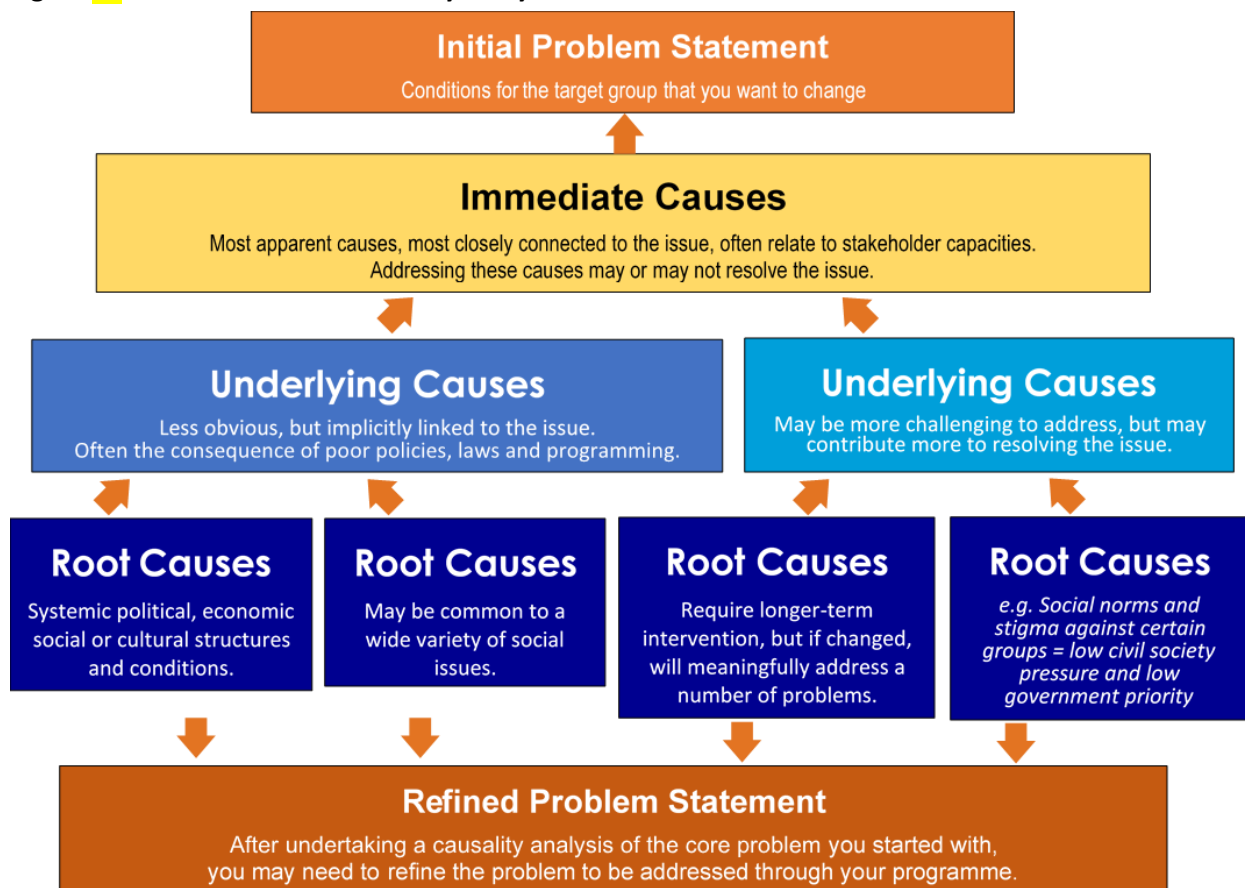
Step 2: Causality analysis of the main problems

Too often, situation analyses consist of a catalogue of problems, with no meaningful analysis of the causes and drivers of those issues. A core output of the situation analysis should be an evidence-based *conceptual framework* for understanding the core problem(s) to be addressed, and for prioritizing the interrelated issues, so that it is possible to design effective responses.

Once you have a working problem statement that identifies the key issue(s), the next step is to look more deeply at *why* that problem exists. This involves probing beyond immediate causes to determine the most important underlying and root causes. Repeatedly asking ‘why’? helps us move from immediate to underlying and structural causes⁹⁰. Digging down into the deeper causes enables us to design pathways of change to address the main causes of a problem and not just its symptoms.

This kind of causality analysis is frequently depicted in graphic form with arrows indicating causal relationships. Often called a ‘problem tree’, it provides a visual, participatory means to gaining insight into the multiple causes of an issue and the relationships among causal factors. See figure ### below.

Figure ##: Problem-focused causality analysis⁹¹



After completing a first version of a problem tree, it is a good time to re-examine the problem statement. The analysis may lead to redefining the issue(s) in terms of a deeper cause of the problem than the one you began with. The quality of a causality analysis will determine the soundness of strategic planning and ultimately the effectiveness of the intervention.

⁹⁰ UNICEF (2017) Results-Based Management Handbook: Working together for Children

⁹¹ Adapted from: UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Step 3: Prioritising the main problems

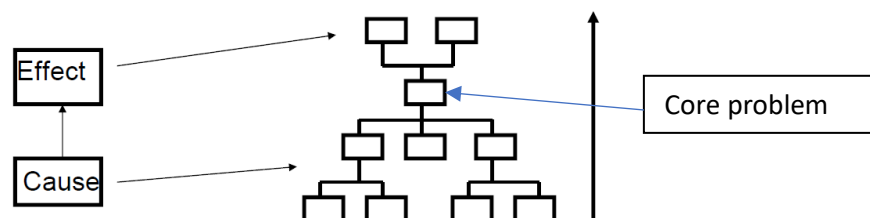
Once there is agreement on the major problems, stakeholders should prioritize them⁹². Many public and non-profit organizations use a simple model to determine the priority of problems and which problems to address. The model involves looking at the identified problems through three lenses: value, support, and capacity and comparative advantage (VSC). (This is the same model used in UNDG guidance for preparing CCAs and UNDAFs.) The planning team can write down the main problems and ask the stakeholders to consider these using the VSC model (see figure and explanation in the Annex to this guide &&).

Step 4: Problem tree analysis

The problem tree is a useful tool to conduct a structured problem analysis; it is used in programme or project design by the Commission and many other development agencies. The problem tree methodology helps organize understanding about the causes and effects associated with a given problem. It can generate a sufficiently thorough analysis for the purpose of programme or project design in a short period of time. It is very useful in participatory exercises, such as stakeholders' workshops. Once a division, SRO or IDEP has defined its programme, all projects that will be developed within that programme must have their own problem tree analysis upon which a specific solution tree can be built.

Definitions
Problem Tree - A graphic presentation of the problem analysis to show the effects of the central problem(s) on top and the causes below, in a logical and hierarchical fashion. It is a diagrammatic representation of a negative situation, showing a cause-effect relationship. [UNFPA (2001), ILO (2010)]

Figure ##: Outline of a problem tree



The Problem Tree

diagram⁹³ portrays the negative conditions perceived by the stakeholders in connection with the central problem, and arranges the principal problems according to their cause-and-effect relationships (causes as the roots of the tree, effects as the branches above), thereby clarifying the objectives upon which the project should focus. The participatory development of the project problem tree builds on the context and stakeholder analyses. A problem tree is a visual representation not only of the problems identified but also of the causal links between them. The following example of a problem tree is linked to a companion solution tree in section 2.3.2 below.

In this process of developing the problem tree, the Project Manager has a duty to gender mainstream the tree with his or her team⁹⁴. As the work progresses, the team should answer the following questions:

- How do the different roles of men and women influence different levels of the problem tree?
- Do we need to reflect in the tree whether men and women have a different role in the creation of the problem?
- Do they contribute differently to the lingering negative situation we aspire to remedy?

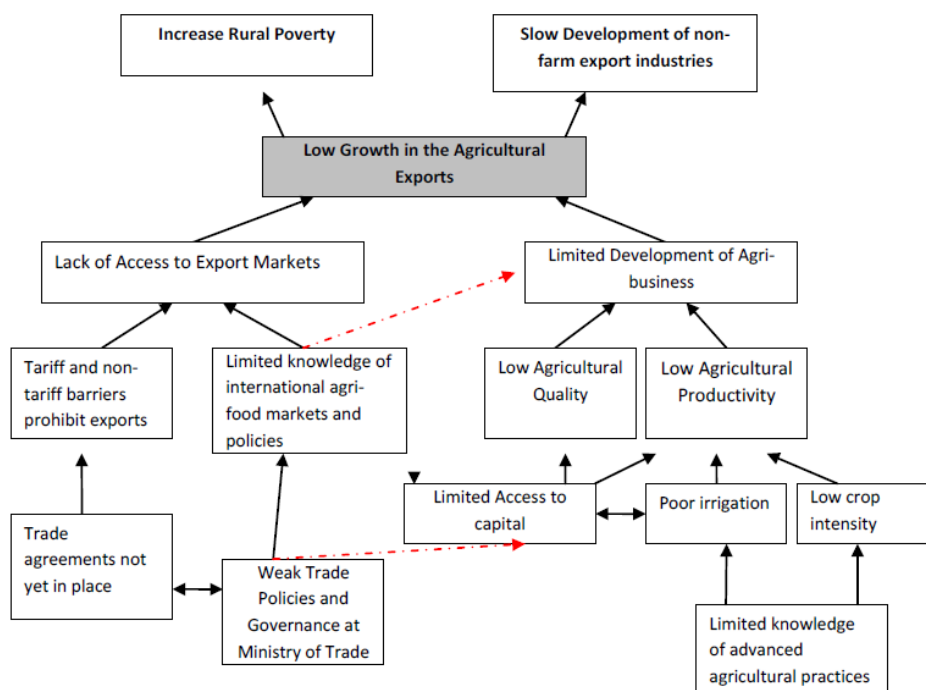
⁹² UNDP (2009) Handbook on Planning, Monitoring And Evaluating For Development Results
⁹³ ITC (2011) ITC Results Based Management Guide and Toolkit: Technical paper
⁹⁴ OSCE (2010) Project Management in the OSCE: A Manual for Programme and Project Managers

Other issues to keep in mind when formulating the problem tree⁹⁵ include the following.

- Make sure that the preconceived problems or solutions of particular stakeholders, including the programme or project team, do not dominate the problem analysis.
- It is unlikely that the first formulation of the statement or sections of the problem tree will be correct. Problem statements may need factual verification. Cause–effect links may need verification through research or further consultation with stakeholders or technical experts.

The main difference in a problem tree diagram for a programme, as opposed to a project, is that the programme-level diagram would normally have a wider range of root causes than the project-level diagram⁹⁶. In other words, the higher the level of the problem identified, the more causes there are likely to be. Hence, at this level, there will need to be an analysis of more sets of problems, whereas the project-level analysis would more likely focus on the causes and effects of only a single problem.

Figure 1 : Problem Tree Example: Low Growth in Agricultural Exports⁹⁷



Reviewing the problem analysis

At the conclusion of the problem analysis exercise, it is wise to review the outputs and process with a checklist [see below]⁹⁸.

Table : Checklist for reviewing a problem tree

Quick checklist for reviewing a problem tree	YES	NO
✓ We have identified problems and causes that relate to the policy and legislative environment		
✓ We have identified problems and causes that relate to gaps in institutional capacities		
✓ We have identified problems and causes that relate to cultural and social norms		
✓ We have identified problems that affect men, women and marginalized populations, and the rights of different groups		
✓ We can see many layers of causes of the problems we have identified		

⁹⁵ Asian Development Bank (2019) Guidelines for Preparing a Design and Monitoring Framework

⁹⁶ UNDP (2009) Handbook on Planning, Monitoring And Evaluating For Development Results

⁹⁷ ITC (2011) ITC Results Based Management Guide and Toolkit

⁹⁸ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

✓ We have defined the problems in the broadest terms, looking beyond the issues that individual agencies or stakeholders are concerned with		
✓ We have defined the problems and their causes without initially focusing only on the dimensions that one or more agencies have capacity to address through projects		

2.3 Solution and strategy analysis

Developing solutions should build on the participatory approach and methodology used to identify the core problem for the initiative. This visioning exercise should be consultative, collaborative and inclusive so that it is truly shared and owned by the UN development system, the Government and all relevant stakeholders, including people left furthest behind⁹⁹. This requires measures to ensure stakeholders are informed, empowered and can provide inputs, including through geographic outreach if necessary.

2.3.1 Creating a vision statement

Based on the problem analysis, stakeholders will often want to proceed directly to formulating potential solutions. This exercise may simply involve rewording the problems and their causes into positive statements or objectives. However, stakeholders should first engage in a visioning process before rewording the problems¹⁰⁰. The aim of this process is to visualize what the future would look like if the problems were resolved. The benefits of doing a visioning process before rewording the problems include the following:

- Visioning brings energy to the group. Rather than immediately beginning another detailed process of working on each problem, groups can be energized by thinking positively about what the future would look like if these problems were solved. This exercise encourages creativity and helps ensure that the process is not too analytical and methodical.
- The vision of the future may identify additional ideas that would not have emerged if the process was confined to simply rewording problems into positive results.
- Visioning is a good way to engage members of the group who are not relating well to the more structured processes of problem analysis.
- Coming to a shared vision of the future can be a powerful launching pad for collective action.

TIP It is not necessary for all stakeholders who are involved in a problem analysis and visioning process to have prior knowledge or understanding of the results chain or logical framework model. In fact, **in the initial stages of the process, it can be very useful not to introduce any of the results matrix or logical framework terminologies** (such as outcomes and outputs), as this could result in extensive discussions about the meaning of terms and detract from the main aim of the exercise. Instead, the process could be approached in a less formal manner to obtain the same information and present it in different forms, including maps, diagrams and pictures. (UNDP, 2009)

Vision as the changes we want to see

The objective of the visioning exercise is for stakeholders to come up with a clear, realistic and agreed upon vision of how things will have positively changed in a period of time (normally 5 to 10 years). They should think in terms of how the region, society, community or affected people’s lives will have improved within the time period.

Guidance to use in visioning

- Do not focus on how to improve the situation (process); Focus instead on what the future would look like (end result).
- What is different for the target group? How have people’s lives changed? How have things improved for men? For women? For marginalized groups? What else has changed as a result of turning around the current problem/s? (UNDP, 2009)

⁹⁹ UNSDG (2019) United Nations Sustainable Development Cooperation Framework: Guidance
¹⁰⁰ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

Good questions to ask are: “If we were successful in dealing with this problem, what would this region/country/community be like in five years?”; “What would have changed?”; “What would we see happening on the ground?”

Stakeholders should re-examine their problem analysis and reflect on what they have come up with. After initial reflections, group members should discuss the situation as it now is, assessing the extent to which the problem analysis represents a true picture of the current reality. After reviewing the current reality, stakeholders should visualize and describe what a better future (development change) would look like. Once the visioning is complete, stakeholders should articulate their visions in one or more statements or use drawings and images. The vision should be a clear and realistic statement of the future, positive situation.

2.3.2 Solution tree

What is a solution tree?

A very useful tool for the solution analysis step is to create a “solution tree” (also referred to as an “objectives tree”) that addresses the underlying causes, immediate manifestations and long-term impacts of the core problem identified in the problem tree. This is done by rephrasing each of the problems (negative statements) of the problem tree into positive desirable changes. The objectives tree visualizes how different objectives interrelate to achieve the desired situation, in the same way as the problem tree visualizes how a set of interrelated causes produces a specific problem.¹⁰¹

Solution tree (also called an ‘objective’ tree) = A diagrammatic representation of the situation in the future once problems have been remedied, following a problem analysis, and showing means-to-ends relationships. (ILO, 2010)

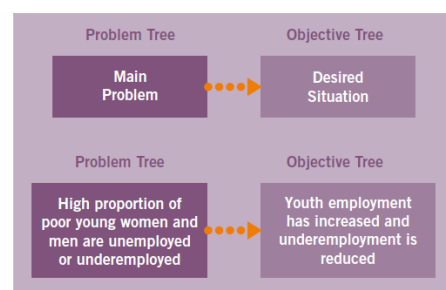
A solution tree is a diagram that translates the elements of a problem tree into a rudimentary theory of change. [Global Affairs Canada, 2016]

The objective or solution tree is helpful in identifying the means-to-ends hierarchy (what needs to be done to achieve what?) and thereby, the logic of a programme or project¹⁰². It also helps to understand the programme or project’s relationship with other related initiatives that collectively contribute to a higher level of strategic objectives. It provides clarity and the context for identifying

the programme or project scope and context, and the respective results levels (i.e., *overall objective/goal, outcomes, and outputs*).

Method for a solution tree

Once the brainstorming and clustering of cause and effect ideas in the problem tree has been concluded (see ECA PPM guide #), the various branches of the tree can be viewed as potential specific areas of work for the proposed initiative¹⁰³. This can be facilitated by organizing the ideas into pathways linking various levels of causes (immediate, underlying and structural) and showing interlinkages among the linked clusters or ‘branches’ of the tree.



Tip: In converting problems to solutions, the positive statements should be written in a way that is realistic and achievable.

At this point, the problem tree is ready to be converted into a **solution tree**, making sure to identify expected solutions for each level of causality (immediate, underlying and structural) of the problem tree, and maintaining the integrity of the logical flow of solutions to achieve the desired ultimate changes. The ‘problem tree’ is converted into an

¹⁰¹ ILO (2018) Development Cooperation Internal Governance Manual

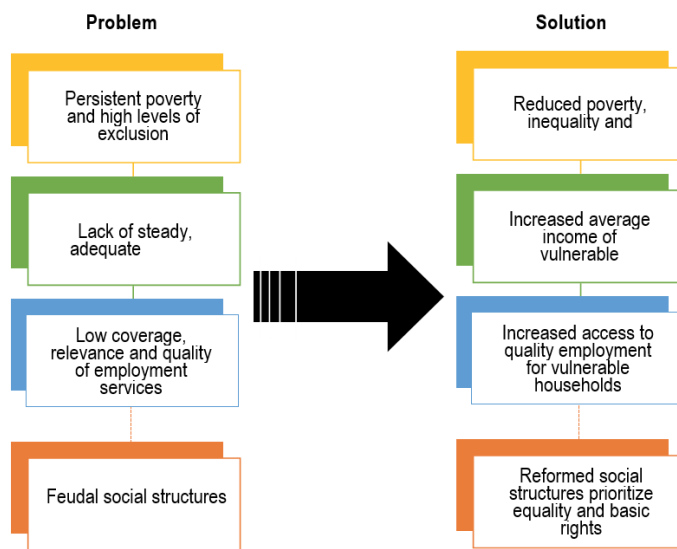
¹⁰² IAEA (2012) Glossary of Terms used in the Planning and Design of the IAEA 2014-2015 Technical Cooperation Programme

¹⁰³ UNDG (2018) UNDAF Companion Guidance: Theory of Change

‘objectives tree’ by rephrasing each of the negative problems into positive desirable changes. In this way, root causes and consequences are addressed in the proposed solutions, and the causal logic and key partners / actors can more readily be identified. Working from the bottom upwards, ensure that cause-effect relationships have become means-ends relationships. Finally, draw lines to indicate the means-ends relationships in the objectives tree¹⁰⁴.

The Problem Tree is like the negative of a photograph, while the Solution Tree is the photograph after it has been developed.
(ITC, 2011)

Turning a branch of a problem tree into a solution tree (example)¹⁰⁵



Meanwhile, the solution tree does not need to be an exact mirror of the problem tree. Rather, the problem tree should be used to verify that the causes of the core development problem are addressed in the proposed solutions. Capacity development needs and solutions should also be clearly reflected in the underlying level of the problem and solution trees.

Since the Objectives Tree shows means-ends relationships, it often is easiest to begin at the top of the Problem Tree¹⁰⁶ and convert those higher negative

effects into higher order desired positive conditions, i.e., ends, and then to work down to the lower levels of the tree as the means for achieving those ends. The solutions to the direct causes of the central problem become the outputs of the initiative and thereby the means for addressing the central problem, as well as becoming a way to assess performance. The following example solution tree is based on the problem tree seen section 2.2.2 above.

The analysis of the solution tree should include reflecting on and identifying enablers of change in the target country that can support tackling protracted problems, constraints and bottlenecks, building on and going beyond what had been achieved in previous government and UN collaboration. As was done for the problem tree, the group should again verify the hierarchy of objectives, asking if all the means-to-end relationships are logical and complete, and if there are any intermediate steps that should be added¹⁰⁷. It may be that there are gaps in the logic of the objective tree that were not apparent in the problem tree, in which case the means-ends linkages should be added or reviewed and re-organized as necessary.

Some problems cannot be transformed into realistic objectives¹⁰⁸. “Strong typhoons during the rainy season” cannot become “reduction in typhoons”. This problem is beyond the control of the project. But if it has a strong influence on the achievement of the desired situation (destroying the crops in an agricultural project, for example), then the problem will need to be kept. At a later stage, once the project is formulated, this problem could be added to the list of assumptions. The project managers will probably have to think of measures to take to cope with the typhoons, like building protection walls or protecting dikes.

¹⁰⁴ NORAD (1999) The Logical Framework Approach (LFA). Fourth Edition. Handbook for objectives oriented planning

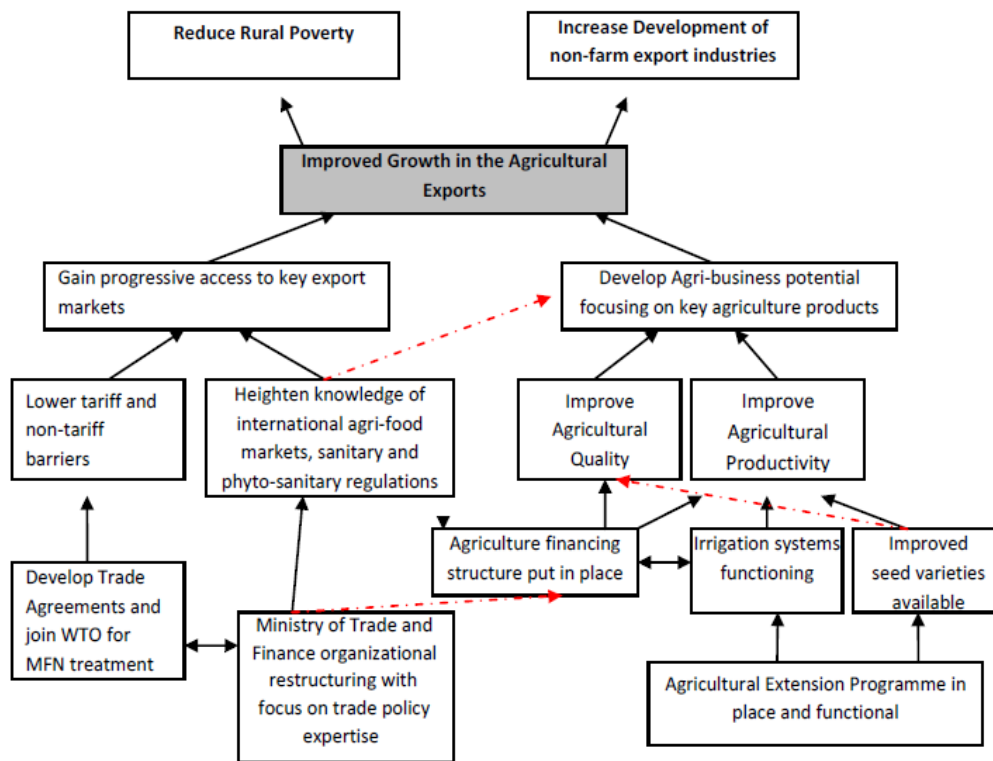
¹⁰⁵ UNDG (2018) UNDAF Companion Guidance: Theory of Change

¹⁰⁶ ITC (2011) ITC Results Based Management Guide and Toolkit

¹⁰⁷ Gawler, M. (2005) Introductory Course: Project Design in the context of Project Cycle Management. Sourcebook. WWF

¹⁰⁸ ILO (2010) Project Design Manual: A Step-by-Step Tool to Support the Development of Cooperatives and Other Forms of Self-Help Organization

Figure : Solution (objective) Tree Example: Low Growth in Agricultural Exports¹⁰⁹



Reflecting on the completed solution tree

When reviewing the proposed solutions, it is useful to demonstrate that they respond to the following parameters¹¹⁰:

- **Equity:** Are particular aspects of the solution tree most important to address in order to ensure that development gains and human rights are enjoyed equitably across society to leave no one behind and foster gender equality?
- **Comparative advantage:** Which specific areas of the solution tree does ECA have the mandate and abilities to address? Are other partners, including the UNCT and government, already working to deliver some of the changes identified as needed steps within the solution tree? How does ECA’s offer fit with those of other partners in jointly contributing to the desired higher level of change?
- **Feasibility:** Is it likely that ECA can implement the solution successfully? Considerations may include available resources, likelihood of partnerships necessary to realize the intended change, key risks relating to political, cultural or operational factors, and whether these can be effectively managed.
- **What works and what does not work well:** What is the evidence, based on ECA, UN and other previous experiences, on the scale of change that has been achieved with this type of solution, in similar contexts? Have there been situations where this type of solution has not worked well? Can we learn from past mistakes to deploy better solutions? Mid-term reviews and evaluations are particularly useful sources of evidence.

¹⁰⁹ ITC (2011) ITC Results Based Management Guide and Toolkit
¹¹⁰ UNDG (2018) UNDAF Companion Guidance: Theory of Change

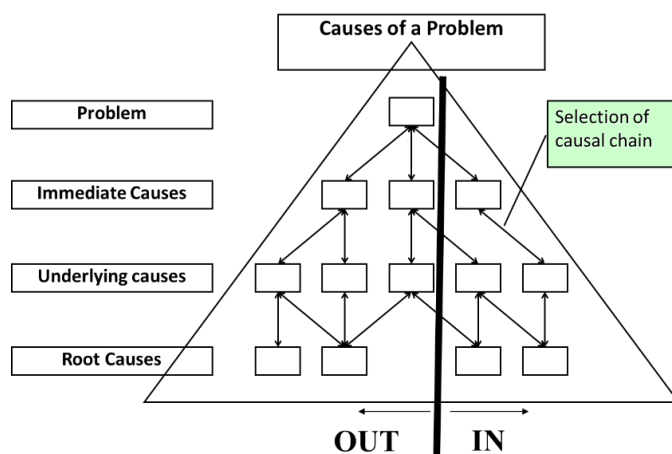
2.3.3 Analysis of alternatives (opportunities and solutions)

Often the design team will instinctively and quickly arrive at an obvious strategy. It will still be useful, however, to consider alternatives and to document the analysis, since once a particular strategy has been agreed, the alternatives tend to be forgotten.¹¹¹ The problem analysis will frequently suggest different, sometimes conflicting, programme or project strategies, all of which need to be considered. Issues to consider in looking for alternative approaches include: experience from other interventions, countries, sectors and agencies; the priorities and capacities of constituents and other stakeholders; the likelihood of success; budget; time; and alignment with other ECA strategic priorities. Examining lessons learned from other programmes and projects and drawing inputs from wider ECA resources and expertise will help in understanding why decisions on particular strategies should be taken.

The objective tree gives an approximate picture of the reality and may lead to a simplistic strategy if used literally. The stakeholder analysis, target group analysis, institutional analysis and problem analysis provide essential information on the needs, priorities, strengths and weaknesses of stakeholders, as well as on the opportunities and risks that may influence the project. All this information is essential to assess what can and cannot be done, what the project can realistically achieve, and therefore what must be taken into account in the alternative analysis and selection. [see method guide for doing an effective alternatives analysis. The analysis of alternatives should identify and compare various options to assess their appropriateness, and ultimately to agree on one strategy for action to address the problem.

This is a good point to go back to your problem-based causality analysis and select the key causal chain(s) your intervention will aim to address.

Figure 7. Selecting causes to address



Note that the problem tree can draw your attention towards a strategy: addressing one cause can address others. Whenever possible, select the positive success factors that you think you can replicate. Pay particular attention to core bottlenecks you have identified with the stakeholders. Once you have drawn on your analysis to generate possible areas of intervention, assess them and select the top one to three most likely to generate a windfall of results.

The methodology of the alternative analysis is to identify and compare possible alternative options, to assess their feasibility, and ultimately agree upon one strategy over another for action with which to address the problem¹¹². (see Annex for guiding questions to assist in this analysis).

At a minimum, the alternative options should be considered in relation to the following criteria¹¹³:

¹¹² ILO (2018) Development Cooperation Internal Governance Manual

¹¹³ NORAD (1999) The Logical Framework Approach (LFA). Fourth Edition. Handbook for objectives oriented planning

- Total cost
- Benefits to priority target groups
- Probability of achieving objectives
- Social risks

The design team and stakeholders should also agree on any other criteria to use when assessing the viability of the alternative options. Possible criteria could be:

- **Technical:** Appropriateness, use of local resources, market suitability, etc.
- **Financial:** Costs, financial sustainability, foreign exchange needs, etc.
- **Economic:** Economic return, cost effectiveness, etc.
- **Institutional:** Capacity, capability, technical assistance
- **Social/distributional:** Distribution of costs and benefits, gender issues, socio-cultural constraints, local involvement and motivation, etc.
- **Environmental:** Environmental effects, environmental costs vs. benefits

The planning team should consider the different criteria in relation to the alternative options and make rough assessments of their relative value. A good way to do this is to use an 'decision matrix' (a tool for multi-criteria decision making). The decision matrix table (see example [Annex ##](#)) summarizes and organizes the information on each issue into a comparative table. It is a useful tool to promote discussion and exchange among the initiative planning team. As always, the quality of the analysis and the viability of the resulting decisions made will depend on the quality and legitimacy of the data being analysed (costs, prices, availability, local practices, etc.).

Prioritization of strategy options

The most appropriate solution(s) for a given issue will depend on the nature of the problem, the comparative strengths of ECA vis-à-vis other potential agencies, as well as the wider policy context. Note: Once the alternatives have been selected, it will also be important to review the stakeholder and target group analyses, as different alternatives may be viewed differently by different stakeholders who may not have been present in the analysis session.

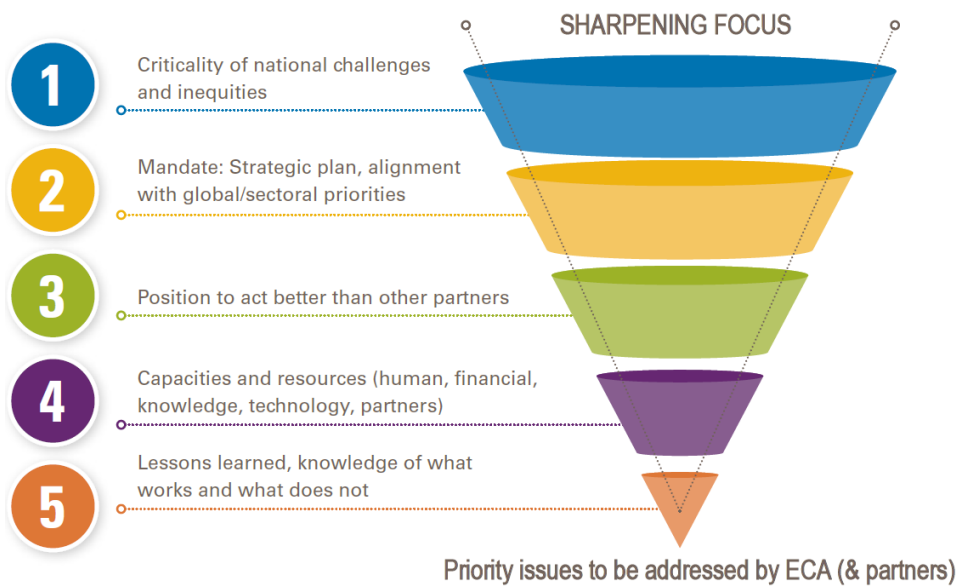
Along with understanding the situation that we seek to change, we need to strategically select the priority issues to focus on in our programming. A well-developed situation analysis, and a systematic prioritization process, will allow for more **strategic choices** about the results you will aim for and the strategies you will employ to achieve them. Too often programmes read like a wish list with no hierarchy or strategic focus. We are also sometimes tempted to select lines of action because they are what we already do or because they fit with the latest development fad. A vital way to improve impact is to clearly identify a few key strategic areas for intervention that are likely to be game-changers.

Prioritization should be **evidence-based, participatory and iterative**. In other words, it is achieved through a consultative process that hinges on the best available information. This does not happen in one sitting. The prioritization process occurs through several rounds as thinking is sharpened, options considered and the potential for success assessed.

Funnelling priorities through five filters

ECA cannot address all problems. It needs to prioritise based on its comparative advantages by screening options and alternatives, e.g., with the five filter tool (see figure below). The five key filter tool is able to support a sound prioritization process. The tool asks you to consider issues through a series of filters, looking to see which issues 'pass' through each filter. This analysis is a good one for a participatory exercise by posting a visual on the wall, writing each issue on a card, and then selecting the issues that are able to pass through each successive filter.

Figure ##: The prioritisation funnel with five filters



FILTER 1. Criticality of problems - Make choices based on evidence of the persistence, severity and scope of the issue and its consequences on **affected population groups**. Consider multiple impacts of overlapping deprivations as well as the criticality of the problem in the event of disasters, climate change, conflict or other shocks.

FILTER 2. Alignment with ECA’s mandate - Issues to work on should align with ECA’s mandate. These issues should be consistent with ECA’s Mission Statement, the ECA Strategic Framework, global and sectoral priorities such as Agenda 2030 and Agenda 2063, etc.

FILTER 3. Complementarity with what others are doing - Consider the strengths and weaknesses of partners and key actors, their interests, and their programmatic and geographic areas of action. A mapping of partners, stakeholders and an analysis of strengths, weaknesses, opportunities and threats (SWOT) will help you identify opportunities and strategic partnerships and enable you to make a decision about where to intervene based on the comparative advantage of other actors.

FILTER 4. Alignment with ECA’s comparative advantage - Consider:

- ECA’s financial and human resources, technological and organizational/ operational capacity and structure to act
- Value for money and efficiencies
- Track record that positions ECA to act more effectively than others
- ECA’s capacity to consider and address risks adequately.
- ECA’s core functions – convening, think tank, and operational

FILTER 5. Application of lessons learned around what works - Consider the results of research and evaluations for evidence of tried and tested interventions and approaches that have worked in addressing bottlenecks and barriers.

Review and reality check your selection

The quality of your assessment, and the priorities you select as a result, will in large part determine the soundness of your programme design and ultimately the effectiveness of your intervention. Bear in mind your budget and your programming time frame. Be realistic as you check:

- The scope of your programme or project (the range of issues it addresses);

- Your reach (the number of persons, institutions and groups you seek to affect); and
- The ambition of your results and targets.

2.3.4 Developing pathways of change

What is a Theory of Change?

Over the past decade, the Theory of Change approach has gained prominence in development circles as an important element in understanding how change occurs in programmes and projects.

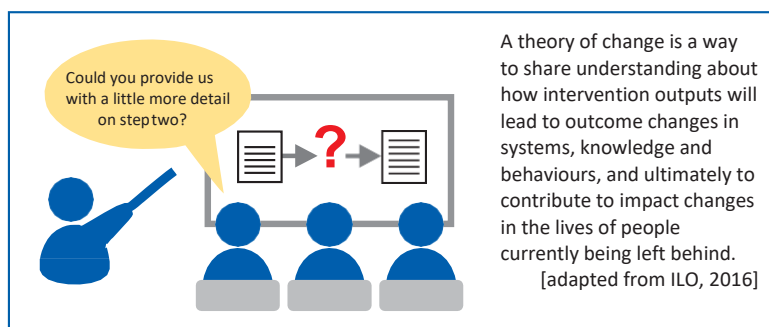
A *Theory of Change* focuses on the dynamics of change¹¹⁴. It involves an ongoing reflection to explore change, including how it happens and how it affects the role played by a programme or project in a particular context. It describes the rationale for why a programme or project exists and how its desired impact is expected to come about¹¹⁵. Theories of Change visually depict how the cause and effect relationship of a core problem is dealt with by the means and ends relationship between an intervention’s activities and its intended results, i.e., the pathways to change.

Note: Because it is a way of critical thinking, Theories of Change may be developed “for any level of intervention – a project, a programme, a policy, a strategy or an organization.”

[From UNICEF, 2017; UN WOMEN, 2019]

A Theory of Change is also a strategy for change as it explains all the major things that need to be in place in order for development change to occur¹¹⁶. It is not just about what a programme or project must do, but what all partners and stakeholders must do to make real change happen. The Theory of Change articulates the assumptions and preconditions which underpin the anticipated change process – the process through which it is expected that inputs will be converted to expected outputs, outcomes and impact. It illustrates how all the various moving parts must operate in concert to bring about a desired change or long-term outcome. It depicts how a complex change initiative will unfold over time.

The Theory of change serves as a guiding framework for all stages of planning (critical thinking), implementation (focused action) and performance management (accountability and lessons-learning) when seeking to achieve social change¹¹⁷. The structured thinking through a Theory of Change allows ECA and stakeholders to formulate realistic goals, clarify accountability and establish a common understanding of the strategies to be used to achieve results¹¹⁸. All the information relevant to the success of a programme is rarely known at the strategic planning stage. As such, Theories of Change also facilitate forming and testing of hypotheses about how change is likely to occur, and how best to catalyse it. They introduce the opportunity for experimentation and action-learning into programme design and implementation.



¹¹⁴ UNODC (2017) Evaluation Handbook: Guidance for designing, conducting and using independent evaluations at UNODC

¹¹⁵ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of change for Social Inclusion and Policy A Reference Guide

¹¹⁶ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of change for Social Inclusion and Policy A Reference Guide

¹¹⁷ UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

¹¹⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

A Theory of change is actually a very **simple concept**¹¹⁹: Throughout our work and personal lives we have aims and ideas about how to achieve our goals. However, we rarely take the time to think these through, articulate and scrutinise them, and make explicit the underlying beliefs and biases that shaped our thinking. All a **Theory of change process does is to make these assumptions and beliefs explicit**. Put simply, a Theory of Change is a tool that allows us to: articulate the changes we seek; clarify how we believe we will contribute to those changes; unpack and address the assumptions that underlie our thinking and; clarify how we intend to mitigate the risks that will inevitably arise¹²⁰.

Alternative names for a Theory of Change in the UN system

In recent years, many UN agencies have moved into Theory of Change thinking¹²¹. **UNDP, UNFPA, UNICEF and UN Women** have all presented theories for their main areas of work to their Executive Boards over the past few years. Typically, while the UN wrestles with the implications of introducing something new like the Theory of change, it also seem to be wrestling with the basic question of how to define it. Unlike other RBM and programming terms there is **no settled definition and understanding of Theory of change across the UN**. What we are seeing at this point are slightly different interpretations of what it means, what the underlying process is, and what the final product looks like.

The Theory of Change is not simply a 'buzzword'; it represents an increasing desire by organisations to explore and represent change in a way that reflects a complex and systemic understanding of development. This desire stems at least in part from the "results agenda", and this places Theories of Change at the centre of Results-Based Management.
[From UN-Habitat, 2017]

While the concept is simple, **many different terms** have been used over the years to describe an approach that is based on a plausible and sensible model of how the social change is supposed to work. Some of the terms used for a Theory of Change include:

- A theory (or hypothesis): program theory, intervention theory, theory of action, core theory of success
- A pathway: pathway of change; impact pathway, expected causal pathway, outcome line
- A logic portrayal: program logic model, intervention logic, attribution logic, logframe
- A chain: results chain, causality chain, causal chain
- A map: cause map, causal model

In international development circles, these terms are sometimes used interchangeably¹²². To avoid extensive discussions of "correct" use of terminology, it is therefore important to define early on in preparing a Theory of Change exactly what terms are being used with what meanings.

Benefits of Developing a Theory of Change

- **Mobilisation tool:** for funding and resources, for collaboration and partnering, for advocacy. A Theory of Change will clarify the programme logic and present an easy-to-understand vision of how the desired results will be achieved¹²³. Theories of Change are increasingly being utilized for developing and managing partnerships and partnering strategies. The process of agreeing on a Theory of Change acknowledges and incorporates different views and assumptions among programme planners, beneficiaries, donors, programme staff, etc. It can foster consensus and motivate stakeholders by involving them early in the planning process and by showing them how their work contributes to long-term impact. It facilitates identifying appropriate participants and

¹¹⁹ *UNDG LAC Secretariat/PSG (2016) Theory of change: Concept Note*

¹²⁰ *UN WOMEN (2019) Theory of change: UN- SWAP Reporting of System-wide Strategic Gender-related Results to support the 2030 Agenda*

¹²¹ *UNDG LAC Secretariat/PSG (2016) Theory of change: Concept Note*

¹²² *UNEG (2013) Impact Evaluation in UN Agency Evaluation Systems: Guidance on Selection, Planning and Management*

¹²³ *UNICEF (2017) Results-Based Management Handbook: Working together for Children*

partners critical to specific steps or pathways in achieving results¹²⁴. It can enable dialogue with other UN entities in UNCTs to understand ECA’s potential to contribute to social and policy change, leading to stronger or new partnerships and better complementarity and coordination.

Table ##: Benefits of Developing a Theory of Change¹²⁵

Benefits for: At stage:	For the management	For the staff	For the target population	For other stakeholders
At design stage	More solid, coherent and aligned intervention. Easier to sharing thinking behind the intervention	More understanding of the intervention and each team(s)’ contributions. More able to provide relevant information that can make the intervention more successful.	Greater likelihood of being engaged in the design of the intervention. Greater buy-in and credibility for the intervention. More likely to participate	Insight provided to additional audiences (e.g., funders, board, constituents, partners) as to what the organization is trying to achieve and how it expects to achieve it.
Unearthed and aligned viewpoints. Articulated assumptions. Strategies and activities linked to expected outcomes, allowing preparation for their potential occurrence.				
At implementation and monitoring stage	Easier monitoring. Better and more strategic decisions when adapting to emerging issues.	Demonstration of the relational aspect of their work. More intentional execution of work. More learning about work.	Better understanding of the project’s intentions, the implications and what can be learned from the work being implemented. Increase in credibility. Greater willingness to participate.	Progress monitored against articulated outcomes as intervention is implemented. Input provided. Learning gained and shared. More full collaboration.
	Specific outcomes measured internally and in real time.			
At evaluation stage	Easier to trace causes if outcomes are not achieved. Strategic learning provided for adjusting current strategies and activities as well as future interventions.	Easier to understand the evaluation approach and methods, allowing for greater participation in the evaluation and interest in using the results.	Possible improvement in participation rates and overall quality of the evaluation. More accountability towards the organisation’s use of the evaluation results.	Better understanding of successes and challenges of approach. Able to gain from and contributed ot learning and strategic decision-making.
Regarding impact of the project	Easier to check alignment with the organisation’s mission	Staff able to understand their contribution to the mission	Learning for the community. Greater impact	Learning for the field

- **Measuring and managing change:** By visualising and enabling progress measurement over a long-term period, the Theory of Change sets solid foundations for more effective results-based management¹²⁶. Increases the rigour with which each step in the causal chain can be measured, focusing on aspects such as data availability, social dialogue, implementation of recommendations and how that implementation is consistent with desired outcomes, objectives

¹²⁴ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹²⁵ Dhillion, L; and Vaca, S. (2018) Refining Theories of Change. *Journal of MultiDisciplinary Evaluation*, 14(30):64-87

¹²⁶ UNODC (2018) *Handbook: Results-based Management and the 2030 Agenda for Sustainable Development*

and impact¹²⁷. Helps ensure that the programme leads to tangible results adding up to the desired change¹²⁸.

At every point in developing a Theory of Change, ask the question, “why do I think this change will happen?”

Risks with a theory of change

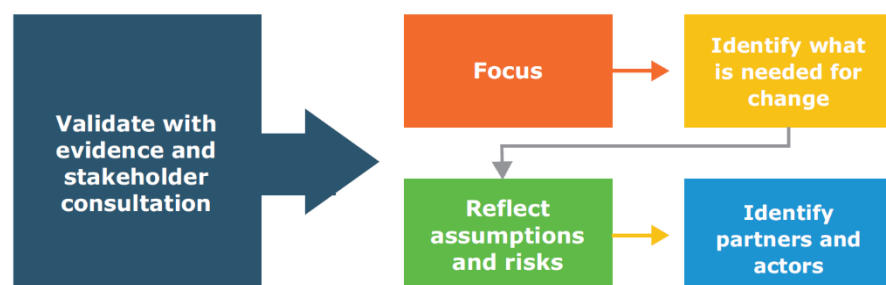
- **Staying wedded to your initial Theory of Change**, rather than learning and adjusting based on the evidence¹²⁹. As you learn from programme implementation, your initial results frameworks, theories of change and monitoring plans need to be adjusted in accordance with new realities or new understanding. Be honest about it and, in concert with key stakeholders, develop updated versions. Keep successive iterations of those key documents to track how expectations and understanding evolve over time.
- **Evaluators treating the Theory of Change as reality**. A hazard of Theory of Change models is that evaluators sometimes commit a fallacy known as concretism (also known as reification)¹³⁰. This logical fallacy occurs when a mental model, such as a Theory of Change, is treated as if it were real. This idea was most famously expressed by Alfred Korzybski who said, “The map is not the territory”.
- **Believing in attribution rather than contribution**: programmes operate in complex environments. Well done Theories of Change can take this into account to a certain extent, but it is not possible to completely understand the contribution various influencing factors, drivers, mechanisms, and/or barriers which might be at work in producing a set of outcomes.

Process for building a Theory of Change

In practice, developing a Theory of Change involves asking a series of fundamental questions¹³¹ that are results-oriented, such as:

- What do we want to change? [What result is needed?]
- How can we influence or enable it to change?
- How will we know if it has changed?
- What do we need to help it happen?

Figure ##: Steps in developing a Theory of Change¹³²



The process of identifying the intervention logic of a project should preferably be done as a group exercise, combining ECA staff and external stakeholders¹³³. The group work is best done in collective discussions to develop visual models of the ‘problem tree’, the ‘objective tree’ and, finally, the intervention logic using cards taped to a wall or laid out on the floor. The component elements (outputs, outcomes, drivers, assumptions, intended impacts, etc.) of the causal pathways can be written on individual cards and arranged and discussed as a group activity. Wherever a Theory of

¹²⁷ ILO/SIDA (2016) STED Results Based Management and M&E Manual
¹²⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children
¹²⁹ UNICEF (2017) Results-Based Management Handbook: Working together for Children
¹³⁰ ILO (2017) Guidance note 1: Theory of change
¹³¹ UN WOMEN Training Centre (2017) Working Paper Series 1. A Theory of Change for training for gender equality
¹³² From: UNDG (2018) UNDAF Companion Guidance: Theory of change
¹³³ UNEP (2013) Programme Manual

Change is applied, it is important to note that its development is not likely to happen in one sitting¹³⁴. However it is approached, the development of a Theory of Change is an **iterative** exercise. It is also not an entirely linear process comprised of a series of self-contained steps. Many steps may overlap and need to be revisited during the process¹³⁵.

Participatory process: An effective ToC not only needs to be technically sound, but also requires the views and buy-in of programme partners and key stakeholders¹³⁶. Creating an effective Theory of Change is done through a combination of: 1) **Appropriate information**—knowledge of issues, effective solutions, and how change happens in the country context as well as effective risk analysis. Gaps in information can serve as a basis for research that will allow future evidence-based refinements to theories of change; and 2) **Sound process**—engagement of government and other development partners.

Developing a Theory of Change is not simply a matter of filling in boxes; it is important to ensure that the Theory of Change adequately represents what the intervention intends to achieve and how – to the satisfaction of those who will use it. Ideally, a Theory of Change explains how change is understood to come about, rather than simply linking activities to expected results with an arrow. [From Rogers, 2014]

Five steps in developing a Theory of Change^{137 138 139 140}

Step 1: Identify long-term goals and the assumptions

behind them. Agree what a successful outcome would look like, including who the change will benefit;

Step 2: Conduct backward mapping - what outcomes and other factors are needed to reach the impact; what outputs are needed to achieve the outcomes; connect preconditions necessary to achieve the goal and explain why they are necessary and sufficient. Use “if-then” questions to verify the logic of the linkages. Identify your basic assumptions about the context. What are you assuming is in place so that you can achieve your desired results?

Step 3: Identify key interventions to be performed and the pathways of change they will enable. Develop indicators to measure the outcomes on these pathways and assess the performance of the initiative. Identify the timeframe in which the benefits will be achieved

Step 4: Conduct a quality review: is your theory: (a) plausible, (b) doable (or feasible), and (c) testable?

Step 5: Write a narrative to explain the Theory of Change logic of your initiative.

Figure ##: five steps to creating a theory of change¹⁴¹



¹³⁴ UNICEF (2017) Results-Based Management Handbook: Working together for Children
¹³⁵ UN WOMEN Training Centre (2017) Working Paper Series 1. A Theory of Change for training for gender equality
¹³⁶ UNICEF (2015) Guidance on the Development of Programme Strategy Notes
¹³⁷ UNODC (2018) Handbook: Results-based Management and the 2030 Agenda for Sustainable Development
¹³⁸ UNICEF (2015) 16 Tools for Programming for Policy Results
¹³⁹ WHO (2015) Lessons learned on health adaptation to climate variability and change: experiences across low- and middle-income countries.
¹⁴⁰ UNEG (2013) Impact Evaluation in UN Agency Evaluation Systems: Guidance on Selection, Planning and Management
¹⁴¹ From: UNICEF (2017) Results-Based Management Handbook: Working together for Children

Assumptions and risks

During the process, the programme or project manager should clearly articulate all assumptions and potential risks that may hinder or facilitate the achievement of the intended results¹⁴². Risks are the conditions outside the control of the programme or project that can negatively affect the outcomes. If a risk is too high, teams must take steps to mitigate the risk or address the problem that results from a risk. Assumptions are the conditions that need to be in place to ensure the project or programme progresses the way it is envisioned. They are also frequently outside the control of the project or programme.

While thinking through the risks and assumptions, the project or programme manager needs to account for potential internal limiting factors, including time frame, planning cycles and budget constraints. The manager also needs to consider the external environment and any potential adverse effects that could be caused by contextual issues, including the political climate, economic conditions, informal societal structures such as hierarchies based on gender, and existing or new legislation. During the implementation phase, the manager of the project or programme will test the assumptions and manage the potential risks identified in the Theory of Change.

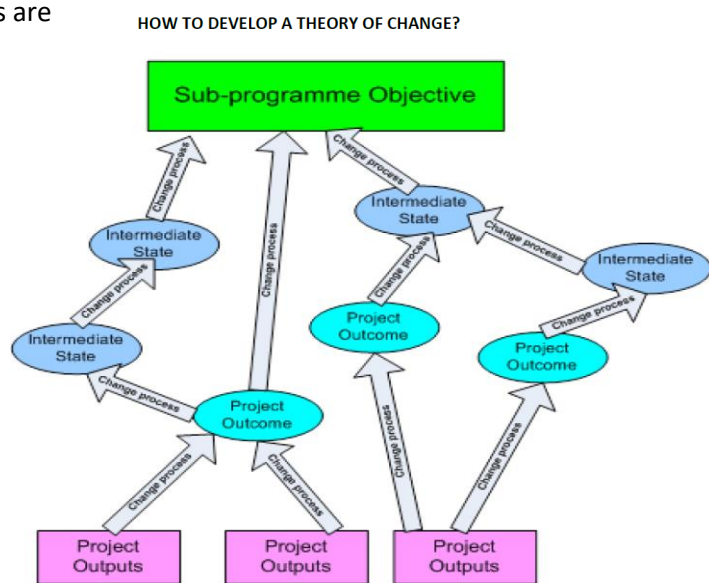
Embedding **risk analysis** in a Theory of Change is also a crucial and challenging element of design, but exploring assumptions first can help in the identification of the risks. Often assumptions and risks are inversely related. During the preparation of a Theory of Change, it is not always possible to anticipate and prepare for the full range of risks. [A deeper discussion of this issue is included in the PPM manual]

Appearance or format of a Theory of Change

An effective Theory of Change is situation-specific, articulates a strategic vision for reaching a desired result, and makes explicit how one level of results leads to another¹⁴³. There is, however, no blueprint specifying what a Theory of Change should look like¹⁴⁴. Often it is a visual pathway map of the project or programme, accompanied by a results framework and a brief explanatory narrative. A pathway of change graphically represents the change process as it is understood by the initiative planners and is the skeleton around which the other elements of the theory are developed. The level of detail can vary, but simpler forms are generally more useful for sharing with a range of stakeholders.

Figure ##: multiple pathways within a generic Theory of Change¹⁴⁵

This figure shows a generic example of a set of related causal pathways, and highlights the fact that there are ‘change processes’ linking project outputs to the desired higher-level results. Note that more than one output and change process may be required to achieve a certain outcome or, conversely, one output may lead to



From: UNDG LAC Secretariat/PSG (2016)

¹⁴² UNODC (2018) Handbook: Results-based Management and the 2030 Agenda for Sustainable Development
¹⁴³ UNICEF (2017) Results-Based Management Handbook: Working together for Children
¹⁴⁴ UNODC (2018) Handbook: Results-based Management and the 2030 Agenda for Sustainable Development
¹⁴⁵ UNEP (2013) Programme Manual

more than one outcome (via different change processes). In addition, there may be additional stages (termed *'intermediate states'* in the diagram), between the immediate project outcome and the desired objective. The figure shows six different pathways from the outputs to the objective, but activities to produce outputs and promote change processes are not shown.

The narrative will cover the rationale, the links between the different results (i.e., the “pathway of change”), as well as associated risks and assumptions (including the role of other actors not directly involved, but on whom the success of the project or programme may depend). When using a narrative to explain the Theory of Change, “if” and “then” statements should be used to describe the causal relationships between levels of results and how the different levels connect. Ideally, it should be no more than two pages.

Summarise and focus: Make sure to undertake a ToC process that is manageable in scope by articulating what has to happen **so that** the expected results will be realized, and assumptions about why that is. Summarize your theory in ways that serve the purposes of your different stakeholders¹⁴⁶.

Upon completion, review and validate your theory of change

The quality of a Theory of Change is judged by four explicit criteria: how plausible, doable, testable, and meaningful the theory of change is¹⁴⁷.

- **Plausible** means that stakeholders believe the logic of the model is correct: if we do these things, we will get the results we want and expect.
- **Doable** means the human, political, and economic resources are seen as sufficient to implement the action strategies in the theory.
- **Testable** means that stakeholders believe there are credible ways to discover whether the results are as predicted.
- **Meaningful** means that stakeholders see the outcomes as important and see the magnitude of change in these outcomes being pursued as worth the effort.

Group review questions to validate the Theory of Change might include¹⁴⁸:

- Have all major pathways been identified? Are there other causal pathways that would stem from the use of project outputs by other potential user groups?
- Is (each) impact pathway complete? Are there any missing intermediate states between project outcomes and impacts?
- Have the key impact drivers and assumptions been identified for each ‘step’ in the pathway?
- Does this represent the reality? Are the economic, political and socio-cultural dimensions needed in the intervention considered?

Before moving on to the results framework, the design team should review the Theory of Change to ascertain the links to the following aspirations of Agenda 2030 and the Theory of Change mandated for the UNDAF in a given country:¹⁴⁹

1. The Theory of Change must clearly be targeted towards changes and solutions that benefit the most vulnerable and marginalized individuals and groups in society.

¹⁴⁶ UNICEF (2015) 16 Tools for Programming for Policy Results

¹⁴⁷ UN WOMEN Training Centre (2017) Working Paper Series 1. A Theory of Change for training for gender equality

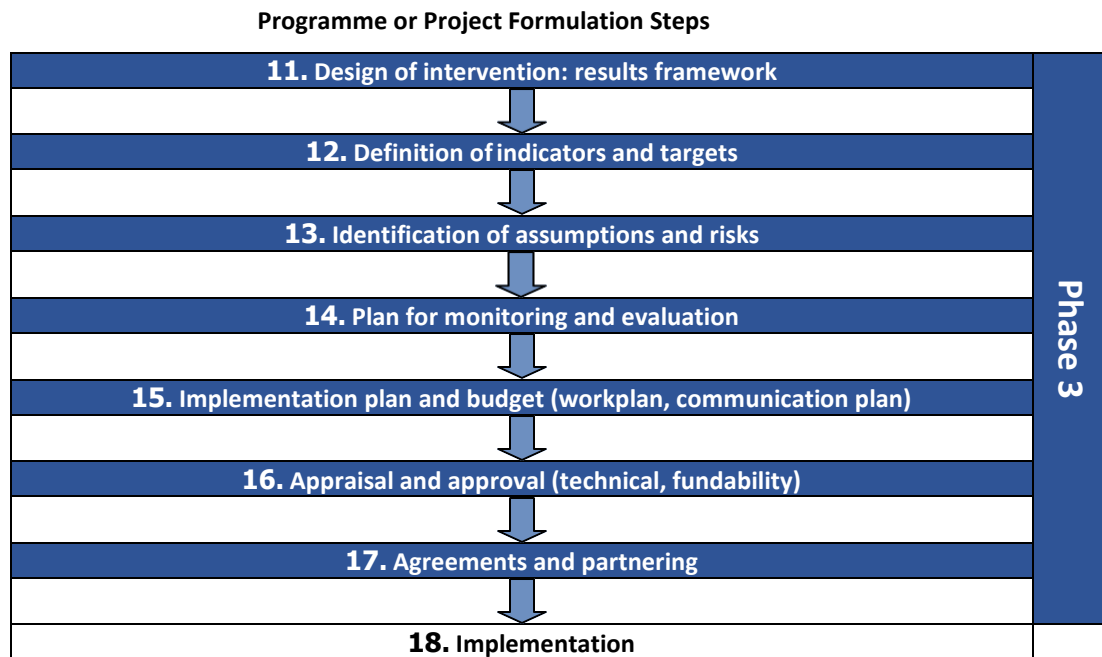
¹⁴⁸ UNEP (2013) Programme Manual

¹⁴⁹ UNDG (2018) UNDAF Companion Guidance: Theory of Change

2. The Theory of Change should directly address issues of inequality and discrimination, building on available evidence, such as the CCA, to construct a model of change that tackles underlying and possibly root causes, not just the immediate ones.
3. The Theory of Change should be explicit in identifying solutions that target the needs of women and girls, and ensure that they are equally benefitting from the envisaged change.
4. The Theory of Change should envisage sustainable and inclusive changes by looking to strengthen the effectiveness of institutions and mechanisms that are targeted to monitor, track and empower those who are left behind, or at the risk of being left behind.

With a solid theory of change in hand, the next chapter in this manual will detail the processes for building from the theory and desired results to prepare a full programme or project document.

3 Phase 3 – Formulate



3.1 Expected results

3.1.1 What are results?

ECA is committed to results-based management. What matters in results-based management are results, i.e. significant, real changes for target populations that can be observed or described. Stating whether specific objectives have been achieved or how situations have changed places the focus of an objective analysis on results. If objectives are worded as work done or activities, the focus is on the process and not on the final result. It is therefore important to distinguish among principal levels of results.

Results: A result is a **describable or measurable change in a state or condition** that derives from a **cause-and-effect relationship**. There are three types of such changes that can be set in motion by a development intervention – **outputs, outcomes and impacts**. Each level of result, broadly speaking, can have different possible changes: **intended or unintended, positive and/or negative**. [From UNICEF 2017]

The United Nations typically articulates three levels of results¹⁵⁰: impact, outcome and output. Looking downward from the most profound level of change, these are:

- **Impact** = fundamental change in conditions for the ultimate target population, e.g., economic, social, cultural, civil, political and environmental conditions. These changes come about through the influence of the outcomes.
- **Outcomes** = changes in institutions, performance or behavior of organisations or individuals capable of influencing impact level conditions. The intermediate target groups (sometimes called direct beneficiaries) show responses to or interactions with the intervention's

¹⁵⁰ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

outputs, such as changes in behaviour, decision-making, policymaking, and increased efficiency or effectiveness of services.

- **Deliverables (Outputs)** = products and services generated by the programme or project by using input resources and activities.

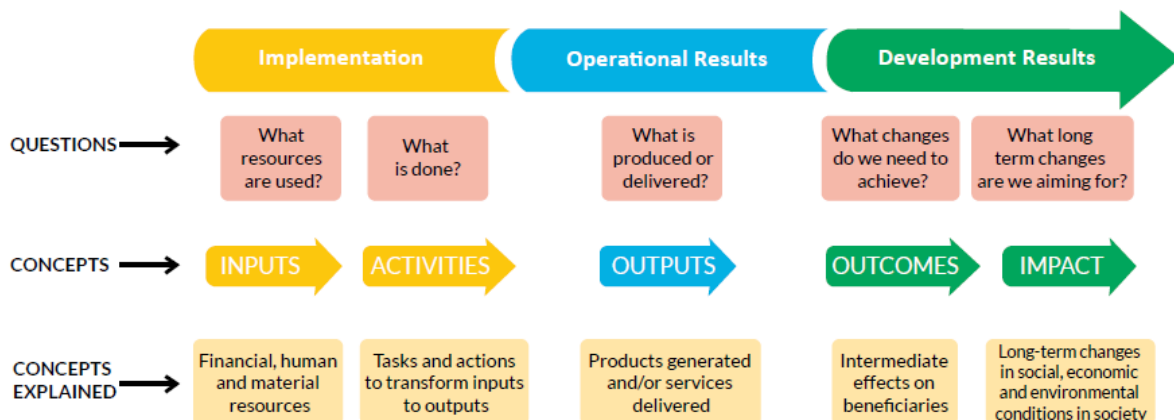
3.1.2 Developing a results chain

Once you have developed an initial theory of change that explains the transformation your initiative intends to achieve and the pathways to achieve it, the next step is to define your desired results. Your analysis exercises (for stakeholders, problem, institutions, target group) and strategic priority setting (solution analysis and theory of change) provide a solid foundation for making results statements (also called goal and objectives) that detail the changes you expect to achieve through your programme or project. Be prepared that this step may lead you to go back and revise your initial theory of change, since the results statements will make it easier to see and assess your assumptions about how one level of results will lead to the next¹⁵¹.

Results chain: The causal sequence for a development intervention that stipulates the necessary sequence to achieve desired objectives beginning with inputs, moving through activities and outputs, and culminating in outcomes, impacts, and feedback. In some agencies, reach is part of the results chain. Related terms: assumptions, results framework.
[From OECD glossary]

Preliminary results statements for a development initiative are commonly linked together in what is often called a **results chain**, which is basically an encapsulation of a Theory of Change and a preview of what will go into the Results framework (or logframe matrix). A results chain links inputs to activities, and thence to outputs, on to the outcomes and finally to the impact.

The Results Chain¹⁵²



A logically coherent and plausible chain of sound results, based on a credible Theory of Change, is the foundation for solid programme planning, implementation, monitoring, evaluation and reporting. The results chain shows **the causal sequence** of how results will be achieved. The chain begins with the necessary inputs and preconditions. It then explains how these inputs will enable the realization of certain activities and through them, the achievement of outputs. It culminates in a description of outcomes and impact.

¹⁵¹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁵² UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

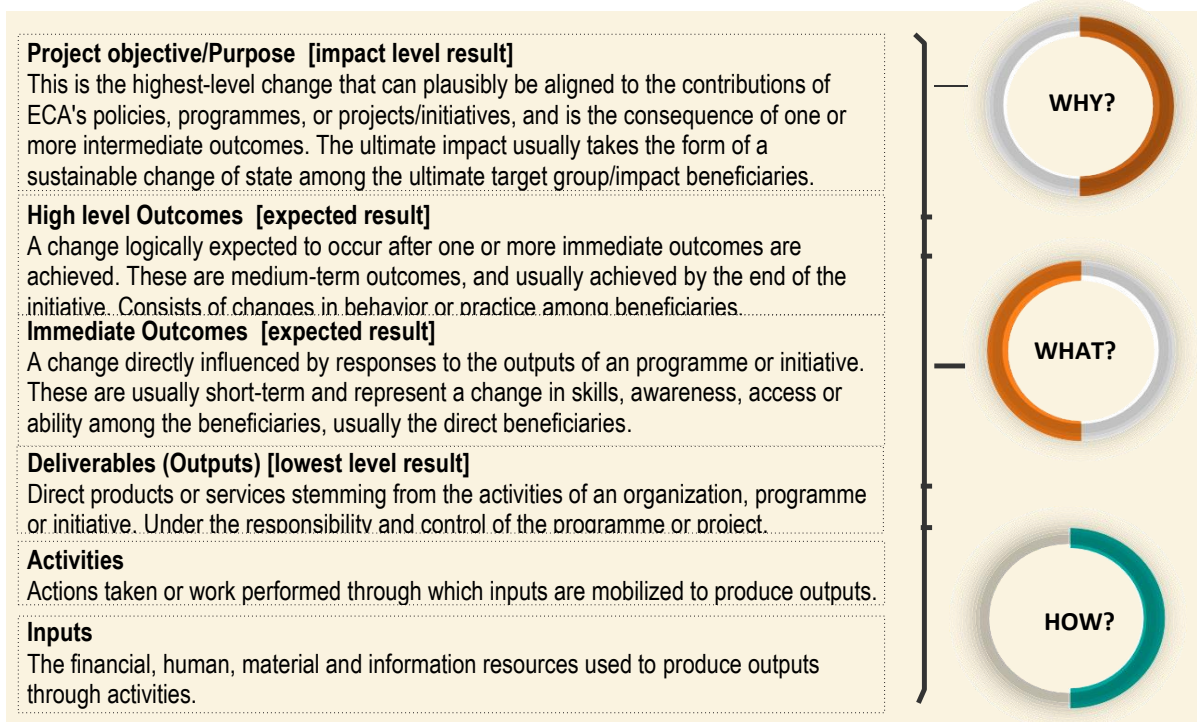
To develop a chain of results, build on the initial theory of change you developed earlier¹⁵³. Developing a results chain is an iterative process of checking the ‘if, then’ logic, reviewing and improving on the results statements at the various levels of the chain. Each level in the chain of results should **consider all the results that are both sufficient and necessary to achieve the next level of results** (IF we have achieved this, THEN we can achieve the next level) **and take into consideration underlying causality assumptions and risks** based on your earlier problem and solution analysis. The way to determine if the necessary and sufficient results have been identified is to refer to evidence of what works. Such evidence is available in research and evaluation or from the experience of stakeholders who are collaborating to develop the chain of results. If there are gaps in the chain, they should be filled, either by ECA or by other actors with whom ECA can coordinate, advocate and work synergistically.

Tip: When designing for results, it is often helpful to **visualize** the results logic and then translate the key information into the Results Framework. One way to do this is to write all of your results on sticky notes and build a results chain from top-down (impact/goal → primary outcomes → outputs) or bottom-up (outputs → primary outcomes → goal). Then ask yourself a series of questions about what needs to happen to get from one level of result to the next. Add new results to fill any gaps in logic that you uncover through this process. [From Rush, 2014]

It is important to understand the ‘cause and effect’, ‘if, then’ reasoning behind the results chain. The chain includes an impact statement as a response to the development issue, challenge or problem. It shows that **if** such an impact is to be achieved, **then** certain previous outcome results are needed, and **if** results at this level are to be attained, **then** another set of previous-level outcome or output results is necessary. This type of reasoning is useful to uncover a continuum of results from the highest to the lowest order; all are required to achieve the desired impact.

Results chains need not be just a horizontal image; here is an example of a vertical portrayal, which may resonate more easily for people oriented to working with the logic of log frames.

Vertical example of a Project Results Chain¹⁵⁴



¹⁵³ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁵⁴ Adapted from: UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

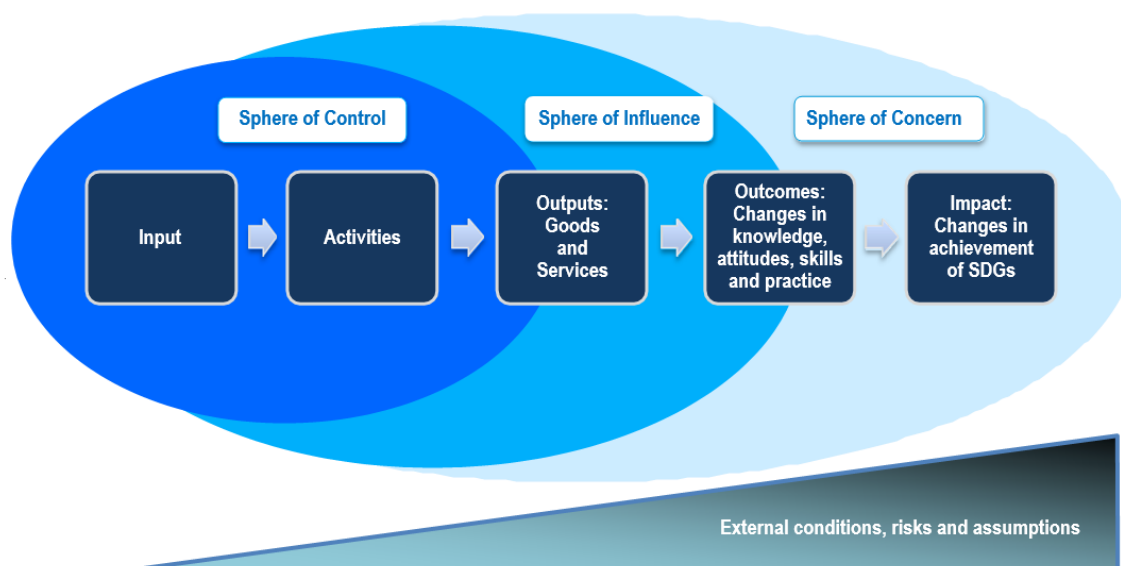
Vertical example of a Project Results Chain¹⁵⁵

Spheres of Control, Influence and Concern

To distinguish results from each other, it can be helpful to reflect on the concept of ‘Spheres of Control, Influence and Concern’. These spheres facilitate differentiation of results¹⁵⁶:

- a) Those over which ECA has power (Sphere of Control), e.g., deliverables or outputs;
- b) Those that ECA can influence, but cannot control (Sphere of Influence), the use level or outcomes
- c) Those that ECA is concerned about (Sphere of Concern), such as changes in society or impacts.

Figure : A programme or project’s ability to control, influence or contribute to (indirectly influence) Member States achievement of desired impacts, e.g., the SDGs¹⁵⁷



The theory of change and results analysis helps to identify the results that the proposed programme or project of ECA aims to achieve in relation to the corresponding contributions by Member States and other stakeholders. As shown in the diagram, not everything is within ECA’s control or sphere of influence. We should be held accountable for what is within our control and our efforts toward the sphere of influence, with the theory of change showing how this will contribute toward reaching the 2030 Agenda and its SDGs¹⁵⁸. Note that as the system moves from output to outcome and impact level, our assumptions and the risks faced in attaining results become increasingly significant.

¹⁵⁵ Adapted from: UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

¹⁵⁶ UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

¹⁵⁷ Adapted from: UN WOMEN (2019) Frequently asked questions: UN- SWAP Reporting of System-wide Strategic Gender-related Results to support the 2030 Agenda

¹⁵⁸ UN WOMEN (2019) Frequently asked questions: UN- SWAP Reporting of System-wide Strategic Gender-related Results to support the 2030 Agenda

3.2 Results framework

3.2.1 Positioning for a results framework

At this point you will have most of the elements you need to complete a results framework for the initiative you are planning. Your task now is to pull the information together using the appropriate template. A good results framework is co-created in a participatory process to generate a collective vision of the desired change, allowing multiple stakeholders to engage in and commit to a shared programme¹⁵⁹. It is important to note that the Results Framework is just a set of boxes. Developing the content that goes into those boxes takes time, conversation, and collaboration between Program Officers and prospective grantees, and support from other stakeholders¹⁶⁰.

Results framework: “The programme logic that explains how the development objective is to be achieved, including causal relationships and underlying assumptions.” [from OECD glossary]
It illustrates the logical connection between the necessary lower-level results that lead to the achievement of a higher-level strategic result.
[from PPM manual]

Benefits and risks

Benefits - A well-structured results framework makes it possible to¹⁶¹ do many tasks that are central to results based management: design better programmes and projects; perform more effective monitoring; communicate results more clearly; and respond efficiently to partner and donor requests for information.

Formulating sound results is essential to results-based management; it requires us to clearly articulate the changes we envision so that we can observe or measure whether we are moving in the right direction. But, this is not always easy to do. Here are some pitfalls to avoid in formulating results and developing results frameworks.

Pitfalls to avoid in formulating results¹⁶²

- **Wordy, no change language, and stated as an objective** - e.g., To promote equitable economic development and democratic governance in accordance with international norms by strengthening national capacities at all levels and empowering citizens by increasing their participation in decision-making processes
- **Too ambitious or complex** – often our results statements are so complex and ambitious that they become hard to measure; e.g., Strengthened rule of law, equal access to justice and the promotion of rights; The State improves its delivery of services and its protection of rights with the involvement of civil society and in compliance with its international commitments.
- **Not a result** - ‘results’ statements that denote activities or objectives rather than measurable *changes* or actual results. E.g., Support to institutional capacity building for improved governance
- **Confusing means and ends** – making circular statements; e.g., Strengthen protection of natural resources through the creation of an enabling environment that promotes sound resources management

¹⁵⁹ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

¹⁶⁰ Rush, R. (2014) Strategy, Measurement & Evaluation: Quality Outcomes and Results Frameworks. Guidance Note for External Partners. Bill and Melinda Gates Foundation

¹⁶¹ UNODC (2018) Handbook: Results-based Management and the 2030 Agenda for Sustainable Development

¹⁶² UNICEF (2017) Results-Based Management Handbook: Working together for Children

- **Logic is missing** - Results not logically linked (don't fit on an impact pathway); Indicators not logically linked to the result, or not measurable

Framework issues

In spite of its advantages and widespread use in the development community, the results framework also has some limitations¹⁶³.

- **Static framework:** It is a snapshot of a situation at a certain moment in time. Too strong a belief that it is 'correct' may lead to overlooking changes in context or target population that affect the potential to reach the desired goal. Therefore, it may be necessary to adjust the matrix in the course of time, as conditions change.
- **Belief in linear causality:** Managers should avoid applying the tool too rigidly, as there is a danger of restricting programme and project management rather than facilitating it. The major weakness of the logical framework lies in its adherence to a belief in 'linear causality', i.e., one result (deliverable or outcome) automatically leads to the next level of desired change. Reality is more complex than this with many other potential drivers and barriers influencing patterns of change.
- **Overlooking unintended changes:** the matrix does not promote identifying and documenting unintended outcomes and impacts, whether positive or negative. This is another barrier to proper reflection about complex realities.
- **Logic-less frame:** when the use of a logical or results framework is imposed by donors, they are often invented after a project has been prepared
- **Lack-frame:** the framework is too simple and omits vital aspects of a programme or project, as not everything of importance can be captured in one table.

3.2.2 Developing results statements

To develop a results framework, gather your stakeholders in a workshop setting and start by reviewing the problem and solution tree analyses¹⁶⁴.

- **To refine your outcomes,** review your stakeholder role analysis. What did you say you would like key actors to do differently to achieve your desired impact? What changes in whose practice and behaviour, policy and programming, would you like to help achieve as part of your programme? Formulate these as outcomes that will help achieve your expected impact.
- **To refine your outputs,** review your stakeholder capacity analysis. What capacities did you say those key actors would need in order to make those changes in their performance? Formulate these as two to three outputs per outcome.
- Remember that lower level results are building blocks for higher level results. There must be a clear 'if-then' (causal) relationship between the different levels of results.

Results-based management invites you to move from objectives, which express a good intention, to results, which articulate a measurable change. An objective emphasizes the provider's perspective and reflects an intent and possible course of action (e.g., to promote birth registration). In contrast, a result emphasizes the perspective of the people/institutions the programme intends to serve and concretely articulates the direction of change, or what will have been achieved by a certain point in time (e.g., a greater proportion of children whose births have been registered).

¹⁶³ ITC (2011) ITC Results Based Management Guide and Toolkit

¹⁶⁴ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Objectives versus results¹⁶⁵

Examples of Objectives (Good Intentions)	Examples of Results (Measurable Change)
To strengthen national capacities for preparedness and response to emergencies	Improved performance of the Ministry of Social Services in preparations and responding to emergencies
To support country X to adopt a specific gender and youth sensitive economic policy	By 20XX, an improved gender and youth sensitive economic policy is in place and being implemented in country X

There are three key results levels for any development intervention:

- a) **Overall objectives or development goals** explain why the anticipated interventions are required in the broader development context. The programme goal should reflect the wider impact and long-term benefits for the ultimate target groups, that come about as a result of changes in behaviour and performance on the part of other intermediate target groups (sometimes referred to as ‘direct beneficiaries’). For an ECA programme, the objective or goal statements are generally adapted from the statements of the subprogrammes within the overall ECA SF, while project goals will contribute to one or two expected subprogramme results statements.

Example of a statement of a programme goal or objective:

“To accelerate economic transformation and inclusive development in Africa”.

Example of a statement of a project objective:

“To contribute to measurable evidence of economic transformation and inclusive development in Africa in XXX member States within three years”.

- b) **Programme outcomes and project outcomes** should explain why the programme and project interventions are necessary for the intermediate target groups. They explain the anticipated results or outcomes of the programme interventions (the effects) in terms of changes in systems, performance or behaviours for those target groups as a result of using the programme or project outputs made available to them. Outcome objective statements should include a target to be achieved (results), rather than actions to be taken.

Example of a statement of a programme outcome:

“Enhanced performance of member States in macroeconomic analysis and the design, implementation and monitoring of development plans and strategies that promote inclusive growth, sustainable development and structural transformation”.

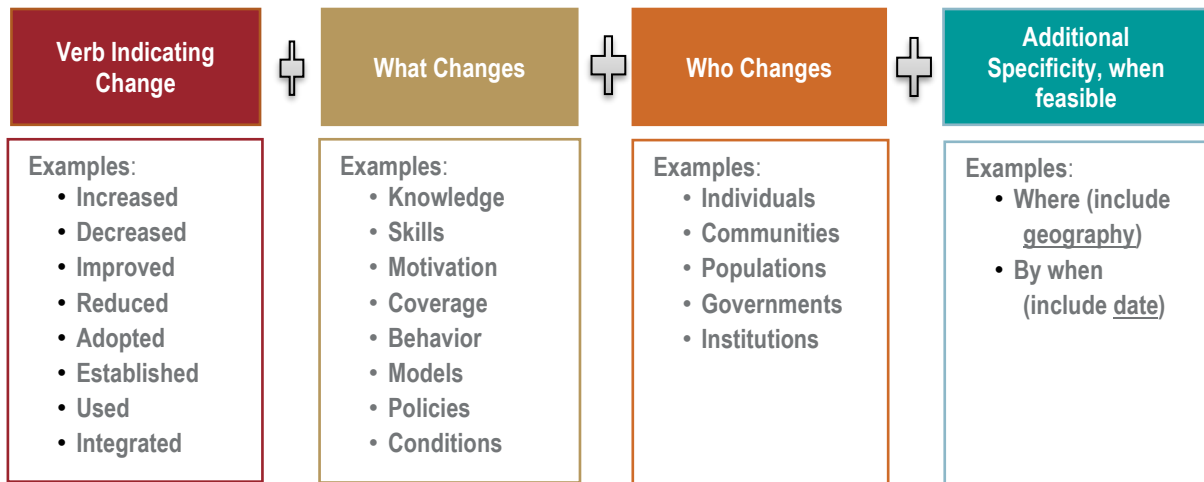
Example of a statement of a project outcome:

“Measurable increase in the capacities of national experts and policymakers to assess, design, implement, and monitor interventions that address the causal factors of youth unemployment”.

- c) **Programme and project outputs** are the deliverable goods and services that are produced and made available to target groups.

These result levels are linked together in the “results chain”. Results at each level aggregate to contribute to the results at the next and higher levels. As mentioned above, results-based management does not look at project activities, but rather at the concrete changes and achievements that the project activities bring about. In a world in which there is increasing competition for resources and in which donors expect tangible results from the funds they grant, it is important to demonstrate the added value of the Commission’s work clearly and credibly.

¹⁶⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children



Formulating sound results statements

There are two main ways to formulate sound results statements¹⁶⁶:

- 1) **Place your change verb up front.** Do not include target or expected date, which relate to the indicators and would appear in your monitoring plan. This has the advantage of allowing you to measure and express the result at any point in time, even if the direction of change is not what you expected (for example, there was a decrease instead of an increase). Measuring this type of result does not elicit a ‘yes’ or ‘no’ answer. Example: Increased practice of non-violent discipline among caregivers.
- 2) **Use the present tense to indicate the change as if it has already happened.** Include target date. Example: By 20XX, ministries at the national level implement the juvenile justice system in a manner that is more in line with international standards.

Crafting your results statement¹⁶⁷

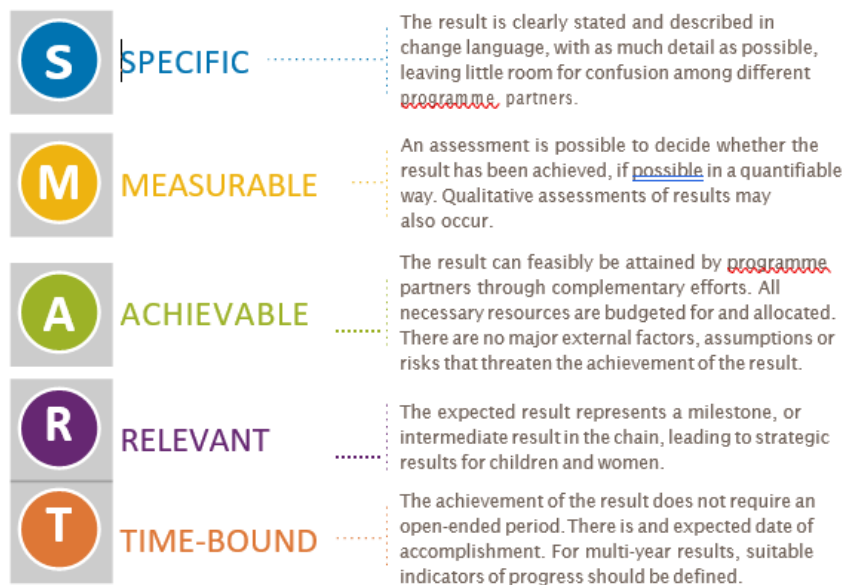
Source: Adapted from *Guidance Note for External Partners* (2014), Bill and Melinda Gates Foundation.

Year by which change is expected	Who changes	Present tense verb indicating desired future state	Direction of change	Change in capacity, performance, conditions
Examples:	Examples:	Examples:	Examples:	Examples:
<ul style="list-style-type: none"> • By 2020 • By 2018 	<ul style="list-style-type: none"> • Individuals • Communities • Populations • Governments • Institutions 	<ul style="list-style-type: none"> • Experience • Have • Benefit from • Are 	<ul style="list-style-type: none"> • Increased • Improved • Reduced • Adopted • Established • Used • Integrated 	<ul style="list-style-type: none"> • Knowledge • Skills • Motivation • Coverage • Behaviour • Models • Policies • Conditions

Well-stated results also satisfy the ‘SMART’ criteria. [see figure next page]

¹⁶⁶ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁶⁷ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Figure ##: SMART criteria¹⁶⁸

More details of how to craft appropriate results statements at different levels are included in the Annex section of the manual (see Annex).

3.2.3 Results framework matrix

Building a results framework matrix (a logical framework)

Draw your earlier steps together in a results framework and theory of change narrative¹⁶⁹

Once you have developed your theory of change and its assumptions and risks, defined sound results, assessed internal and external assumptions and risks, and developed a measurement framework, you can draw your initiative design together into:

- **A results framework**, a table that captures key elements of your design, reflecting a culmination in the design of your programme or project.
- **A theory of change narrative** that summarizes the reasoning why your programme or project exists and how the desired change is expected to come about.

These can be powerful ways to test your programme logic and assumptions, and also to communicate your design. You can summarize your programme or project results and theory of change in ways that serve the purposes of your different stakeholders.

The results frame matrix (also called a log frame matrix) is basically a one-sheet summary of the programme or project. In its simplest form, there are 16 cells in a 4 row-by-4 column matrix (including the header row). Depending on the complexity of the programme or project, there may be more than one level of outcomes as intermediate stages between outputs and impacts. Rows for activities and inputs are not considered results, but are sometimes added to the matrix to show how they contribute to the production of deliverables (outputs).

¹⁶⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁶⁹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

Typical results frame matrix [or ‘log frame’]^{170 171}

Narrative summary of objectives and outputs	Objectively verifiable indicators	Means of verification	Assumptions and major risks
Goal - Development objectives; impact statement (long-term impact and ultimate benefits for target population)	<i>Measure of progress against impact; E.g., economic growth, reduced poverty, better yield</i>	<i>Documentation of impacts at the ultimate beneficiary level, what information, in what form, by whom</i>	<i>Assumptions made from outcome to impact. Risks that impact will not be achieved.</i>
Outcome – expected changes in short to medium term for targeted systems, institutions, or behaviours in response to outputs of the programme or project	<i>Measure of progress against outcome; evidence of changes in behaviour or measurable capacities of groups or organisations [compared to baselines or benchmarks]</i>	<i>Documented effects, what information, in what form, by whom, and when</i>	<i>Assumptions made from outputs to outcome. Risks that outcome will not be achieved.</i>
Deliverables [outputs] - Products and services; tangible and intangible; delivered or provided by the programme or project	<i>Measure of progress against output targets and milestones; how the outputs will be measured, including quality, quantity and time</i>	<i>In many cases it is useful to have several means of verification per output</i>	<i>Assumptions made from activities to outputs. Risks that outputs may not be produced.</i>

The results framework is a one-to-two page depiction of the key results of an initiative (programme, project or event)¹⁷². It is a snapshot of your initiative; it summarizes concisely what your initiative hopes to achieve. The vertical logic of the results framework comes from the results chain and is the reasoning that "connects" the three main levels in the matrix: Efficiency and delivery of the outputs will influence the outcomes; relevance and timeliness of the outcomes will influence reaching the impact goal.

Checking alignment with ECA mandates and gender mainstreaming

The evolving programme proposal should expect to provide details pertaining to alignment of each of its expected results with:

- a) The most relevant Sustainable Development Goals (SDGs) and corresponding targets;
- b) One or more of the Commission’s five Strategic Directions; and
- c) (Where relevant) with any thematic and sub-regional areas of specialisation.

After identifying the relevant SDG(s), corresponding SD targets, ECA strategic direction and areas of specialisation, the proposal should include a brief narrative on “how” the indicated alignment will be achieved. The narrative should also include an explanation, again at expected result level, about how the proposed programme will integrate gender concerns in the design and therefore show the intended programmatic contribution to achieving gender equality and women’s empowerment. The following table provides guidance for this check on the considering relevant alignments.

¹⁷⁰ Details about how to prepare/select indicators, means of verification, and defining assumptions and risks will appear in a separate guide and in the main PPM manual

¹⁷¹ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

¹⁷² UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Table ##: Identifying and describing alignment of proposed programme with ECA mandates¹⁷³

Topic (or field if being completed on-line)	Descriptive guidance
SDG Goals:	Identify the most relevant Sustainable Development Goals (SDGs) that the expected result is aligned with, and the corresponding specific SD targets.
SDG Targets:	Identify the most relevant target(s) of the selected SDG(s) that the expected result is aligned with.
Alignment with ECA's Strategic Directions	Identify which of ECA's five strategic directions the expected result is aligned with.
Alignment with area of thematic specialization	Identify whether the expected result is aligned with any SRO's area of thematic specialization, and if so, which one.
Narrative contents	<p>On alignment: Provide a very brief narrative that describes 'how' the expected result is:</p> <ul style="list-style-type: none"> a) aligned with the SDG(s) selected above b) aligned with the selected strategic direction c) aligned with any area of thematic specialisation <p>On gender mainstreaming: Briefly describe how the proposed programme intends to integrate gender concerns in the design and implementation of planned outputs related to its expected results.</p>

Reviewing the results framework so far (products and process)

At the conclusion of the exercise, it is wise to also review the results framework and its development with a checklist. [A template for this review is included in Annex of this manual].

3.3 Indicators and targets

3.3.1 Identification and selection of indicators

Indicators must be chosen or “constructed” so that they are objectively verifiable, which means that they should contain substantial elements that are independent, factual, plausible and obtainable. Indicators are useful only to the extent that there is an available means of verifying them and their values can be established. Measurements can be quantitative, qualitative (standards, functions or effectiveness) or behavioural (change of use or performance). Here is an example from ECA:

“Increased number of member States that have formulated, reviewed or implemented a gender-sensitive policy framework or reform related to climate change and development as a result of ECA support”.

It can be challenging to define indicators for the Commission's normative work such as policy advice, advocacy and regional coordination. However, indicators can be identified more readily if a detailed programme theory of change and results framework have been developed. For example, if a programme's desired outcome is *“improved capacity of member States to design, implement and monitor land policies and programmes that ensure secure gender land rights and effective and efficient use and management of land for sustainable development”*, then the actual change can be measured by assessing the mainstreaming or application of gender rights in land policies and programmes as a result of the influence of the Commission's programme and its projects. Measuring the change from normative activities can strengthen the Commission's ability to show that it is achieving results. Again, many ECA programmes and projects involve activities to build capacity, which may be difficult to measure. In this case, the critical questions are: *“What capacity is to be developed?”* and *“What will show whether that capacity has changed?”*

¹⁷³ Adapted from: SPORD (December 2018) Guideline for preparing the 2019 Annual Business Plan (ABP)

Indicators are ‘signals’ of achievement or change related to an expected result¹⁷⁴. An indicator can be a qualitative or quantitative measure of performance: a number, a fact, an opinion, or a perception that acts as a pointer along a scale or dimension. Indicators help us measure achievement against performance targets established jointly by project and stakeholders for expected results.

Indicators provide a simple and reliable means to measure achievement of outputs, outcomes and impacts with the intention of gauging the performance of a programme or investment¹⁷⁵. An indicator can be a **qualitative** or **quantitative** measure of performance: Quantitative indicators are represented by a number, percentage or share, rate or ratio. In contrast, qualitative indicators seek to measure quality and are often based on perception, opinion or levels of satisfaction; they reflect people’s judgements, opinions, perceptions and attitudes towards a given situation or subject. They can include changes in sensitivity, satisfaction, influence, awareness, understanding, attitudes, quality, perception, dialogue or sense of well-being¹⁷⁶. **Proxy indicators** are used when results cannot be measured directly. **Process indicators** measure the performance of key processes that affect expectations of countries, donors or communities. Process indicators that can measure national coordination efforts or stakeholder participation and buy-in are important to measure. These might include indicators such as the application of programming principles or the use of national systems for monitoring and evaluation. To support equity, monitoring systems should allow all indicators to be **disaggregated** along different dimensions that will allow analysis of equity, e.g., by age, sex, ethnicity, rural/urban locations, and wealth quintiles, among others.

TIP The use of indicators can be made into an elaborate science and lead to a major workload. Using a large number of different indicators, however, has no merit in itself. The key to good indicators is credibility, not the volume of data or precision measurement. A quantitative observation is no more inherently objective than a qualitative observation. Large volumes of data can confuse rather than bring focus. It is more helpful to have approximate answers to a few important questions than to have exact answers to many unimportant questions. (UNDP, 2011)

From a perspective of gender mainstreaming, the development of indicators is perhaps one of the most crucial steps. Having gender-sensitive indicators (and collecting data disaggregated by gender), as in the above example, is the best way of ensuring that activities and deliverables (outputs), and by extension, results at outcome and impact levels, are relevant to the needs of women and men alike.

For each indicator, programme and project managers should specify a source of baseline data. Managers need baseline data to be able to measure the amount and direction of changes brought about by or influenced by the project. The baseline defines the current situation and recent trends, before the implementation of the project. In addition to the baseline, a target should be set for each indicator before the start of the programme or project. Programme and project managers should establish the baseline and targets by consulting relevant stakeholders and reviewing existing data and literature. For complex and large-scale programmes and projects, it may be necessary to hire a consultant or institution to carry out a detailed baseline assessment.

There are a number of important issues in selecting the most appropriate indicators¹⁷⁷. The essential criterion is that it measures the expected result. Ideally, the indicator also:

- is realistic and reflects Member state national measurements of achievement.
- is part of the government’s own monitoring and evaluation framework
- is part of the United Nations Development Action Framework (UNDAF)

¹⁷⁴ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy *A Reference Guide*

¹⁷⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁷⁶ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

¹⁷⁷ Adapted from: UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy *A Reference Guide*

- is aligned with ECA MTPF (and its indicators)
- is developed in a participatory way – indicators should be relevant to needs of the user (stakeholder validation)

Using a combination of quantitative and qualitative indicators allows you to crosscheck and triangulate your findings and generate a richer understanding of what has been achieved¹⁷⁸. Remember, though, that you're aiming to create a dashboard, not a monster of indicators you won't have the time or resources to monitor. Here are some additional pointers for selecting indicators:

- The indicator should be neutral
- No direction of change expected in the indicator
- No statement expecting an increase or decrease in the indicator
- The target is what signals how much change and in what direction
- The baseline and target should use the same unit of measurement as the indicator

Limits to indicators: Indicators only indicate; they do not explain. Determining that change has occurred does not tell the story of why it has occurred. Indicators constitute only one part of the logical and substantive analysis needed for development efforts to succeed. In addition, success requires common sense, sound managerial judgment, leadership and creativity – none of which can be replaced by the use of indicators.

TIP Indicators can tell us that a change we are interested in is happening. And indicators can be framed in a way that is most relevant to us. But they cannot explain why and how that change occurs. They can tell us the wind is blowing, but not why, to what effect or what we should do about it. [From UNDP, 2011]

A frequent weakness seen in formulating performance indicators is a tendency to use general and purely quantitative indicators that measure number or percentage of something, for example, “number of new policies passed.” These are often weak indicators as they merely communicate that something has happened but not whether what has happened is an important measure of the objective¹⁷⁹. An indicator that measures performance as “number or percentage of recommendations acted on” may capture the fact that some action has been taken but not convey a sense of whether these are the important actions.

Developing indicators for each result and planning how you will measure them will help you test whether your results are measurable¹⁸⁰. Working in an iterative way, this will encourage you to revise your results if needed at this stage, thus, helping to ensure that your results statements and indicators will actually allow you to manage for results.

3.3.2 Setting targets

The indicators in the results framework are able to show if there is any change and in what direction the change has occurred. Note that a proper indicator does not specify the expected direction of change, which makes it possible to identify negative results. Targets do, however, specify the desired direction of change, which makes it possible to discuss relative progress toward achievement of objectives. Therefore, programme or project managers need to create target statements that show the desired direction and amount of change expected in the indicators. They will use these target statements to develop workplans over the life of the programme or project and to assess the rate of progress in meeting its objectives. (see Annex for guidance tool on setting targets)

¹⁷⁸ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

¹⁷⁹ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

¹⁸⁰ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

A target is what one hopes to achieve. It is the desired value of the indicator at a determined time in the future. It is what the project would like to achieve within a certain period of time, in relation to one of the expected results. Identification of targets draws from: 1) an understanding of trends, 2) an estimation of costs and financial feasibility, 3) understanding of the programming environment and 4) human resource implications¹⁸¹. Targets may sometimes be referred to as milestones, since they help assess whether you are progressing as expected at set intervals over the lifetime of the programme. Sometimes targets can be drawn from international agreements or conventions, or national planning documents or strategies. In other cases, no obvious targets are readily available for a given indicator. Experts who understand the programme area and country context should provide their best estimate as to the threshold that would allow a programme to be considered a success. Target setting should also be done with partners to build a broad consensus as to what success looks like.

3.4 Assumptions and risk analysis

Once you have defined desired results based on your initial theory of change, it is important to assess internal and external assumptions that would have to hold true for your results to be attained, as well as the internal and external risks to achieving your results.

3.4.1 Assumptions analysis

Internal and external assumptions are the factors that need to be in place for results to be achieved¹⁸². They should be stated in positive language. If the assumptions hold true, the expectation is that results will be achieved. A key assumption is that others (stakeholders, partners, collaborators) will do and undertake actions to complement what ECA is doing if outcome and impact results are to be achieved. This understanding informs our prioritization, strategy development, results formulation and management of risks. Assessing internal and external assumptions serves as an important **reality check** once you have defined your desired results. If you examine those assumptions and, based on your analysis, find that they are unlikely to hold true, you will need to redefine the results chain accordingly. Identifying assumptions may lead to the sharpening of strategies and reformulation of outputs to guarantee greater programme success.

Assumptions relate to events that can significantly influence the success of a programme or project, but are beyond the control of the programme and project manager and the staff. All ECA programmes and projects operate in complex social, institutional and political contexts where many factors may interfere with implementation, including shifts in the political environment and changes in the constituents' priorities and needs.

Assumptions analysis is based on the concepts of importance¹⁸³ and level of risk. Risk is the likelihood that the assumption will not hold true. An assessment of the importance of each assumption and the probability of it being true is required.¹⁸⁴

There are four levels of assumptions, starting at “management” assumptions and moving up the logical framework to “sustainability” assumptions.

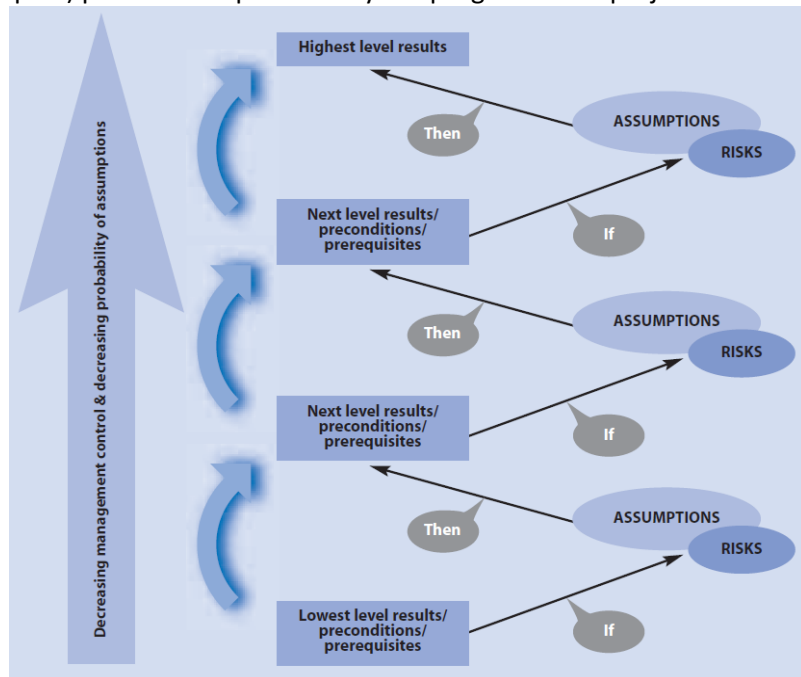
¹⁸¹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁸² UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁸³ Importance is the influence that the assumption has on the achievement of the result and its sustainability. External factors have different degrees of influence, some of which may have a low bearing on results, whereas others may be decisive.

¹⁸⁴ See Annex [##]: Risk register template.

- **Management assumptions**, linking deliverables (outputs) to activities. There should be few if any important assumptions at this level, since programme and project design must ensure that there is a reasonable chance of management being able to deliver the outputs.
- **Implementation assumptions**, linking programme and project outcomes to the deliverable products and services (outputs) produced or provided by the programme or project. Since programme and project management is not able to control what happens when the target groups receive and interact with the deliverables (outputs), there are important assumptions at this level that are critical to the success of the programme or project.
- **Development assumptions**, linking programme and project outcomes to a goal, in other words to the Expected ultimate or impact level result. At this level, the key question is: “How will achieving the immediate outcome of the subprogramme contribute to the Commission’s overall objective? How is achieving the immediate outcome of a programme or project going to contribute to an objective or goal of the subprogramme?”
- **Sustainability assumptions**, relating to the long term sustainability of the impact level changes in conditions or development state of the ultimate beneficiaries (see the sustainability checklist in Annex.



Assumption analysis can classify the probability of occurrence on a three-level scale:

1. **Almost certain:** This is when there is an extremely high probability that the positive assumption will hold true. Such assumptions will not require extensive monitoring, as they are unlikely to compromise the programme and project.
2. **Medium probability:** This is when there is some probability of the positive assumption (external factor) holding true, but not total probability. It is necessary to monitor these assumptions during implementation, so as to be able to develop an adequate response at the first sign of negative change.
3. **Low probability:** The worst-case scenario is when an important positive assumption has a very low probability of holding true. These pose a crucial dilemma for initiative designers, who basically have two alternatives to deal with them: redesign the programme or project, or design careful contingency plans.

Figure ##: Assumptions and risks¹⁸⁵

For each assumption in the theory of change (and in the results framework), the assumptions analysis should consider¹⁸⁶:

- *Does this fully explain what is thought will happen?* If not, it may be necessary to refine the assumption or the identified solution, or add new assumptions to explain the expected change process fully.
- *Is the assumption plausible?* Do the available evidence and the views and experience of UN and other stakeholders indicate that this assumption is likely to hold true in practice?
- *Does the assumption need to be tested?* Is further evidence needed as to whether change happens in the way assumed in this context, e.g., with an evaluation or by monitoring this closely during implementation?

3.4.2 Risk analysis

Risks are potential events or occurrences that could adversely affect the achievement of results. Risks can be of varying nature, including internal risks, associated with weaknesses in organizational structures, and others related more to events or conditions of the broader external environment and context¹⁸⁷. Managing risk means mitigating the threats that uncertainty presents to expected results. It also involves determining when risks are acceptable and should be monitored – for example, in fragile contexts. Planning with internal and external risks in mind can significantly improve your programme or project design, grounding it in the realities of your context, and making it more likely that you will achieve expected results.

How to do a risk analysis

Step 1: The following table provides a starting point and a checklist for identifying the risks that might affect achievement of the expected results you have set down in your results framework.

Table #: Examples of risk types and categories^{188 189 190}

Institutional – operational, financial, reputational	Contextual, developmental
<ul style="list-style-type: none"> • Team competencies; • Financial controls; Cash flow; Procurement; Fraud and misuse of resources; • Personal security; Information and communication technology systems and information security • Stakeholder perceptions; external stakeholder relations; • Management systems; Funding; Governance and accountability • Values/ethics; Unethical behaviour/ corruption • Difficulties might exist in targeting new and/or prioritizing specific groups and locations, such as the lack of data or access; there may be questions around the ability to retain flexibility to rethink approaches and strategies when presented with new data from monitoring or external sources 	<ul style="list-style-type: none"> • Socio-economic, political instability/ crisis • Policy environment - Political risks from larger developments in the country, e.g., elections; high levels of turnover in policy and mid-level positions in government; changes in national policies or sharp fluctuations in commodity prices. • Local ownership/commitment; stakeholder sensitivities for particular issues; • Climate change; natural disasters and epidemics • Conflict; Possible conflicts or tensions among the perspectives, interests and demands of partners; ability to incorporate new partnerships when opportunities arise

Step 2 - Once you have identified key risks related to your programme, invite stakeholders to rank those risks by assessing their level. Ask them to assess two issues: (a) Level of **likelihood** that the risk

¹⁸⁵ From: UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

¹⁸⁶ UNDG (2018) UNDAF Companion Guidance: Theory of Change

¹⁸⁷ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁸⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁸⁹ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

¹⁹⁰ UNDG (2018) UNDAF Companion Guidance: Theory of Change

will occur; and (b) Level of **impact** that the risk would have on the programme results if it did occur. Use the following matrix to assess the level of response required.

Table ##: Risk-level matrix¹⁹¹

IMPACT	5 – CRITICAL	Low	Medium	High	Very high	Extreme
	4 – MAJOR	Low	Medium	High	High	Very high
	3 – MODERATE	Very low	Low	Medium	High	High
	2 – MINOR	Very low	Low	Low	Medium	Medium
	1 – NEGLIGIBLE	Very low	Very low	Very low	Low	Low
			1- UNLIKELY	2 – POSSIBLE	3 – LIKELY	4 – ALMOST CERTAIN
		LIKELIHOOD				

Step 3 - Risk response. Based on your collective assessment of their likelihood and impact, select your top 5 to 10 risks to achieving your expected results (that is, those rated high, very high or extreme). Then develop risk response strategies. Questions to consider:

- *Can you prevent the risk from materializing or prevent it from having an impact on the results?*
- *How can you reduce the impact of the risk?*
- *How can you reduce the likelihood that the risk will occur?*
- *How could you maximize the opportunity presented by the risk?*
- *Can you share exposure or mitigation strategies with other organizations?*
- *Would it be all right to accept the possibility that the risk may occur and go ahead without further measures to address the risk?*

Step 4 – Review of programme design - Once you have identified and assessed risks to your results achievement and planned your response, it is time to reconsider your results chain:

- *Do you need to remove or revise some of your results to make your programme design more realistic?*
- *Do you need to adjust, add or change activities, strategies, partners, target populations or geographic locations, in accordance with your response strategies?*

A simple risk register matrix (Table ## below) can be used to list and systematically prioritize the identified risks, and to identify mitigation strategies.¹⁹² This matrix enables systematic identification and prioritization of identified risks. It supports the integration of response strategies into the programme design and work plans. And it facilitates ongoing tracking of risks and adjustment of responses. This register should appear in the proposed project document, but it should also be a living document, continuously reviewed and updated to reflect the ongoing dynamics of the programme or project environment. In preparing the matrix, the identified risks, both individually and collectively, should be assessed and ranked according to their likelihood of occurrence and severity.

¹⁹¹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁹² The risks whose potential severity is rated “extremely high” and “high” will need corresponding mitigation responses to be developed to reduce the likelihood of their occurrence or their impact on project objectives.

Table ##: Risk register and mitigation plan

Risk	Likelihood of risk (Rare, unlikely, moderate, likely, very likely)	Impact of risk (Trivial, minor, moderate, major, extreme)	Mitigation strategies, including internal controls, administrative and legal requirements	Likelihood of residual risk after mitigation
1.				
2.				

During your planning, it is wise to keep in mind the following **risk management principles**¹⁹³:

- **Accept risk when benefits outweigh costs:** The aim is not always to eliminate risk. Total risk elimination would involve extensive controls and is costly. Walking away from risky situations would often be impractical and may not serve the achievement of your expected programme or project results. Greater reward often requires greater risk.
- **Anticipate and manage risk by planning:** When developing strategies and work plans, designing or reviewing programmes, identify possible risks to the achievement of expected results. Risks are more easily mitigated when they are identified during planning.
- **Recognize opportunities:** Explore unexpected opportunities that may arise in support of expected results and assess the risks related to such new interventions.

In the overall context of the United Nations, the Commission has adopted an enterprise risk management and internal-control framework (ERM), with its guide for managers, which extends across the secretariat¹⁹⁴. The risk universe of the UN Secretariat identifies and defines a catalogue of 109 risks, categorized into five major risk areas¹⁹⁵:

- Strategic** - Relating to high-level goals, aligned with and supporting the Commission's mission and mandate;
- Governance** - Related to organizational decisions or the implementation of those decisions;
- Operational** - Relating to effective and efficient use of the Commission's resources;
- Financial risks** - Related to use of the Commission's financial resources, and reliability of its reporting; and
- Compliance** - Relating to the Commission's compliance with applicable laws and regulations, prescribed practices or ethical standards.

The aim of the ERM approach is to improve risk management through identification, assessment and management of risks in all of ECA's programmes, projects and operations. This will be done by embedding risk analysis and activities in all programme and project designs, defining roles and responsibilities in risk analysis and management and risk-based decision-making, and monitoring and communicating about ERM internally and externally through periodic formal reporting by management. Currently, this approach is rolled out at sub-programme level, but it may also be requested at programme and large project level (see detailed risk universe for ECA, plus risk register template and instructions on the e-platform; will need to provide a hyperlink to it).

Caution on results frameworks (and log frames)

In spite of its advantages and widespread use in the development community, the results framework also has some limitations. It is a snapshot of a situation at a certain moment in time. Therefore, it may be necessary to adjust the matrix in the course of time, as conditions change. Likewise, managers should avoid applying the tool too rigidly, as there is a danger of restricting programme

¹⁹³ UNICEF (2017) Results-Based Management Handbook: Working together for Children

¹⁹⁴ SPORD (December 2018) Guideline for preparing the 2019 Annual Business Plan (ABP)

¹⁹⁵ ERM (2016) Risk Catalogue - Risk Definitions

and project management rather than facilitating it. The major weakness of the logical framework lies in its adherence to the principle of linear causality, and the lack of information on unintended side effects, both of which can limit proper reflection of and response to complex and evolving realities.

3.5 Planning for monitoring and evaluation

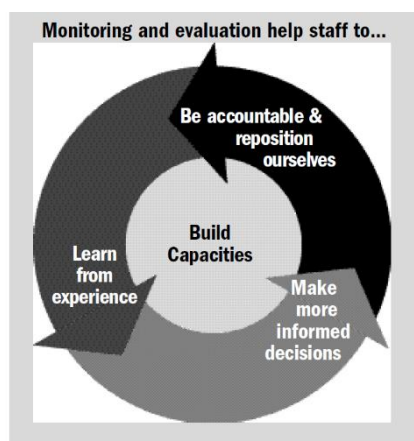
3.5.1 M&E system

Why have a monitoring and evaluation system of a programme or project?

The monitoring and evaluation system is a critical component of a well-designed programme or project and supports an integrated approach to reflection and communication. It is a requirement to prepare and present a costed monitoring and evaluation plan as a component of programme and project documents that are submitted to ECA’s Quality Review Committee for approval. The plan should be developed together with key programme partners (e.g., governments, and UNCTs for country of focus programmes)¹⁹⁶. The M&E plan should be strategic, with the aim of generating the most critical and useful information for ECA and its partners in decision-making.

Lessons learned from regional reviews indicate that many countries look at M&E as just an activity required by a donor agency. Low priority is given to M&E as an important management tool, which, in turn, results in insufficient allocation of technical staff and financial resources for this component from the concerned countries’ own budgets. The end-results are irregular and passive M&E activities that fail to give the right picture of the outcomes and impact of the programme or project to the government and other stakeholders. An effective and sustainable M&E system for a programme or project has at least two very important characteristics. The first is the intensive utilization of the M&E information provided by the system in one or more of the stages of the programme and policy cycle and by various stakeholders. The second characteristic is the production of reliable and quality information, which should also be relevant and needs-based. These results can only happen when a well-developed M&E framework and plan are in place¹⁹⁷.

Objectives of Monitoring and Evaluation¹⁹⁸



theory of change and results framework, *Results-Based Management* is about¹⁹⁹:

Beyond the initial situation analysis,

Box: RBM should make it safe to fail, and safe to learn. [from UNICEF,

Understanding linkages and dependencies between Planning, Monitoring and Evaluation

- Without proper planning and clear articulation of intended results, it is not clear what should be monitored and how; hence monitoring cannot be done well.
- Without effective planning (clear results frameworks), the basis for evaluation is weak; hence evaluation cannot be done well.
- Without careful monitoring, the necessary data is not collected; hence evaluation cannot be done well.
- Monitoring is necessary, but not sufficient, for evaluation.
- Monitoring facilitates evaluation, but evaluation uses additional new data collection and different frameworks for analysis.
- Monitoring and evaluation of a programme will often lead to changes in programme plans. This may mean further changing or modifying data collection for monitoring purposes.

[From UNDG, 2010]

¹⁹⁶ UNDP (2011) Programmes and Projects

¹⁹⁷ UNESCO (2016) Designing effective monitoring and evaluation of education systems for 2030: A global synthesis of policies and practices

¹⁹⁸ UNDP (2002) Handbook on Monitoring and Evaluating for Results

¹⁹⁹ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

- Focusing, as you implement, on the change you want to achieve.
- Learning from tracking process, progress and outcomes.
- Adjusting resources, activities and strategies as needed to better effect the desired change.

While it is clear that many of the choices about the scope, intensity and timing of M&E should depend largely on the resources available, IFAD suggests that the M&E system for a programme or project that is seeking to influence policy should be structured around six focal areas²⁰⁰:

- 1) **Strategy and direction** - *“Are we doing the right thing?”*
- 2) **Management and governance** - *“Are we implementing the plan as effectively as possible?”*
- 3) **Outputs** - *“Are outputs audience-appropriate and do they meet the required standards?”*
- 4) **Uptake** - *“Are people accessing and sharing our work?”*
- 5) **Outcomes and impacts** - *“What kind of effects or changes has the work contributed to?”*
- 6) **Context** - *“How do changes in the changing political, economic, social and organizational climate affect our plans and intended outcomes?”*

The two most important functions of monitoring and evaluation for a programme or project are²⁰¹:

- **Accountability** – accounting to stakeholders for results achieved with the available resources
- **Learning** – learning from experience what has worked and what are the reasons for successes and failures; then using new knowledge within the organisation and with partners

Components of the M&E system

Monitoring is a continual process that provides up-to-date information on the performance of the programme or project. It is different from **evaluation**, which is conducted at specific points (midterm and terminal) for an in-depth analysis of whether the programme or project has achieved its planned results, a review of programme or project performance, the identification of corrective actions (usually at midterm), and formulation of lessons learned (see table below).

Table : Complementary roles of monitoring and evaluation²⁰²

Monitoring	Evaluation
<ul style="list-style-type: none"> • Links activities and their resources to outputs and outcomes • Translates desired outcomes into performance indicators and sets targets • Routinely collects data on indicators and compares actual results with targets • Reports progress to management and signals problems. 	<ul style="list-style-type: none"> • Analyses why intended results were or were not achieved • Assesses the specific causal contributions of activities to results • Examines the implementation process • Explores unintended results • Provides lessons, highlights significant accomplishments or programme potential, and offers recommendations for improvement.

There are five main structural elements of a M&E system for a programme or project that will enable the monitoring and evaluation functions, as described in the following table.

Table : Major elements of an M&E system²⁰³

Major elements	Description
Monitoring	Consists of organized systems for regular and fairly frequent collecting, analyzing and reporting of data related to progress, especially of processes and results. Includes reporting to stakeholders

²⁰⁰ McCord, A.; Heinemann, E.; and Phillips, L. (2018) Exploration of a methodology for assessing the impact of policy engagement: What impact and how to assess it? IFAD Research Series No.26

²⁰¹ UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

²⁰² UNEP (2013) UNEP Programme Manual

²⁰³ Adapted from: UNDG (2011) Results-Based Management Handbook: Harmonizing RBM concepts and approaches for improved development results at country level

systems	and ensures participatory monitoring involving representatives of stakeholders.
Reviews	Reviews (e.g., annual programme or project review) will generally draw on agency and partners' monitoring systems as well as the findings of surveys, studies and evaluations. These are an opportunity to re-examine theory of change, assumptions, risks, and context of the programme or project, as well progress against indicators.
Evaluations	An evaluation (mid-term or final; programmatic or thematic) attempts to determine objectively the worth or significance of a development initiative (programme, project, or event). Evaluation basically asks three questions ²⁰⁴ : <i>Is the right thing being done? Is it being done well? Are there better ways of doing it?</i>
Surveys/ studies	Investigate a problem or assess the conditions of a specified population group. Includes baseline study, as well as other surveys and studies that can help to identify root causes, and develop or refine programme strategy and/or define baseline indicator values and set targets.
Use of information	Any decision-making processes or events that draw on the findings, recommendations and lessons from the M&E activities above. E.g., SDG reporting, national/regional conferences, advocacy/policy influence.

The process of developing a programme or project M&E system

The process of designing a programme or project monitoring and evaluation system can be organized into six consecutive stages:

- 1. Establishing purpose and scope.** The first question should be: “Why do we need monitoring and evaluation, and how broad should our system be?” The M&E system should embrace all the results levels of the programme or project: deliverables (outputs), outcomes and impacts. Donor requirements and stakeholder interests may increase the monitoring by including inputs and activities.
- 2. Identifying indicators.** Once scope is defined, next is to define the indicators that will be able to verify the progress towards the results and support results-based management of the programme or project. This is the OVI (objectively verifiable indicators) column in the log frame. Where possible, programme or project indicators should align with existing national indicators for greater generalisability and utility. [details of selection are in the main PPM manual]
- 3. Planning data collection, analysis, and organization of information.** This is the MOV (means of verification) column in the log frame. This includes the methods (which may be qualitative and/or quantitative) and the tools (e.g., surveys, interviews, review of documents), and the participants (who will collect, analyse and report on the data/information?). Where possible, it may be more feasible to obtain this data from other on-going sources, e.g., government, national organisations.
- 4. Planning processes and events for reflection.** Opportunities for reflection are vital for making sense of the data and converting it into useful information for programmes and projects. Examples of such events include a participatory strategy review at inception; joint field visits; and annual programme or project reviews.
- 5. Planning for reports and communications.** Report preparation must be included in the workplan; plan in advance for the time and resources needed for the writing and dissemination. In the Commission, regardless of funding source, reports on programmes and projects are due every 6 months.
- 6. Planning the necessary conditions and capacities.** The last step is to determine the capacity to implement the M&E system functions in practice. For example, the workplan and budget

²⁰⁴ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy *A Reference Guide*

should identify any capacity-building needs of staff or stakeholders participating in the M&E system, including tools and training for them.

The contents of an M&E strategy

The main components of an M&E strategy are²⁰⁵:

- A results framework (logframe);
- An M&E plan for data collection and analysis, covering baseline, ongoing monitoring and evaluations (mid-term and final);
- Reporting flows and formats;
- A feedback and review plan;
- A capacity building design (as needed, for staff and partners);
- An implementation schedule; and
- A budget.

3.5.2 M&E framework and plan

*Utility of a monitoring and evaluation plan*²⁰⁶

A comprehensive plan for a robust quality monitoring and evaluation plan is essential to improve the relevance and effectiveness of the interventions of ECA and to establish clear linkages between initiatives (programmes and projects) and past, present and future development results. The monitoring and evaluation plan helps the Commission to have information on the basis of sound evidence of past and ongoing activities that form the basis for any rigorous adjustments to existing projects and programmes. In the absence of an effective monitoring and evaluation plan, it is difficult to determine whether the activities are moving in the right direction and whether progress and success have been achieved, let alone how future efforts could be improved. Programmes and projects that benefit from a sound monitoring and evaluation plan have good sustainability. Lastly, a monitoring and evaluation framework is used to take corrective action well in advance, reducing the likelihood of significant budget overruns or delays. Monitoring and evaluation helps to draw lessons from past successes and failures and assists in decision-making by providing relevant information to improve the contribution of ECA.

A clear M&E framework, agreed among the key stakeholders at the end of the planning stage, is essential for having the capacity to carry out monitoring and evaluation systematically. The M&E framework, which is a core summary of the M&E system, is built on the results matrix (logframe) of the programme or project being designed²⁰⁷. Additional elements of the M&E framework are extensions of the results framework to describe how indicators will be used in practice to measure the implementation performance and results achievement. The M&E framework should clarify:

- What is to be monitored and evaluated
- The activities needed to monitor and evaluate
- Who is responsible for monitoring and evaluation activities
- When monitoring and evaluation activities are planned (timing)
- How monitoring and evaluation are carried out (methods)
- What resources are required and where they are committed

²⁰⁵ WFP (2011) Monitoring and Evaluation Guidelines

²⁰⁶ UN ECA (2017) Annual Evaluation Report 2016: Key Findings, Lessons Learned and Way Forward

²⁰⁷ WFP (2011) Monitoring and Evaluation Guidelines

In addition, relevant risks and assumptions in carrying out the planned monitoring and evaluation activities should be seriously considered, anticipated and included in the M&E framework²⁰⁸.

An M&E framework is needed for both programmes and projects within a programme. Therefore, both programmes and projects should develop M&E frameworks in their planning stages. The project-level M&E framework should cascade from the programme level M&E framework and could contain more detailed information on monitoring and evaluation tasks that apply specifically to respective projects²⁰⁹. Conversely, the programme-level framework builds upon the project-level frameworks. Monitoring and evaluation activities should be seen as an integral component of programme and project management. They take place throughout the programme and project cycles and should be reviewed and updated regularly (at least annually, for example, at the time of annual reviews).

In general, an M&E framework has three main components²¹⁰:

- **Results framework**—This should be prepared in the planning stage.
- **Planning matrices for monitoring and evaluation** —These consolidate the information required for monitoring and evaluation for easy reference.
- **Narrative component**—This describes how the partners will undertake M&E in the programme or project and the accountabilities assigned to different individuals and agencies.

Information matrix for monitoring and evaluation²¹¹

After developing the programme concept (using a theory of change) and a results framework or outcome matrix, it is time to develop an information matrix for monitoring and evaluation. The monitoring and evaluation information matrix expands the elements in the results framework (log frame) to clarify details further. It is a critical tool for planning and managing data collection, analysis and use. The monitoring and evaluation information matrix takes the planning for monitoring and evaluation one stage further in order to support implementation and management of the programme or project. (See [Annex \[##\]](#) for a template showing the suggested contents of an M&E information matrix)

The monitoring and evaluation information matrix facilitates preparation of the monitoring and evaluation plan for programmes and projects. It is a tool that contains the main elements of the monitoring plan, and can be used to develop the monitoring and evaluation plan jointly with stakeholders during a planning workshop. This matrix should be adapted as determined by local circumstances and conditions²¹². In some cases, the columns could be modified to cover results elements such as outcomes, outputs, indicators, baselines, risks and assumptions separately.

Results-based management requires a culture of looking beyond inputs and activities and what we did, to a culture of monitoring what is changing (in terms of capacities, performance and, ultimately, conditions for the target populations). In monitoring terminology, this is a move from ‘inputs’ and ‘activity’ monitoring to results monitoring²¹³. Monitoring for results draws on the key RBM tools developed in the planning stage, including the theory of change, results framework and the monitoring plan, all of which are the core building blocks of a results monitoring system²¹⁴. Results

²⁰⁸ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²⁰⁹ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²¹⁰ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²¹¹ ECA (2017) Programme and Project Management Manual

²¹² UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²¹³ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²¹⁴ UNICEF (2017) Results-Based Management Handbook: Working together for Children

monitoring focuses specifically on results at the output, outcome and impact level and enables you to track progress towards your ultimate destination (impact) and the intermediate points in between (your outputs and outcomes).

Regular monitoring provides management with real-time information about on-going programme or project implementation, as needed for accountability and decision-making. Planning for monitoring must be done with evaluation in mind. The availability of a clearly defined results or outcome model and monitoring data strongly determine the ‘evaluability’ of the programme or project²¹⁵.

M&E plan

An M&E plan is a multi-year implementation strategy for the collection, analysis and use of data needed for programme and project management, learning and accountability purposes. The M&E plan describes the process of assessing and reporting progress towards achieving programme or project outputs and outcomes²¹⁶. The plan plays a crucial role in keeping programmes and projects on track, creates the basis for reassessing priorities and generates an evidence base for current and future interventions.

The M&E plan describes²¹⁷:

- The data needs for a specific programme or project; identify what data is available from existing reliable sources and which new data will need be collected;
- The activities to satisfy the data needs;
- The specific data collection procedures and tools; including special studies and evaluations;
- The indicators to be collected for routine monitoring and regular reporting;
- The components of the M&E system to be implemented;
- The roles and responsibilities of different organisations and individuals in the m&e system, e.g., who will collect the data, at which locations, at what times, using which methods; and who will be responsible for analysis and reporting; and
- How data will be used for management and accountability purposes.
- In addition, relevant risks and assumptions in carrying out the planned monitoring and evaluation activities should be seriously considered, anticipated and included in the M&E framework²¹⁸.

An effective M&E system requires a specific and adequately financed M&E plan²¹⁹. The plan should indicate estimates of resource requirements and outlines a strategy for resource mobilization. It should also promote practical and cost-effective monitoring and evaluation practices, building on national and local skills and resources²²⁰. (See [Annex \[##\]](#) for a template to use for developing a costed M&E plan)

The M&E plan should be developed through consultation with partners, the government, United Nations agencies, local stakeholders and, when possible, beneficiaries²²¹. Inclusion of wide range of stakeholders ensures the M&E plan is realistic and feasible. Project management officers are responsible for documenting the plan and setting up the M&E system.

²¹⁵ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²¹⁶ ESCAP (2017) ESCAP Monitoring and Evaluation Policy and Guidelines

²¹⁷ UNAIDS (2010) Basic Terminology and Frameworks for Monitoring and Evaluation

²¹⁸ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²¹⁹ UNEP (2008) Evaluation Manual

²²⁰ UNIFEM (2009) Monitoring, Evaluation and Knowledge Management Framework 2008-2011

²²¹ UNDG (2011) Results-Based Management Handbook: Harmonizing RBM concepts and approaches for improved development results at country level

The Commission requires a full monitoring and evaluation plan for a programme proposal document. This level of detail is, however, not expected when developing a project proposal. Instead, it is recommended that the project proposal should include a summary of the project monitoring and evaluation system and how it will link with a programme or subprogramme M&E system, including the processes, indicators and responsibilities, and the overall budget foreseen for the M&E activities.

Planning ahead for evaluations

The evaluation component of the M&E plan should include all planned evaluations, including those required by a cost-sharing agreement or partnership protocol. Evaluations in ECA, including project evaluations, should address ECA's contribution at the outcome level. All evaluation plans for programmes and large projects that are submitted to ECA's Quality Review Committee for approval must be fully costed. It is important that costing be realistic, as it will form part of the agreement with the Member state government to facilitate future budgeting and resource allocation. The evaluation plan, which has gone through the appropriate review and clearance process, serves as the basis for compliance in terms of decentralized evaluation coverage²²².

Evaluation requires adequate resources, and it is important that the budgeting process be comprehensive and cover the various costs relating to programme/ project evaluations²²³. ECA evaluation policy stipulates that resource allocation for meeting evaluation requirements should be systematically integrated into the overall planning and budgeting process. The recommended minimum level of investment in evaluation at ECA is at least 3 to 5 per cent of the total plan/programme budget. It is therefore the responsibility of programme managers to ensure that the required budget is secured during the preparation of programme budgets.

Evaluations generally require significant resources and time. Therefore, every evaluation must be justified and used in an optimal way. Programme units together with key stakeholders should consider the following points in developing an evaluation plan²²⁴:

- _ **Uses, purpose and timing of evaluation**—Evaluations should be proposed only when commissioning programme units and stakeholders are clear about why the evaluation is being conducted (the purpose), what the information needs are (demand for information), who will use the information, and how the information will be used. The intended use determines the timing of an evaluation, its methodological framework, and level and nature of stakeholder participation.
- _ **Resources invested**—the larger the programme or project (i.e., the investment), the greater the pressure for accountability about the value for money and return on investment.
- _ **Likelihood of future initiatives in the same area**—Evaluations are an important means of generating recommendations to guide decisions about future work.
- _ **Need for lessons learned**—What kinds of lessons are needed to help guide activities in this country or other countries or regions in the region?

Planned evaluations should be aligned with national, regional and global development priorities and ECA corporate priorities (for example, the ECA MTPF), and should be harmonized with evaluations of UN system organizations and other international partners. This ensures that proposed evaluations will generate important information to help ECA and its partners better manage for results in a changing context.

²²² UNDP (2011) Programmes and Projects

²²³ UN ECA (2017) Annual Evaluation Report 2016: Key Findings, Lessons Learned and Way Forward

²²⁴ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

3.5.3 Budgeting for M&E

Inadequate financial and human resources lead to poor quality monitoring and evaluation²²⁵. To ensure effective and quality monitoring and evaluation, it is critical to set aside adequate financial and human resources (personnel and time) at the planning stage. It is the responsibility of Programme Managers to ensure that the required budget for M&E is secured during the preparation of programme budgets²²⁶. ECA programmes and projects should incorporate the full costs of M&E activities, including operational monitoring and the assessment of baselines. The required financial and human resources for M&E should be considered within the overall costs of delivering the agreed results and not as additional costs.

The full costs for M&E will include reflections on what data is available from existing reliable sources (secondary data) and which data will need to be collected as new, primary data. It further needs to identify who will be responsible to collect (and analyse) the data, at which locations, at what times, using which methods.

A review of UN documents shows the following recommendations for budgeting for monitoring and evaluation: overall, M&E should be allocated 3-10% of the total programme or project budget. Breaking it down further, the recommendations are 1-6% of the total programme or project budget for evaluation and 1-5% for monitoring costs. The budget should be guided by the amount required to implement the intended actions²²⁷.

While it is critical to plan for monitoring and evaluation together, resources for each function should be separate. In practice, each project should have two separate budget lines for its monitoring and evaluation agreed in advance with partners²²⁸. This will help ECA and its partners be more realistic in budgeting. It will also reduce the risk of running out of resources for evaluation, which often takes place towards the end of implementation²²⁹. [see section 5.3 of this manual for more on what to include in the detailed evaluation budget line].

Since many projects are extended beyond the originally planned time frame, it is recommended that evaluations are resourced generously at the time of the project design. Experience has shown that the costs of evaluations are likely to increase during the period of implementation — a budget that seemed generous at project start up might not be adequate by the time of the evaluation, often due to inflationary increases in consulting fees, and operational costs (air-fares and DSA)²³⁰. Best practice in project design would require an estimate based on current costs that is projected forward to the planned time of the evaluation activity assuming annual inflationary cost increases of 4%.

The above discussion has focussed on projects, but there is also the need for funding the M&E of programmes. Sourcing and securing financial resources for monitoring and evaluation of outcomes for programmes can pose additional challenges, as there is no single project where all of these costs can be directly charged²³¹. The most commonly observed financing mechanism is to draw resources together from relevant projects. Some additional possibilities include:

- Create a separate monitoring and evaluation fund, facility or project associated with an outcome or a programme to which all the constituent projects would contribute through

²²⁵ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²²⁶ UN ECA (2017) Annual Evaluation Report 2016: Key Findings, Lessons Learned and Way Forward

²²⁷ The Global Fund (2011) Monitoring and Evaluation Toolkit: HIV, Tuberculosis, Malaria and Health and Community Systems Strengthening. Part 1: The Global Fund M&E Requirements. Fourth Edition

²²⁸ ITC (2018) ITC Evaluation Guidelines, Second Edition

²²⁹ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²³⁰ UNEP (2008) Evaluation Manual

²³¹ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

transfer of some project funds. This facility could be located in the same entity that manages the outcome or programme.

- Mobilize funds from partners directly for an outcome or programme monitoring and evaluation facility.
- Allocate required funds annually for each outcome on the basis of planned costs of monitoring and evaluation from overall programme budget to the facility or fund.

Human resources are critical for effective monitoring and evaluation, even after securing adequate financial resources²³². For high-quality M&E systems and support to programme or project, there should be:

- **Dedicated staff time**—For effective monitoring and evaluation, staff should be dedicated for the function. The practices of deployment of personnel for monitoring vary among organizations and with different funders.
- **Skilled personnel**—Staff entrusted with monitoring should have required technical expertise in the area. Where necessary, skill levels should be augmented to meet the needs and with ongoing investments in developing such capacity within the office as necessary.

3.5.4 Monitoring plan – data collection, analysis, and reporting

*What is the purpose of programme monitoring?*²³³

Programme monitoring is a process that provides us with data needed to determine three things:

- 1) Whether we are implementing the programme as planned (implementation; Are we doing things ‘right’?)
- 2) Whether we are achieving the expected results (based on the theory of change and planned outputs, outcomes and impact; Are we doing the ‘right’ things?)
- 3) Whether adjustments need to be made to the programme activities and strategies in order to ensure that expected results are achieved (how can we improve?).

Monitoring allows managers to find out how well their interventions are progressing. It is a key component of results-based management, providing an opportunity to track both the implementation and the results of an initiative, project or programme. Armed with a results framework, a detailed monitoring plan can help managers track their indicators and targets, collect evidence of change (or lack thereof), and report on progress to date²³⁴. Monitoring enables managers to manage for results, especially if the programme or project is falling short of targets or requires additional resources or different strategies to better reach its desired outcomes²³⁵.

Be sure to also monitor your Theory of Change. For example, what if our assumptions about the link between intervention strategies and change for the target population turn out to be wrong? How can we self-correct or adjust? In policy work because of the distance from control, we might also want to monitor our assumptions about how other actors are helping to address the issue at hand²³⁶.

²³² UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²³³ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²³⁴ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²³⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²³⁶ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Principles to guide the design of a monitoring system

The table below summarizes some general principles that should be kept in mind when designing a monitoring system for a programme or a project.

Table ##: General principles for designing the monitoring component of a M&E system²³⁷

Principle	Description
Focus on results and follow-up	Good monitoring looks for “what is going well” and “what is not progressing” in terms of progress towards results; records this in reports along with recommendations; and follows up with decisions and actions.
Good design	Good monitoring depends to a large measure on good design. If a programme or project is poorly designed or based on faulty assumptions, excellent monitoring is unlikely to ensure its success. It is critical to design a realistic chain of outcome, outputs and activities.
Regular monitoring visits	Regular monitoring visits by managers, focusing on results and on follow-up to verify and validate progress towards objectives, are important. Bilateral or tripartite meetings dedicated to assessing progress should take place regularly. The results of these meetings should be documented and kept on file.
Regular analysis of reports	Regular analysis of reports from programme managers and other partners should be undertaken to present issues and discuss potential solutions.
Participatory monitoring mechanisms	The use of participatory monitoring mechanisms should be encouraged. This is important to ensure commitment, ownership, follow-up and feedback on performance.
Clear criteria and indicators	Good monitoring does not just rely on subjective judgements but uses ways to assess progress and performance objectively, applying clear criteria and indicators. Efforts must be made to improve performance measurement systems by developing indicators and baselines. It is difficult to assess progress towards the outcomes without these.
Lessons learned	It is important to generate lessons learned to ensure learning through all monitoring tools, adapt strategies accordingly and not repeat mistakes. Electronic media can be important for sharing lessons.

Types of monitoring²³⁸

There are several common types of monitoring; one categorisation identifies the following types: implementation, results and situation.

Implementation monitoring - In implementation monitoring, continuous or periodic oversight of the implementation of an activity is undertaken to establish the extent to which inputs, work schedules, other required actions and targeted processes are proceeding according to plan. The central question is: Are we implementing as planned? (are we doing things the ‘right’ way?)

Results monitoring - In results monitoring, results (outputs and outcomes) are measured and reported on at periodic intervals. The resulting data are subsequently used in programme management and decision-making. Results monitoring can provide information to assess progress in reducing bottlenecks that impede coverage of proven interventions (at the output level) and ways to increase coverage of evidence-based interventions (at the outcome level). The central question here is: Are we achieving the expected results? (are we doing the ‘right’ things?)

Situation monitoring - In impact or situation monitoring, a condition or set of conditions, such as the situation of the target population, is monitored. Situation monitoring measures change or lack of change in such conditions. Monitoring the situation of development goals such as the Sustainable Development Goals is necessary when trying to draw conclusions about the impact of programmes or policies. The central question here is: how is the situation of the target population or the wider

²³⁷ UN-HABITAT (2003) Monitoring and Evaluation Guide

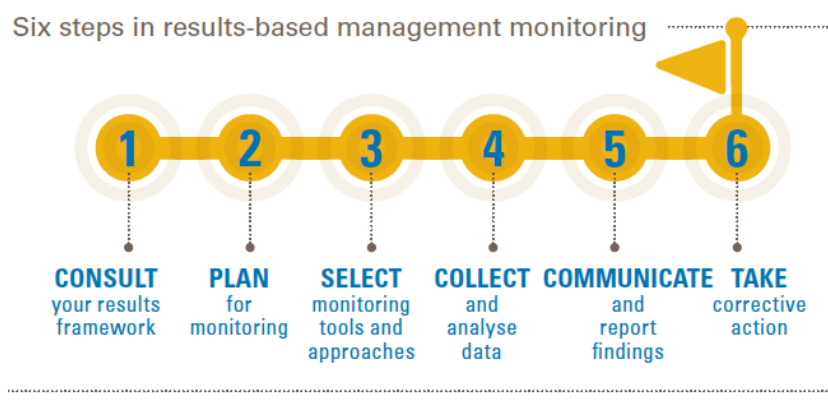
²³⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

context changing? (whose voice or experience keeps us up to date on what is the ‘right’ thing to be doing?)

*Preparing and using a detailed monitoring plan*²³⁹

From the beginning and throughout implementation, it is important to have a working monitoring plan that includes all the essential elements and ensures that the necessary HR, tools and budget are available and coordinated. This will allow you to track progress, make adjustments along the way to increase effectiveness and efficiency, inform decision-making, and report on both the status and evidence of outcomes for your programme or project.

Your monitoring plan should be like a performance dashboard for your programme or project: easy to use; simplifies reality and provides information about a programme’s performance that is relevant to decision makers²⁴⁰. Monitoring consists of the periodic review of a project or programme’s progress. The accompanying figure illustrates six key steps in results-based management monitoring²⁴¹.



Monitoring is typically done internally by project staff on an on-going basis. Like the dashboard of your car, your programme or project should have indicators that will tell you whether you are on the right track or not.

Quantitative and qualitative indicators to measure the

achievement of results are critical to your dashboard. Each key result at the output, outcome and impact level requires two to three indicators to measure change: at least one quantitative and one qualitative²⁴². And, in order to measure progress, so are baseline and targets.

Monitoring plans must be designed with both periodicity and accountability in mind:

- **Periodicity:** Monitoring should be based on the periodicity of project events (monthly, quarterly, seasonally, annually) and on the timing of decision-making (corrective action, review meetings and other decision points). It should be carried out in sufficient detail to allow for the accomplishment of activities or milestones, but should not become time-consuming;
- **Accountability:** Monitoring should lead to action. Accordingly, data and reporting should be directed at responsible officials and should focus on governance structures and relevant departments in accountable offices.

*Essential elements of monitoring*²⁴³

Planning for monitoring - Planning for monitoring begins with strategic planning and runs through planning for implementation, evaluation reporting and time spent revisiting strategies and plans. Monitoring should draw on existing monitoring systems wherever possible. Planning for monitoring

²³⁹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁴⁰ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

²⁴¹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁴² UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

²⁴³ UNICEF (2017) Results-Based Management Handbook: Working together for Children

entails working out an effective and efficient set of data collection systems and activities at different levels: 1) planning for results monitoring usually involves the contributions of a wide range of stakeholders, 2) planning for implementation monitoring aims to clearly track the contribution of a single partner agency, such as ECA.

Selecting the right mix of monitoring mechanisms²⁴⁴

REPORTING AND ANALYSIS	VALIDATION	PARTICIPATION
<ul style="list-style-type: none"> ■ Annual project report (APR) ■ Progress and/or quarterly reports ■ Work plans ■ Project/programme delivery reports and combined delivery reports ■ Substantive project documentation 	<ul style="list-style-type: none"> ■ Field visits ■ Spot-check visits ■ External assessments/monitoring ■ Client surveys ■ Evaluations 	<ul style="list-style-type: none"> ■ Outcome groups ■ Steering committees/mechanisms ■ Stakeholder meetings ■ Focus group meetings ■ Annual review

The credibility of monitoring findings and assessments depends to a large extent on the manner in which the activity is conducted. The mechanisms to be used for monitoring the project should be indicated in the project document, including the key monitoring indicators. The monitoring plan is usually prepared in consultation with project partners. The monitoring plan should prescribe a reporting period and unit of reporting that are consistent with the project structure, capture the periodicity of events, and provide information that is useful to project teams, units, constituents, donors and other project stakeholders. The plan should also include communication and reporting plans.

Monitoring activities can be incorporated into work plans, but often a more detailed monitoring plan is necessary. Methods of data collection are not likely to be included in work plans, nor will such plans likely convey how monitoring information will be used by programme management. In order to ensure greater clarity and visibility of monitoring activities, a separate plan may be developed to detail what information will need to be collected, how and when data collection will occur, and how that information will be used. All of these elements, from indicators to responsibility are essential to your monitoring plan and will enable you to not only monitor progress, but report on it as well. [see Annex [##] for a monitoring plan template)

The narrative accompanying the plan should discuss two additional points²⁴⁵: a) the resources required and committed for carrying out the planned monitoring activities; and b) what risks and assumptions apply in carrying out the planned monitoring activities? How might these affect the activities and the quality of data or analysis?

Responsibility - refers to who will be responsible for collecting and analysing the data. Make sure to include a role for local stakeholders so that they understand the information they are collecting and can make appropriate decisions for their programming and implementation²⁴⁶. Data should be analysed at all levels; not just the central level. Project managers should keep their own records on the use of the project budget, monitoring encumbrances (obligations) against allocations. The budget can be monitored by both the programme and project managers through Umoja.

²⁴⁴ UNDP (2002) Handbook on Monitoring and Evaluating for Results

²⁴⁵ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

²⁴⁶ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

Frequency of monitoring – e.g., may be monthly, quarterly, six monthly, or annual²⁴⁷. Monitoring frequency will vary along the results chain, in part depending on how much time is expected to be needed for the desired changes to become manifest. Outputs will typically be monitored frequently, but you may only be able to monitor outcomes after a year or longer. The optimal frequency will also depend on how often the data will be analysed and used to inform programming, and how feasible it is to collect data more frequently. Data should be collected often enough to adjust activities and strategies as needed and to make course corrections. Routine tracking of activities and deliverables (outputs) should use templates for standardized data entry.

Time and financial resources - It is essential that time be allocated in advance so that monitoring activities are undertaken. A budget for monitoring and evaluation should be part of the M&E plan²⁴⁸. Results monitoring often involves substantial data collection activities and significant resources, particularly when it comes time to feed into key decision-making events. Data collection needs to be planned in parallel with knowledge sharing and use events, as well as sequencing and budgeting, especially given that monitoring feeds into not just accountability, but also learning, evaluation and potentially, to research²⁴⁹. For example, the plan might anticipate carrying out various monitoring activities that will necessitate staff time, resources and scheduled activities in the project workplan and budget. Some activities, such as developing a baseline, or mid-term and final evaluations can be rather expensive. Keeping these activities and their related costs in mind can reduce bottlenecks for the programme or project.

Reminder: The entire M&E system, including monitoring, should be a use-driven process. If data is collected but not analysed and used, it is a worthless expenditure of time and resources. Do not overload on the number of indicators or the frequency of data collection unnecessarily.

Sites (places where data will be collected) - In planning how to monitor your indicators, consider where data collection will physically take place for different types of monitoring. This will support you in planning and costing your monitoring activities²⁵⁰.

Data analysis plans: It is advisable to plan in advance not only for the collection of data, but also for data analysis, reporting and use, and to identify analysis techniques and the formats to be used for presenting the data²⁵¹.

Utilization - Consider ahead of time the purpose of the data you have collected²⁵². This is also a useful check on the value of your indicators and whether it makes sense to invest in monitoring them.

3.5.5 Programme and Project Reviews

M&E systems must enable us to understand how change happens, including changes in gender relations, and whether there is sustainable change²⁵³. Social change does not necessarily occur in a linear way. It is important that M&E frameworks track how social change is unfolding by capturing negative and positive changes, reversals and backlash. Three important steps contribute to the ability to do this: (a) linking the M&E framework to the theory of change to track results along outcome pathways, and recognising the difference between indicators and targets. (b) Monitoring indicators enables us to see and reflect on all kinds of changes; monitoring targets tends to focus attention only on positive results. (c) Reviews are an opportunity for deeper reflections on the

²⁴⁷ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

²⁴⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁴⁹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁵⁰ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁵¹ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

²⁵² UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁵³ UNDG (2010) Results-Based Management Handbook Strengthening RBM harmonization for improved development results

implications of data emerging from the monitoring and evaluation activities. They are occasions when it is possible to step back and ask probing questions about the significance of what is happening, challenge ourselves, and potentially readjust our plans to be more effective in reaching for substantive outcomes and impacts.

Periodic internal reviews, for example, semi-annual and annual programme and project reviews, are structured with key questions to be discussed about progress on outputs and outcomes, unintended outcomes, occurrence of expected risks, or emergence of new risks. These reviews can include the project team, partners, the steering committee and the programme representative.

The Annual Review Meeting for a programme or project should assess performance and update the annual work plan for the following year. To minimize work the annual review should only use data and analysis already available from monitoring, evaluation and audit, as well as completed studies and surveys. Project Managers should consult with stakeholders, including government partners, to agree on how project progress will be monitored, and how performance will be assessed²⁵⁴. This will be critical for shared ‘ownership’, effective collaborative implementation and sustainability. A template of key questions for an annual review is included in **Annex [##]** of this manual.

After-action reviews, such as after a major event or intervention activity, asking what was expected, what actually occurred and what are the lessons and recommendations for the future. Participants can be the same as with periodic reviews, or limited to those involved directly with the event or activity

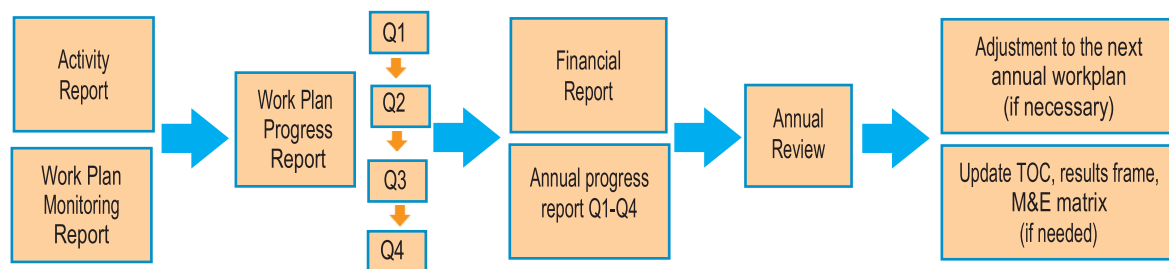
Missions or field visits: This is another tool that can be used to monitor progress and to collect information on a project’s progress. Such visits are usually carried out by ECA staff, or by representatives of the donor government. They should have been included in the workplan and in the budget at the design stage. Mission reports form part of the information used to prepare the progress reports.

3.5.6 Reporting

Reporting is an integral part of monitoring and evaluation. Reporting is the systematic and timely provision of essential information to management and stakeholders at periodic intervals. In support for on-going learning and improvement, reporting from both monitoring and evaluation should document actual vs. expected results as well as unanticipated results, which may be positive or negative.

The following figure highlights key reporting events expected during the course of a year of implementation.

Figure : Reporting Scheme



²⁵⁴ UNEP (2013) Programme Manual

Ensure high quality information and knowledge management, by designing an information and knowledge management system (sensitive to women and marginalized groups) to meet the information needs of the programme or project and its stakeholders²⁵⁵. (see section 3.6.6 below for more details about knowledge management)

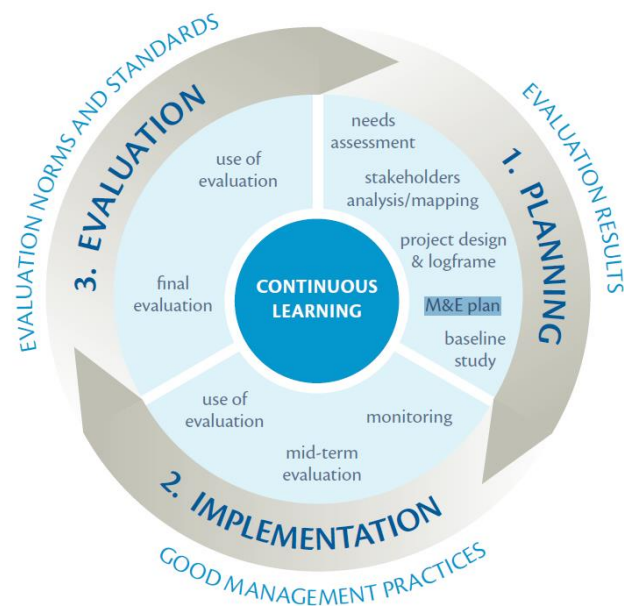
[see also section 4.5.2 of this manual about reporting during implementation]

3.5.7 Evaluation planning

Evaluation is a selective exercise that attempts to systematically and objectively assess progress towards achievement of an outcome. Evaluation is not a one-time event, but an exercise involving assessments of differing scope and depth carried out at several points in time in response to evolving needs for evaluative knowledge and learning during the effort to achieve an outcome. All evaluations—even project evaluations that assess relevance, performance and other criteria—need to be linked to outcomes as opposed to only implementation or immediate outputs²⁵⁶.

Figure : Evaluation in the Programme/Project Lifecycle²⁵⁷

Preliminary evaluability assessment²⁵⁸ - An excellent practice used by some UN programmes is to commission an evaluability assessment of a proposed programme or project before finalizing the design and beginning implementation. The evaluability assessment can help improve the design and potential for the initiative to be evaluated. It will highlight data needs and gaps to be addressed; it can see if a subsequent evaluation would be feasible, affordable and of sufficient value to be worth doing. It can save time and avoid costly mistakes at later stages in the programme cycle. (Note that an evaluability assessment at the planning stage is not synonymous with, nor does it replace, an evaluability exercise prior to undertaking a major evaluation.) (see Annex for a guiding tool to carry out an evaluability assessment)



3.6 Implementation planning and budget

3.6.1 Plan of operation

It is important during the process of project design (which will be based on a programme document) to ensure that action is directed towards intended results. For this, it is necessary that a preliminary operational plan is prepared before the project is implemented (see Table 10). Operation planning defines how a project will be implemented in practice: what capacity is needed, how resources will

²⁵⁵ Redda, R. (2012) An experimental approach to capacity and toolkit development for monitoring and evaluation within climate change adaptation initiatives. For UNECA

²⁵⁶ UNDP (2002) Handbook on Monitoring and Evaluating for Results

²⁵⁷ UNODC (2017) Evaluation Handbook Guidance for designing, conducting and using independent evaluation at UNODC

²⁵⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

be engaged, how risks will be dealt with and how sustainability will be ensured. It is not compulsory²⁵⁹ to develop detailed implementation plans and workplans during the drafting of a project proposal, unless the donor expressly requires it. However, it is strongly recommended that an operation plan should be developed during project design, since it is a practical tool to demonstrate whether the project is feasible in terms of responsibilities, schedule and resources. (see Annex for a guiding template to construct a plan of operation)

Note: Timing can be shown broadly, but will be improved by using the format of a Gantt chart (bar chart) and presenting it per half-year or full year.

3.6.2 Workplan

The workplan is the summary plan of operations and activities, prepared using details from a project planning matrix, that will be carried out to produce the deliverables (outputs), which are also shown in the matrix, over a given timeline. All resources needed in terms of personnel, equipment and finances are specified during the planning phase and linked to the activities. The required resources (and identification of the committed sources) must be carefully analysed with relevance to the planned activities. The purpose of a preliminary implementation plan is to create an overview of activities, schedules and resources that will be developed into a more detailed workplan at project start-up. (see Annex for a template to use in creating a preliminary implementation plan)

The preliminary workplan should be based on the stated objectives, and take into consideration the available resources to implement the project (people, time and funds), therefore ensuring that the project is also realistic. Where objectives and resources do not match, or dependent activities such as procurement of specialized goods and services cannot be delivered in a timely manner, either additional resources need to be mobilized, objectives need to be scaled down or alternative plans need to be established.

The information obtained from the template will enable project designers to describe the specific management arrangements for the project. It is important to reflect clearly in the project proposal the roles and responsibilities of the accountable ECA office,²⁶⁰ the administrative backstopping division,²⁶¹ the technical backstopping division²⁶² and the collaborating ECA divisions or offices.²⁶³ To bring this information together in a concise fashion, it is crucial to provide enough detail, so that the relevant divisions and offices can ensure they have adequate administrative and technical capacity for the project to be carried out successfully.

3.6.3 Resource plan - Expected funding streams

Funding streams for ECA programmes and projects come from a variety of sources - the regular budget (RB), the RPTC, the DA or extrabudgetary funds (XB). Ideally, funding for a project or programme should be sought when the project document has been fully developed and approved by all partners. In reality, that is rarely the case, except when the project seeks non-earmarked (unrestricted) funds from ECA core funding. Where specific funding sources are known or expected, the different anticipated (or committed) sources of funds should be indicated in the project document.

²⁵⁹ It is not obligatory because in many cases there may be delays between the time a project proposal is drafted (the design phase) and when it becomes operational. The implementation plan (and workplan) will ultimately need to be updated in greater detail in the light of the current situation at start-up. When this happens, a project review with the donor and stakeholders should be carried out. In cases where the implementation is likely to start soon after the design is complete, it is useful to prepare both the implementation plan and the workplan for the first year.

²⁶⁰ This is the director of the subregional office or division responsible for managing overall implementation of the project.

²⁶¹ This is the Division of Administration.

²⁶² This is the technical division or office that provides operational advisory, mentoring, training and support services to the project implementation division.

²⁶³ These are the divisions, SROs or IDEP that provide certain inputs or are responsible for a specific deliverable (output).

Considerations in preparing a budget

Once the results chain is elaborated, and strategies identified, it becomes important to consider the funding available or likely to be mobilized to enable achieving the expected results²⁶⁴. Applying results-based budgeting principles to the programme’s design sets the course for achieving results with a view to ensuring value for money. Results-based budgeting uses an evidence-based process to allocate and manage resources toward achieving results. This approach promotes efficiencies in resource allocation by considering the costs of achieving results and whether the same (or greater) results could be achieved at lower costs through alternative implementation approaches. As such, it is advisable that the budget should capture how much it costs to implement the outcomes and outputs more than focussing on activities and inputs. Sound budgetary application can then link specific results, and their corresponding strategies and activities, to actual expenditures through the correct use of programme and accounting codes in Umoja.

Some costing principles²⁶⁵

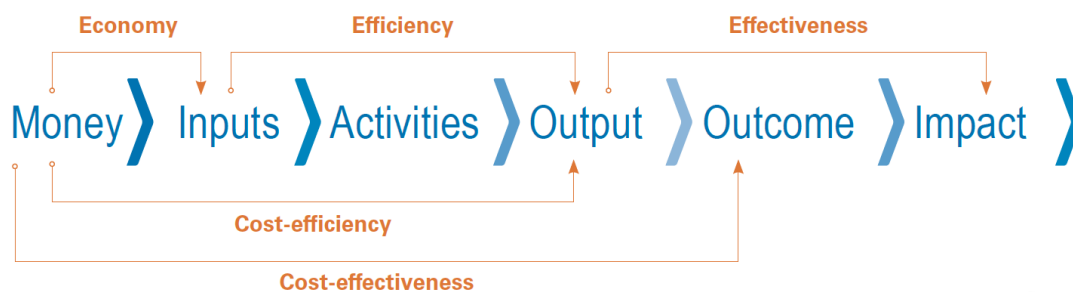
- Costing ensures the link between planning and budgeting
- The costing exercise is fundamental for concrete implementation of the plan
- Costing allows you to evaluate interventions (value for money assessment), do cost-benefit analyses and undertake strategic modification along implementation
- Costing supports outcome measures and accountability of service delivery

Value for money - Value for money is the relationship between the resources spent and the results they buy, whether outputs, outcomes or lasting impact. Greater requirements for transparency are driving the need for more explicit documentation of actions being taken to ensure value for money in development programmes and projects. Value for money is traditionally broken down into three elements: economy, efficiency and effectiveness:

- **Economy** - Best price for inputs (staff, services, supplies, etc.).
- **Efficiency** - Achieving defined output through good value inputs
- **Effectiveness** - Influence of outputs on achieving outcomes/impact

The figure below illustrates how the three elements relate to each other in the programme cycle.

Figure 108: Ensuring value for money in the programme cycle²⁶⁶



Programme managers are encouraged to put value-for-money discussions on the agenda for annual reviews and document any actions they have taken to improve value for money in the course of the annual work plan year²⁶⁷. Value-for-money considerations must, however, be context-specific and grounded in the short-, medium- and long-term strategic objectives of a programme. Context is key

²⁶⁴ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁶⁵ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

²⁶⁶ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁶⁷ UNICEF (2017) Results-Based Management Handbook: Working together for Children

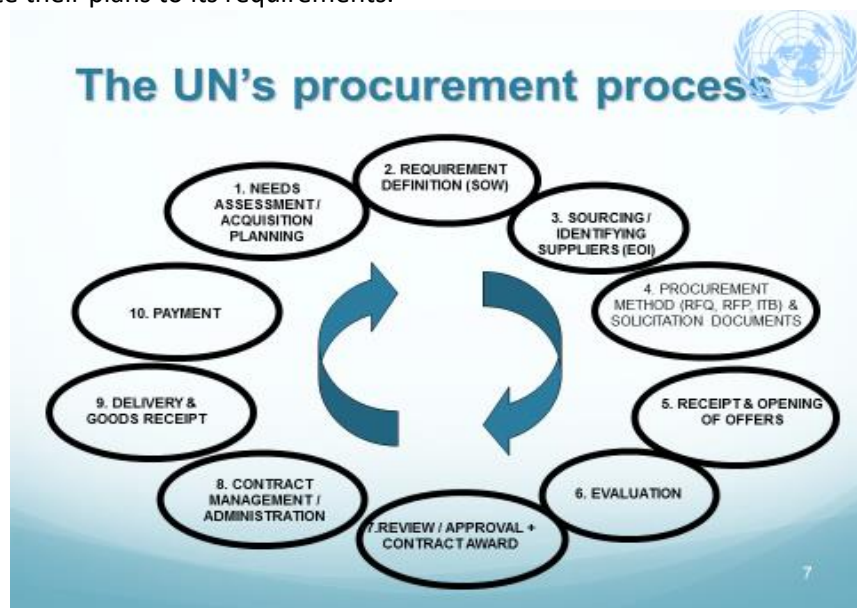
when determining value for money, and comparing benchmarks across different programmes should be avoided.

Caution - Estimating resources (technical, financial and human) needed to achieve impact- and outcome-level results can often become lengthy and complicated exercises²⁶⁸. Estimating resources to achieve results at the outcome level is likely to entail working with government and other partners to review and analyse current total resource flows toward change at the outcome level, e.g., to achieve policy change. Therefore, this depth of analysis is likely to be reserved for larger scale programmes rather than projects.

3.6.4 Procurement of goods and services

The procurement of essential goods and services (including consultants) is carefully regulated in the United Nations system to prevent fraudulent practices and ensure quality. It is a highly controlled system with multiple checkpoints (see process map in figure), and therefore it takes time. Programme and project planners must discuss their proposals with the Division of Administration, including the Procurement Unit (PU) and HR, at an early stage in the planning process to understand the system and accommodate their plans to its requirements.

Figure : Steps in the procurement process



The process starts from when a requisitioner assesses her or his requirements and submits acquisition plans that define the items needed, including a description, estimated costs and expected delivery dates, to the PU.²⁶⁹ The requisitioner should create an electronic “shopping cart” and submit terms of reference (ToRs) for services and works. The requisitioner defines the technical evaluation criteria to be adopted in the evaluation of technical proposals by vendors who respond after the PU floats the bidding opportunities.

Items required may be available in system contracts or through new requirements. For system contracts (open to requisitioners), the requisitioner has to create a “shopping cart” and the PU then generates the purchase order. For new items, the PU invites suppliers to submit expressions of interest and uses these for a preliminary pre-qualification process. Depending on requirements and their value, the PU floats a request for quotation, an invitation to bid or a request for proposal. After the bids have closed, a bid-opening committee opens the bids and hands them over to the PU. As

²⁶⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁶⁹ The Procurement Unit is a unit under the Supply Chain Management Section of the Division of Administration.

applicable, technical offers are sent to the requisitioner for technical assessment. Then the PU conducts a commercial evaluation for bids that are compliant with the technical requirements. The PU carries out an analysis of the best value for money and a final evaluation. It submits the case to procurement review committees as appropriate, i.e., to a local contract committee, the Contract Committee at Headquarters and the ECA Division of Administration. After clearance is received from the appropriate authority, the contract is awarded. A purchase order or other form of contract will be created, and then the vendors will deliver goods or services in accordance with the timelines stipulated in the purchase order or contract. Payment is made by the Finance Section after the requisitioner certifies that she or he has received the requested goods or services.

3.6.5 Communication strategy

A communication strategy for a programme or project should be designed in a participatory manner, involving all relevant stakeholders in the discussions (governments, donors, direct recipients and ultimate beneficiaries). This will provide all stakeholders with the possibility of expressing their communication needs and discussing issues such as what sort of information each stakeholder wants, what the best vehicles are for its delivery, and with what frequency information should be communicated.

It is important to keep in mind that ongoing stakeholder engagement helps the programme or project to²⁷⁰:

- Ensure the support of key stakeholders by providing updates on the initiative
- Manage expectations and raise any issues or difficulties
- Ensure that the vision of the initiative is well understood by the stakeholders

The project document must describe the communication arrangements that will be put in place, for example, in a section headed “accountability framework” or “knowledge management and sharing”. The communication plan for the programme or project should include the timetable and arrangements for the ongoing engagement with Stakeholders during implementation²⁷¹. This includes the messages, audiences, timing responsibilities, communication channels and feedback processes. Internal communication through knowledge-sharing activities, should be accompanied by an external communication strategy to disseminate information on results to a wider audience, such as policymakers, the media, decision makers, influencers and the general public.

In principle, it is good practice to:

- Send clear and consistent information to avoid loss of trust
- Keep the focus of the messages on the programme or project
- Keep the messages simple and brief
- Ensure that stakeholders are neither ignored or spammed with excess messages; i.e., tailor the frequency of communication to the stakeholder’s needs

The following guiding questions are helpful in designing the communication strategy²⁷²:

- *Are we using channels of communication that the desired stakeholders access and trust?*
- *Are we trying to sell a message or inviting people to be part of a conversation?*

²⁷⁰ UNOPS (2016) Programme Management Guidance Draft

²⁷¹ BIS (2010) Guidelines for Managing Programmes: Understanding programmes and Programme Management

²⁷² ESCAP (2018) Effective Stakeholder Engagement for the 2030 Agenda: Training Reference Material, Version 1

Coordinating the communications strategy - Lack of communication is often at the root of the difficulties encountered during the project²⁷³. The project manager will need to plan specific activities for implementing effective communication and avoiding this complication. The programme communications plan should include the timetable and arrangements for the ongoing engagement with stakeholders during implementation²⁷⁴. This includes the messages, audiences, timing responsibilities, communication channels and feedback processes. (See Annex for a tool and questions to assist this process)

It is a manager's responsibility to ensure that office-based senior staff are aware of communication requests and have the opportunity to review drafts before they are issued to stakeholders²⁷⁵. In addition, communication should be coordinated throughout the office (and relevant headquarters divisions, such as those concerned with donor relations) to ensure that all relevant parties are provided with adequate and consistent responses, as the need arises.

Monitoring the communications strategy - Measuring the effectiveness of stakeholder engagement is often overlooked, even though it is critical for successful communication²⁷⁶. Messages can be lost or misunderstood, especially in the culturally diverse environment within which ECA and its initiatives operate around Africa. It is, therefore, important to monitor whether the initiative's messages are received as intended and are achieving the desired results. A simple way of measuring effectiveness is through regular stakeholder satisfaction surveys, which cover questions on the stakeholder's support of the programme or project as well as questions about their observations of any outcomes (positive or negative, expected or unexpected). Regular assessments with the stakeholders will provide the necessary information to the programme team to decide if any stakeholder group should receive additional attention in the upcoming time.

As a reminder, the communications strategy will need to be periodically refined based on newly acquired information. Both stakeholders and their attitudes will change over time, and since stakeholder engagement is an iterative process that is active throughout the programme or project lifecycle, it is important to update the Strategy on a regular basis. Without this, new team members might communicate outdated messages or use wrong communication channels, which will decrease the stakeholder's trust in the programme team.

3.6.6 Knowledge management strategy and approach

Programme and project management is very knowledge-dependent. Effective integration of knowledge management is essential to successful programmes and projects. It is critical to incorporate knowledge management throughout the programme and project management life cycles by ensuring that a knowledge management process and systems are in place and capturing all the knowledge assets of every programme and project.

Knowledge management services provided through the Knowledge Services Section of the Public Information and Knowledge Management Division (PIKMD) in ECA will:

- Offer guidance, tools and services to assist programmes and projects to identify, capture, document and disseminate programme and project management knowledge and information products
- Ensure that all who are involved in programme and project management have the latest and relevant information related to the various phases of programme and project management

²⁷³ ITU (2013) Project Management Guidelines

²⁷⁴ BIS (2010) Guidelines for Managing Programmes: Understanding programmes and Programme Management

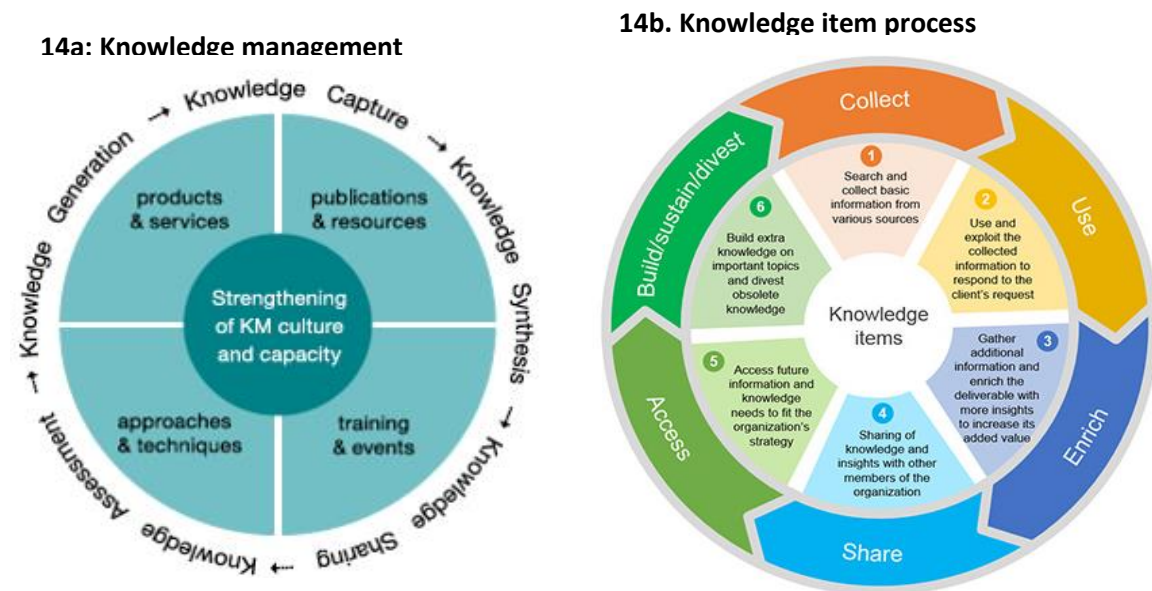
²⁷⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁷⁶ UNOPS (2016) Programme Management Guidance Draft

- Increase the visibility of knowledge and information from programmes and projects and their accessibility to the Commission, its partners and other stakeholders
- Develop a single, accessible body of knowledge on ECA programme and project management to facilitate consulting, sharing, monitoring and evaluation and auditing of the Commission’s practices as they relate to programme and project management
- Create awareness of programme and project management and assist with the sustained follow-up of programme outputs after project delivery and completion
- Ensure that tacit knowledge, lessons learned and best practices are documented and shared so that they contribute to new programme and project designs
- Enable accountability of all the Commission’s programme and project management activities through sound records management.

The above will be made possible by strengthening the Commission’s knowledge management culture through application of the knowledge management cycle (see Figure 14a). Knowledge products and services will be identified across all the programme or project phases (programming, inception, analysis, formulation, implementation and lessons learned) with appropriate techniques and approaches. All knowledge items will be reviewed and the processes applied, as seen in Figure 14b.

Figure 14: Knowledge Management cycles



Training and learning resources will be provided to ensure that knowledge management is mainstreamed into programme or project management. In addition, a knowledge-sharing e-platform will be developed that will enable easy access to information resources on programme and project management, including research, knowledge guides, tools, promotional materials and best practices. This platform will include tools and activities to facilitate knowledge networking and collaboration amongst peers and partners in the form of a programme and project management “community of practice” (COP).

The Knowledge Services Section will work with programme or project managers at the conceptualization stage to:

- Develop a high-level strategy document on knowledge management, focused on programme and project management activities and processes (what, where, and how)

- Develop checklists of knowledge management products and tools for each stage of the programme and project management cycle
- Work with project management officers to understand their information and knowledge needs and address any challenges related to knowledge management.

3.7 Complete programme, project document

3.7.1 Programme and proposal document formats

The concluding step in programme and project formulation will be to develop a full draft of the programme and project document using the ECA template. It will include a detailed budget, ToRs and all necessary supporting documentation, such as a detailed workplan. As a rule, staff members should use the standard ECA format for programme and project documents, as outlined in Annex. However, in cases where the donor insists on a specific format, for example, when the European Commission is the donor, the programme and project documents should also fulfil the donor's particular requirements.

3.7.2 Proposal accountability

It is a requirement that any programme or project implemented by ECA should always be subject to United Nations rules and regulations. It will be necessary to agree on a provision guaranteeing acceptance of the application to the United Nations rules and regulations governing the implementation of technical cooperation programmes and projects. Relationships with donors and other funding institutions must be formalized through memorandums of understanding and letters of agreement to pave the way for smooth collaboration.

3.8 Appraisal and approval

3.8.1 Overview of appraisal

The appraisal process for programme or project documents is an analytical assessment of the proposed project design to ensure that ECA standards for development cooperation have been met and that the proposal is consistent with the objectives and priorities of the Commission and with national development frameworks and donor criteria before a proposal is presented to a donor to obtain resources. Appraisal is an important quality assurance check within the project cycle.

Appraisal is a key step in the ECA approval process, and it is compulsory for every programme and project, regardless of funding source. The primary criteria are relevance (to the Commission's strategic objectives and to national priorities), management feasibility, technical soundness, sustainability and adherence to the Commission's programming standards.

Appraisal: "an overall assessment of the relevance, feasibility and potential sustainability of a development intervention prior to a decision of funding" [OECD, 2002]

Appraisal not only helps improve efficiency by strengthening project design, but also helps ensure programme and project accountability. Appraisal functions:

- Quality assurance of proposals in coordination with the originating and technical divisions and SROs, with a focus on the results chain and how well the programme or project fits within the overall strategic priorities of ECA
- Internal clearance and coordination with management and support services (including finance, procurement, HR, security and communications) for preliminary advice at the design stage of the programme or project
- Transparency, information-sharing, and promotion of integration - through increasing potential synergies between projects, regardless of funding source.



Figure 3.8.1 Key issues checked in the appraisal process²⁷⁷

During programme and project design, the appraisal is carried out at two levels:

- a) The first check is a self-assessment, carried out by the design team using a checklist²⁷⁸ and following the ECA programming principles²⁷⁹ to ensure that all essential quality criteria are being addressed;
- b) The second quality check is an independent assessment, carried out by the Quality Review Committee. The members of the Committee have no direct responsibility for the proposal and have not participated in the design process. They independently examine the proposed project using an appraisal checklist and provide suggestions for improving its design, in terms of both technical and management issues.

3.8.2 Technical quality appraisal and approval process

The ECA Quality Review Committee (QRC) is an in-house peer review committee that gives comments and feedback to the subprogramme responsible for developing the proposed project or programme. The Committee consists of senior managers and some staff members responsible for key issues in the Commission. It will have a calendar of regular meetings, which will include transparent information about deadlines for submission for a programme or project to be considered in each meeting.

²⁷⁷ ILO (2013) RBM tools: Evaluability Assessment, Quality and Appraisal Mechanisms (TC projects, DWCPs)

²⁷⁸ See Annex [###].

²⁷⁹ See box 2 above.

All ECA programmes and technical cooperation projects²⁸⁰ with a budget greater than \$250,000 must go through a process of being presented to and approved by the QRC at the stages of CNs and programme and project documents. The Committee is also responsible for reviewing business plans, programme documents and SPRFs for ECA's specialised centres. The procedure for programme and project appraisal by the QRC is as follows:

- a) The draft CNs for a programme or project, and the programme document and the project document are sent by the originating division, the SRO or IDEP to the Chair of the QRC through the Secretary of the Committee, ahead of the deadline for submission to the next Committee meeting. It is also possible to request a special meeting, for example, for very large projects or projects contingent on an urgent timetable with an engaged funder. The CNs, programme documents and project documents should be with the Secretary at least two weeks before the meeting to allow enough time for members to review them. Ideally, meetings will be convened to assess more than one CN, programme document or project document at a time.
- b) The Secretary of the Committee sends the CNs, programme documents and project documents to all members of the Committee, either electronically or in hard copy (printed). The CNs, programme documents and project documents should also be sent electronically to the SROs, who will have the opportunity to submit comments electronically before the meeting.
- c) At the meeting, the staff member responsible for the CN, programme document or project document will present the programme or project. All participants are given the chance to comment on drafts in the meeting. The Secretary will inform the meeting of comments (if any) submitted in advance by other staff members who are unable to attend, including from SROs. If a member of the Committee is unable to attend the meeting, she or he should nominate another staff member of the division or section to act as a stand-in.
- d) There are four possible conclusions from the Committee: (1) approval as presented; (2) endorsement on the condition that comments laid down in the minutes of the meeting are incorporated into a new version of the CN, programme document or project document; (3) the Committee may determine that the CN, programme document or project document needs to be reformulated and re-submitted, and gives critical advice towards that end; or (4) rejection, as the programme or project is inappropriate for the Commission.
- e) It is the duty of the Secretary to write up the minutes of the meeting. Draft minutes should be circulated among those present at the meeting for comments with a short deadline for their responses. When the Chair of the Committee decides that the minutes are final, they are circulated to all members of the Committee, including those who were unable to attend.
- f) It is now the task of the presenter or the responsible subprogramme or office to amend the CN, programme document or project document in accordance with the conditions laid down in the minutes of the meeting, and send it to the Secretary of the Committee for review.
- g) The Committee Secretary will review the new amended CN, programme document or project document. If it is satisfactory, when checked against the comments decided by the Committee meeting, the Secretary will recommend it to the Chair for signature.
- h) After being formally endorsed by signature of the Chair of the Committee, the Secretary will forward the approved proposal document to the Secretary of the ECA ACABM for a funding review in the case of projects funded through the RPTC and extrabudgetary funds.
- i) The Strategic Planning and Operational Quality Division will be responsible for notifying the lead division (programme manager), the project design team (project manager) and the Partnership and Resource Mobilization Office of the approval status, so that they can now

²⁸⁰ Note: "Event" proposals will have a separate template and appraisal and approval channel via the Advisory Committee on Administrative and Budgetary Matters.

move ahead to explore funding opportunities. SPORD will also enter the project document into the ECA internal database of projects as a “pipeline” project.²⁸¹

Programme or project quality standards and review criteria

Summary list: Programmes and projects must meet the following 10 general criteria to be successful in the appraisal process.

- 1. Feasibility and technical quality:** The programme or project must be feasible in terms of specified results, time frames and resources. The desired outcome can be achieved within the programme or project boundary and within the capacity of the Commission and available partners. The programme or project must also be technically sound and up to date in its thematic focus area and strategy.
- 2. Coherence and coordination:** The programme or project must be based on an approved programme framework and must support an approved expected result within the programme budget. The programme or project should complement other existing ECA programmes and projects. Proposed arrangements for implementing the programme or project must demonstrate a commitment to cooperation across different divisions and the optimal use of expertise from the Commission’s divisional and SROs. All structures for implementation, governance and execution must be clearly identified, with an organizational chart (organogram) for the programme or project.
- 3. Relevance:** The programme or project must respond to problems that the stakeholders experience and must demonstrate relevance to the Commission’s strategic objectives. The geographical location and relevant management arrangement for the programme or project must maximize support for the Commission so that it can achieve the expected results within the approved programme budget.
- 4. Stakeholders:** The programme or project must clearly identify and engage with stakeholders, including target groups and beneficiaries.
- 5. Budgeting:** The programme or project must be cost-effective in preparation, and demonstrate that the benefits to be achieved through its implementation will exceed the costs. Expectations must be reasonable that resources can be mobilized; 100 per cent of financing resources must be identified and confirmation letters obtained from all probable co-funders. The budget must be adequate to the task, including covering the expected duration of the programme or project. The duration should also include at least six months for inception, and six months for financial closure (although see elsewhere about “event management”, as event arrangements tend to have shorter timetables). All budget figures should be correct, meet standards and be consistent throughout the document.
- 6. Accountability:** The programme or project must clearly show the anticipated lines of authority and accountability, including the roles and responsibilities of the division, SRO and partners.
- 7. Risk management strategy:** Programme or project risks must be clearly identified in a risk register. Feasible and appropriate plans must be presented for mitigating and managing the risks foreseen. Ideally, the residual risk after mitigation should be nil.
- 8. Monitoring and evaluation:** The programme or project must include an effective monitoring plan for tracking progress against outputs and outcomes, and tracking delivery by divisions, SROs and partners. An evaluation plan must be clearly articulated to support performance management.
- 9. Cross-cutting issues:** The programme or project must address potential outcomes and impacts on environmental, economic and social conditions, and must respond to gender-

²⁸¹ The status will be changed to “active/ongoing” once funds are released and the project is entered into the Umoja system (see Phase 5 below).

related issues. It also needs to have a strategy for identifying and responding to unintended consequences or outcomes, whether positive or negative.

10. **Sustainability and replicability:** The programme or project document must demonstrate that the benefits generated by the programme or project are likely to be sustainable, and that implementation arrangements have been thoroughly considered that will increase the ability to replicate the programme or project.

3.8.3 Financing and administrative review

This phase is where the financial and administrative implications of proposed programmes and projects are reviewed at the portfolio level. The ACABM is the accountable body overseeing the portfolio²⁸² of the Commission. The core task of the Advisory Committee is to consider the financial and administrative implications of each proposed programme and large project for the resources of ECA and its capacity to deliver and meet its organizational objectives. Financial implications may involve consideration of overheads for projects resourced through extrabudgetary funds and potential waivers, for example, for very promising projects, matching funds and co-funding arrangements. Administrative implications may include consideration of current workloads, the capacity of institutional systems and the phasing of implementation. While the QRC has focused on the internal qualities of the individual proposal, the review by the Advisory Committee will examine the financial and administrative implications for ECA across the whole Commission.

Those proposing programmes and projects to be reviewed by the ACABM will be required to submit a completed template that includes a programme or project summary sheet, a risk register, a resource and inputs plan (budget) and a set of questions focused on implications.

Principles and criteria for final approval

Programme and project proposals will not be approved by the Commission management for implementation until:

- The technical quality of the proposal has been appraised and endorsed by the relevant SRO or offices, the accountable division and the Quality Review Committee
- The portfolio implications of the proposal, with its risk register and resource and inputs plan (budget) have been reviewed and endorsed by the ACABM.

Possible decisions of the Advisory Committee:

- a) Approval with no contribution of additional funds, for example, for the business plans of ECA's specialised centres when donor funding has already been committed;
- b) Approval with some contribution of ECA funds, such as direct funding or co-funding using extrabudgetary, DA or RPTC resources. These approved proposals will be referred to the Partnership and Resource Mobilization Section to negotiate contribution agreements (with the funder) and financing agreements (with the implementing partners);
- c) Approval contingent on the acquisition or release of funds, so that the proposal retains "pipeline" status. These proposals will also be referred to the Partnership and Resource Mobilization Section so that they can be prioritized for mobilizing resources;
- d) Approval contingent on making specific amendments, such as using appropriate mitigation arrangements to address risks that had not been identified in the written proposal or restricting the pace of implementation or the duration of the programme or project on the basis of limitations in organizational capacity. The design teams for such proposals will be

²⁸² According to the Association for Project Management, "Portfolio management is the selection, prioritization and control of an organization's projects and programmes in line with its strategic objectives and capacity to deliver. The goal is to balance change initiatives and business-as-usual while optimizing return on investment." See <https://www.apm.org.uk/body-of-knowledge/context/governance/portfolio-management/>.

expected to address the comments in written resubmissions to the Secretary of the ACABM. The Secretary will review the amended proposal and will recommend it to the Chair for signature if it is found satisfactory when checked against the comments made by the Advisory Committee.

3.9 Agreements and partnering

3.9.1 Technical cooperation agreements

The Commission engages in programmes and projects that are aimed at fulfilling its mandate and objectives. For this purpose, it receives contributions from donors and seeks to implement its programmes and projects in cooperation with implementing partners (IPs). Agreements are necessary to establish a legal framework, to ensure smooth implementation of the programmes, projects and activities, to protect the organization and its staff members and to facilitate monitoring, evaluation and lessons learned. ECA negotiates and engages in four types of technical cooperation partnership agreements (see table 12 below).

Table 12: Technical cooperation partnership agreements in ECA

General framework agreement	Tripartite agreements or multi-partner cooperation arrangements	Contribution agreement (cost support agreement)	Financing agreements (implementation agreements)
ECA + organizational partner	ECA + pool of partners	ECA + donor or funding partner	ECA + implementing partner
<ul style="list-style-type: none"> Broad partnership framework, such as a memorandum of understanding (MoU) Long-term agreement for technical cooperation (usually 3 to 5 years) Based on comparative advantages and complementarities Defines the objectives, areas and mechanisms of cooperation No financing involved Not legally binding. 	<ul style="list-style-type: none"> Multi-year arrangement that involves more than two partners, such as programmes under the Climate for Development in Africa (ClimDev) initiative or South-South triangular cooperation Is usually multi-year Can include funding and non-funding partners in a collaborative arrangement Complex governance arrangements, for example, a secretariat function for coordination, technical issues and financing, with political advocacy roles assigned on the basis of comparative advantages. 	<ul style="list-style-type: none"> Short-term or medium-term agreement for technical cooperation (usually 1 to 3 years). This can take the form of a joint financing arrangement, a MoU or a letter of agreement (LoA) Well-articulated project document or CN, a budget based on results with log frame and reporting templates Defined roles for partner organizations, including co-financing, monitoring and evaluation, project governance, and others May serve for conduit (pass-through) arrangements Legally binding. 	<ul style="list-style-type: none"> Short-term agreement for technical cooperation (1 year) Project document/ CN, results-based budget with log frame reporting templates The funding involved is tied to deliverables (ideally 30% is paid in advance, the second instalment is 40%, the third instalment 20% and the last instalment 10%) There is a due diligence process for selecting IPs Outlines detailed recipient obligations, such as securing financial records Legally binding.

3.9.2 Partnership issues

Partnerships are essential to enable the Commission to deliver significant results, have a wide outreach and achieve impact in advancing Africa's agenda on structural transformation and economic policy. Partnerships are a platform for leveraging resources and the Commission's comparative advantages. As such, partnership activities must be consistent with the Commission's vision and business model, mutually beneficial and in line with the guiding principles articulated in the Commission's Partnership Strategy (see box 7 below). The Commission makes every effort to

avoid, at all costs, partnerships with institutions whose objectives or operational modalities are not in line with its values or mandate, or with established United Nations rules and regulations, and that may in any way bring its credibility into question with member States and funding partners.

Box 7: Guiding principles in the ECA Partnership Strategy

All partnerships and partnership arrangements with ECA should:

- (a) Be aligned with ECA's objectives and priorities in providing opportunities for innovation and deepening of the Commission's work in its niche areas of policy research and knowledge delivery (*Principle of alignment*);
- (b) Be built on shared values and complementarity of purpose (*Principle of complementarity*);
- (c) Be driven by a focus on results (*Principle of results orientation*);
- (d) Offer mutual benefits, exploit synergies and build on the comparative advantages of all partners involved (*Principle of mutuality and balance of advantage*);
- (e) Add value (*Principle of value addition*).

The Commission enters into implementing partnership agreements with the following six categories of organization:

- African Union Commission, African Development Bank and League of Arab States
- Member States and regional economic communities
- United Nations regional commissions, agencies and programmes
- Development partners
- Non-State actors
- Agencies for South-South and triangular cooperation

What an IP is:

A government or non-governmental agency engaged as an entity responsible and accountable for managing and delivering an agreed project, on behalf of the Commission, and as provided for in a legal instrument, with the Commission funding and providing technical oversight. The IP takes full responsibility for the programmatic and operational aspects related to the agreed project, including delivery of outputs, achievement of results and timely submission of programme and financial reports.

Relations are based on common values and objectives. Implementing partners are expected to bring to the joint delivery of projects added value, awareness of local conditions and access to a network or technical expertise not available in the Commission. Each IP is expected to make its own contribution of expertise, staff or resources to the achievement of jointly defined results.

Before funds are transferred to IPs, it is expected that governance structures and other measures of accountability will be established to ensure that funds will be used efficiently, for the intended purposes, and with minimum risk of fraud, corruption or mismanagement. Agreements signed between the Commission and the IP must not have the purpose or effect of producing a profit for the IP.

What IPs are not:

The following categories are not considered as IPs in ECA:

- Institutions engaged to deliver goods, services or other work, for example, a training firm engaged to deliver a training programme to staff, an evaluation firm engaged to undertake a mid-term review, or a firm engaged under a service contract for holding conferences at the United Nations Conference Centre.
- Grant recipients that receive funds from the Commission to implement their own projects.

- Subcontracting entities engaged to bypass the application of United Nations rules and regulations, such as rules and regulations on procurement.

*Pre-engagement assessment of IPs / Due diligence assessment*²⁸³

Objectives of assessment

- evaluate potential IPs with a view to determining if they are “best-fit” with respect to delivering defined project outputs and activities; and
- assess internal and external risks associated with engaging the IP for purposes of prioritising the risks and mitigating their potential impact by putting in place the required controls

Purpose of IP selection process

- vetting of the IP in terms of compliance with established criteria (such as legal personality, capacity and technical expertise; adherence to UN rules and regulations; adequacy of their internal control frameworks, financial management capacities etc.);
- allowing risk assessment to identify gaps and risks and how they could be addressed through risk mitigation measures that will be reflected in the legal instrument governing the partnership
- ascertaining if the proposed IP meets the minimum requirements for engagement and, if the partnership can proceed

Benefits of IP pre-engagement assessment

- protect ECA’s investments and reputation;
- ensure that agreed outputs are delivered on time and within the agreed budget; and
- get assurance that channelled UN/ donor funds will be managed in accordance with acceptable fiduciary standards and stringent procedures.

The Project Manager should carry out due diligence process. The process provides an opportunity to review the proposed partnership, and manage potential risks and opportunities. It also helps to address audit issues by examining the credentials of the partners and review potential conflicts of interest²⁸⁴.

To perform the due diligence check, the Project Managers need to collect relevant information on the proposed partner including²⁸⁵:

- Legal status of the partner institution;
- The potential partner’s performance during previous experience with ECA;
- Evaluation by other organizations; and
- Audit reports or financial statements from previous years (required of external partners implementing subsets or whole projects with ECA funds).

For high-risk projects there may be additional due diligence requirements. High-risk projects are those that present an increased political, financial, or reputational risk to ECA because of their nature, size, political sensitivity or other inherently risky characteristics²⁸⁶. High-risk projects may be subject to an audit and the Project Manager should ensure that this cost is included in the budget.

See Phase 4 below and the ECA PRMS document entitled “Guidance note on selection and engagement of IPs” for current guidance on partner selection and management.

²⁸³ ECA (2017) Partnering & Partnership Instruments

²⁸⁴ UNEP (2013) UNEP Programme Manual

²⁸⁵ UNEP (2013) UNEP Programme Manual

²⁸⁶ OSCE (2010) Project Management in the OSCE: A Manual for Programme and Project Managers. Organization for Security and Co-operation in Europe

4 Phase 4 - Implement

4.1 Overview of implementation

Once a programme has been designed and approved, it is ready for implementation. Implementation is the stage of managing inputs to undertake activities in order to achieve outputs, which contribute to outcomes – as articulated in the results framework and documented in work plans. Careful management of all aspects of programme delivery is crucial for the efficient and effective achievement of results²⁸⁷. Effective implementation depends on a thorough selection of implementation strategies, modalities and partners. It also entails tracking progress against time, budget and scope. Managing and mitigating risks is another important element of implementation. Effective implementation is fundamentally about creating the planned change in pursuit of outputs and ultimately outcomes and impact. Implementation is where programme plans come to life and engage with different functional areas in ECA and with partners to achieve results.

The overall process of implementation is iterative (that is, it involves continual adjustment and refinement)²⁸⁸. To decide on the best implementation approach, input requirements and the time needed to undertake activities may have to be estimated for more than one implementation strategy (such as advocacy and communication for development). Strategies refer to a course of action needed to achieve planned results. Strategies bring coherence and interconnectedness to activities to reach intended outputs, against agreed standards, and reduce the likelihood of fragmented action.

Project implementation encompasses a set of actions aimed at achieving the project objectives as planned and agreed during project design, and as contained in the approved project document. These include:

- Mobilizing project inputs in the quantity and quality required, and in a timely manner
- Carrying out activities to produce the project outputs required to achieve the project outcomes
- Monitoring delivery of outputs and outcomes as beneficiaries make use of the project outputs.

Principles to guide implementation

A number of key principles provide useful guidance for programme or project implementation²⁸⁹:

- **Stakeholder participation.** The engagement of stakeholders is a key ingredient throughout the RBM cycle and builds ownership of the programme or project design and implementation. Ensuring strong stakeholder participation in all substantive implementation analyses and decision making is fundamental to sustainability.
- **Being iterative and adjusting along the way.** Results-based management means being flexible with your strategies. If your activities are not yielding expected results at the output and outcome level, then you will need to modify your strategies and activities.

²⁸⁷ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁸⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁸⁹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

- **Transparency.** ECA should ensure that its management of programmes and projects is undertaken transparently.
- **Efficiency.** Value for money is fundamental to ensuring both the efficiency and the effectiveness of your intervention. Maximizing outcomes and impact at reasonable cost is the goal.
- **Evidence-based:** Data should be used to steer implementation choices, such as key considerations about cost, speed, quality, national ownership, governance and dependencies on other entities for any aspects of the implementation.

4.2 Readiness for implementation

Readiness assessment for implementation

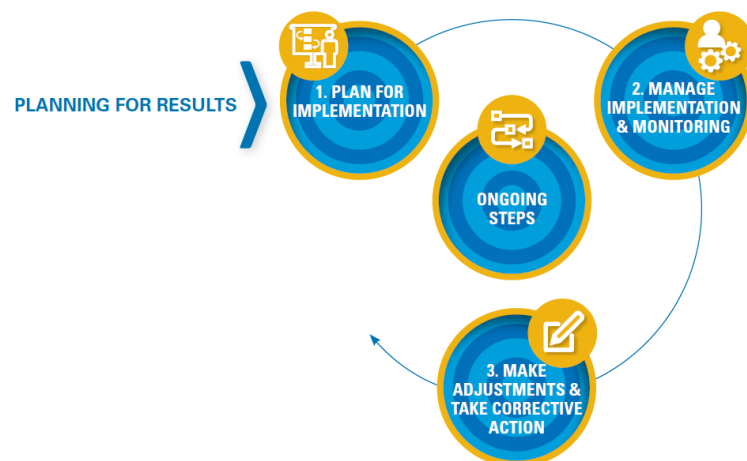
Here are some important self-assessment questions for programme or project managers when they are about to embark on implementation²⁹⁰:

- *How can I focus my work plan on results rather than activities?*
- *How should we organize ourselves to achieve results established in our initial plans?*
- *How can we ensure a focus on equity, gender equality and inclusion throughout implementation?*
- *How will I manage resources effectively and efficiently so that we achieve results as planned?*
- *What adjustments need to take place to better achieve expected results?*
- *What does risk monitoring tell me? Do I need to adjust risk mitigation, including preparedness measures, to achieve and protect expected results?*
- *How can I ensure continuous learning and feedback based on the extent to which we are achieving development results?*

4.2.1 Work plans

Work plans are the means through which multi-year plans for programmes and large projects are made operational. For this to happen, programme and project managers work with partners to develop work plans that define essential activities and their estimated costs and budgets, roles and responsibilities, and timelines²⁹¹. The work plans are then implemented (mostly in conjunction with partners), and their progress is monitored.

Figure : Illustration of key steps in results-based implementation²⁹²



Work plans help you operationalize your results framework on an annual, multi-year or rolling basis. It is critical that work plans do not turn into a shopping list of activities but are closely aligned to your

²⁹⁰ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁹¹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁹² From: UNICEF (2017) Results-Based Management Handbook: Working together for Children

outputs and outcomes as defined in your results framework²⁹³.

Beware of skipping the work plan step. Often, the pressure to get fast results encourages people to skip documenting plans and get right to implementation of the tasks. Although this strategy can create a burst of immediate activity, it also increases the likelihood of waste and mistakes. It also does not provide a baseline to subsequently monitor performance of the programme or be ready for any evaluation.

The documented plan (whether it is a work plan or a more detailed micro plan to support the implementation of activities) provides the basis for implementation and monitoring and should include:

- Scope of effort (outcome/output/indicator);
- Activities to be implemented during the implementation period;
- Partner responsible for implementation;
- Required timelines;
- Planned budget.

As can be seen in the work plan template in Annex , each key outcome and output is subsequently outlined and corresponding activities are articulated. These activities should closely respond to the priorities and results as laid out in the programme or project document. Other components to be documented in the work plan are the arrangements for monitoring, quality assurance and feedback points. This will help ensure that results are being achieved as planned, resources are being utilized for their intended purpose, and perspectives from programme stakeholders and communities are being fed back for timely decision-taking. Monitoring, quality assurance and feedback are often addressed in meetings and regular reviews that may be scheduled quarterly or every six months.

The development, implementation and monitoring of work plans is undertaken with existing policies, procedures and guidance in mind and with the support of management tools and systems²⁹⁴. During implementation, managers bring together the relevant expertise within offices to achieve results articulated in strategic plans (MTPF, Country of Focus Documents, and UNDAFs). Given ECA's range of programming and operational contexts, effective implementation requires the ability to dynamically draw on specific technical tools and management and social skills while demonstrating a deep understanding of issues relevant to the specific context.

Work plans are not created in a vacuum, but should involve implementing partners and other key stakeholders. Working together to determine the most relevant strategies and activities is an essential part of implementation. Ensuring that all parties have a keen understanding of and buy-in to the expected results is critical to building strong RBM systems. In order to make well-informed decisions during planning, managers must bring together relevant colleagues (such as programme, communications, monitoring and evaluation, operations and supply specialists) throughout the implementation process to seek their expertise and collaboration. Such an integrated approach ensures that the work plan is informed and acted upon by the right resource persons. The final product is one that is owned by the entire programme team, including with those who are directly responsible for carrying out activities – the implementing partners.

Finalising the work plan

Consider the following when finalizing work plans²⁹⁵:

²⁹³ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁹⁴ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁹⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children

- Ensure activities will be sufficient to achieve the desired outputs (vertical logic).
- Review horizontal logic of outputs and indicators in light of the activities (Will they move the indicator?) and meet identified appropriate targets, such as the annual target.
- Will activities be financed from regular resources or other resources? Are there any funding gaps?
- Once plans have been developed outside the management system, do annual work plans/rolling work plans align with the initial results structure? And can they be readily uploaded to the Umoja programme management system?
- What quality assurance processes exist to ensure the quality and coherence of work plans?

4.3 Start-up tasks for implementation

When the relevant agreements have been signed, and funds provided, implementation can begin. The date of the signature for approval by the donor is the date of initiative commencement.

4.3.1 Start-up review by programme or project manager

Identify strategies and activities needed to achieve planned outputs

Implementation strategies and broad activities may have been discussed with stakeholders during proposal design, especially during the development of the theory of change. At the time of implementation, the manager will need to take into account the discussions held during the programme planning and design process and further consider²⁹⁶:

- **Organizational policies and guidance** - Do any policies (national, ECA or UN) exist that prohibit or encourage specific activities? Is there guidance for undertaking specific activities?
- **Historical and technical information** - What activities were actually required to achieve previous similar outputs? What have been the best practices identified in previous programmes?
- **Constraints** - What factors will limit options for activities (such as financial resources, time, geography, access or security)?
- **Assumptions** – what positive factors need to be validated, such as those identified during the development of the theory of change and other operational assumptions, such as when resources will likely become available?
- **Expertise and action** – what support is required to carry out activities? E.g., from other units in ECA or the UNCT, implementing partners, consultants, or stakeholders?
- **Environmental sustainability** – are there any possible unintended positive and/or negative impacts on the environment?
- **Capacity development approach**: Will the proposed activities contribute to fostering resilience, the humanitarian development continuum, and removing the gender and equity divide?

Human resources review - Managers will need to ensure that the right personnel are in place to properly implement the programme or project²⁹⁷. Knowledge and experience with RBM is increasingly in demand, and staff engaged by a programme should possess basic RBM skills, such as familiarity with results frameworks, theory of change, monitoring plans, collection of data and results-based reporting. Staff should also be continuously supported to strengthen their ability to

²⁹⁶ UNICEF (2017) Results-Based Management Handbook: Working together for Children

²⁹⁷ UNICEF (2017) Results-Based Management Handbook: Working together for Children

apply RBM principles and tools. Additionally, managers will need to review the staffing and skills sets identified as a part of the implementation planning step to determine whether there are any gaps that will require short-term resourcing (such as consultancies and temporary appointments).

4.3.2 Inception phase

Inception meeting with stakeholders

Project managers should hold an inception review meeting at the time of programme or project start-up to bring the members of the team and the external partners together, aiming to reach a shared understanding of the implementation tasks. In addition, while plans for the organizational and management arrangements of the programme or project would have been clearly laid out in the appraised and approved initiative document, by the time implementation starts, the realities on the ground may have shifted. Keeping in mind the need for adaptive management, the tasks and results of an effective preparatory meeting will include:

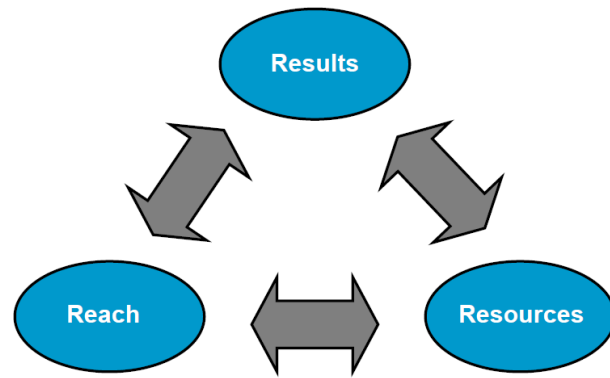
- **Design review** - Project partners and staff become familiar with the design of the project, including the theory of change, and share its vision, approach and methods to achieve the stated results. The log frame and workplan are revisited and updated or fine-tuned if needed. Linkages with relevant ongoing or planned projects are assessed;
- **Accountability arrangements** - All projects must have structures in place that define roles and responsibilities and ensure accountability. A good tool for this is an accountability framework, such as a RACI matrix that shows the allocation of roles and responsibilities by four functional categories: Responsible, Accountable, Consulted, and Informed (RACI). The matrix should include the roles of the project manager, the programme management officer, the project steering committee, IPs and the programme assistant, as well as links to the lead division and SPORD (see example of a RACI matrix in Annex.
- **Financing review** - The budget (all sources of funding) must be understood by all. Any co-financing for the first year of the project from project partners must be verified and confirmed. Members of the project team should become familiar with the substantive and financial reporting processes, agree on formats and quality standards, and understand the rules for budget revision. Ensure that external partners are familiar with the Commission's rules and regulations.
- **Procurement and recruitment plans** are finalized with input from the Division of Administration, as needed.
- **Communication strategy** - lines and methods are agreed upon, including audience segmentation and feedback loops.
- **A monitoring and evaluation plan** is agreed upon and its costs known, with inputs from SPORD on monitoring plans and from the Evaluation Section in SPORD about evaluation plans. The plan for establishing baseline values and setting targets is verified. A plan is agreed for filling any gaps concerning baseline data and the costs of this are clarified.
- **Project risks** are re-assessed and the risk management plan in the project document is validated or updated.

The meeting concludes by confirming the implementation plan in the project document with the project team, including partners, and formally committing to it before implementation begins.

Balancing between the three 'Rs': Results, Reach and Resources

Once a project is designed, it can be useful to check and improve it against the three "Rs" concept – namely, establishing a balance between three variables: **Results** (encompass both outputs and outcomes), **Reach** (the geographical scope and aim, breadth and depth of influence and cooperation

with key stakeholders (direct beneficiaries and key partners)) and **Resources** (financial, human and institutional resources that are directly or indirectly invested in the activities). Unrealistic project plans often suffer from a mismatch among these three key variables. The balance of the 3 “Rs” can be checked by moving back and forth along the project structure and by ensuring that the logical links between the results, reach and resources are respected.



Find a good balance among the three Rs

Figure : Find a proper balance among the three Rs

Whenever feasible an inception phase should be encompassed in all projects allowing to undertake a needs assessment to review the project elements and in particular refine among others the Results Framework and implementation strategy. Accordingly, the project document along with the Results Chain, situation analysis with the resulting problem tree, intervention logic and Theory of Change, Timeline by key activities, roles and responsibilities, Monitoring and Evaluation (M&E) framework and Evaluation plan tools should be provided for review and agreement to the key stakeholders participating to the inception workshop.

Start-up tasks after the inception meeting

The project manager starts implementation by carrying out the following tasks in cooperation with the project team:

- Review of the workplan and budget for the first year, together with the project team members, partners and supervisor;
- Setting up of a first steering committee meeting, where this is required;
- Setting up the project filing system, where electronic copies of all project implementation documents will be recorded and kept;
- Finalization of contracts (financing agreements) with implementation partners and finalization of co-financing arrangements;
- Allocation of the budget in the light of the secured funding.

Project steering committee (if needed)

A project steering committee may be established to provide additional management guidance during project implementation. If the project needs a steering committee, the ToRs for the committee should be prepared before project implementation starts, including a regular meeting schedule (often once a year). The composition of the steering committee may vary depending on the nature of the project. It is recommended to keep the size small, with less than 10 members. Members of the steering committee should be selected in such a way that they bring balanced and diversified perspectives and areas of expertise to the committee, and should have sufficient authority and experience to guide the project during implementation. Often these members will come from related partner agencies and stakeholders. A typical project steering committee will include one representative from the Commission, one from an IP, two technical experts on the subject of the project, one donor representative and relevant government representatives.

Estimate the cost of activities, based on input requirements

Input planning involves determining what resources (people, cash and supplies) and what quantity of each resource should be used and when it is needed to implement activities. In ECA, there are three primary types of inputs: technical assistance, cash and supplies.

Technical assistance - Identifying the skills and competencies needed to execute activities is a critical component of input planning. This process starts during the formulation of the programme or project proposal. When specific skills sets do not exist (or the number is not sufficient) in an ECA office, then the skills need to be obtained through staff training, or outsourced via consultancies, temporary appointments, institutional contracts or partnering. The types of human resources required will also depend on the type of implementation strategies and approaches chosen. For instance, when activities are completely outsourced to a vendor or undertaken by a partner, then skills in project management, contract management and oversight become more important for ECA staff.

Cash - Managers sometimes think of cash requirements as the amount of cash to be transferred to implementing partners. However, the cash requirement of an intervention is an estimate of *all costs required to implement the planned activities*. A **cost estimate** is an approximation of the probable cost of completing activities on the basis of available information. There are two types of cost estimates that programme or project managers will need to contend with during implementation:

- **Budget estimate:** An approximation based on well-defined (but preliminary) cost data and established procedures. Mostly used for implementation planning and activity-level monitoring.
- **Firm estimate (and not-to-exceed/not less than estimates):** A figure based on cost data sound enough for entering into a binding contract. Mostly used when entering into institutional contracts with vendors.

Typically, cash requirements include consideration of both the direct and indirect costs. Examples of **direct costs** include:

- Salaries and benefits for staff members working exclusively on one programme or project;
- Travel expenses and personal equipment costs attributable to these staff members;
- Supplies and materials for particular programmes or projects;
- Rent, where the programme or project uses a particular facility exclusively;
- Contract fees for vendors for services and goods;
- Cash required to be transferred to partners.

Indirect costs are costs shared across several programmes and include any expenses that are not directly tied to the operation of a specific programme or project. Examples of indirect costs include:

- General administration and management expenses (such as management staff salaries and benefits)
- Infrastructure costs (such as rent and utilities, transportation and technical licenses)
- Other costs that are incurred for the benefit of all the programmes within the Commission (such as communication costs).

Supplies – Once implementation planning is complete, the manager works to obtain inputs so that activities can be implemented and monitored according to the work plan. Obtaining and managing inputs should be carried out in compliance with ECA's policies, procedures, processes and systems. The manager's level of understanding of organizational policies, procedures and processes as well as

her or his ability to utilize required systems will directly impact the effectiveness of the programme²⁹⁸.

Early supply planning, undertaken in a collaborative manner with relevant stakeholders is one of the most important ways to leverage successful supply operations. To achieve effective and timely programme implementation, ECA managers should incorporate the planning and review of supply components at key stages in the programme design, budgeting, implementation, monitoring and evaluation processes. The active and early involvement of supply and logistics staff in these decisions is an integral part of programme planning.

Supply planning is undertaken in conjunction with programme work plans. It is important to coordinate the supply planning process internally and with external partners to clarify to what extent supply inputs are needed and how many. It is also necessary to define how, when, where and who will run operations related to procurement and logistics. Managers will undertake planning for supply and end-user monitoring to ensure that supplies are safeguarded and received and used by the (intended) beneficiaries.

Determine the time required to carry out activities

Activity duration estimation is the process of taking information on programme activities and inputs and then estimating the time required for the purposes of scheduling. The level of effort the manager puts into understanding and documenting time requirements will vary by the size, complexity and criticality of the intervention. Activity sequencing is an important component of implementation planning and necessitates an understanding of:

- All activities required to complete the intervention;
- The time (duration) that each activity will take to complete;
- The dependencies among activities; and
- Logical end points such as milestones or deliverable items.

Activities must be sequenced correctly and accurately to support a realistic and achievable schedule. When determining activity sequencing, it is essential to consider external factors that will affect implementation timing (such as seasonality issues, key events and timelines of stakeholders). Many different tools are used to understand time requirements and to schedule team members accordingly. For a simple intervention, a calendar may suffice. A Gantt chart is probably the most widely used way to show a project schedule. It can easily be created using Word or Excel (see example figure ##).

Another important aspect of scheduling is the need to understand the lead time required to have inputs in place for enabling any activities. For example, time required to recruit staff, procure supplies, gain approvals and put funding agreements in place need to be taken into account in the overall schedule. Additionally, a milestone schedule is sometimes used to highlight significant events/steps towards realization of complex activities or results. The milestone schedule indicates timelines by which important events are expected to be completed. It can easily be created using Word or Excel.

²⁹⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

4.4 Financial management

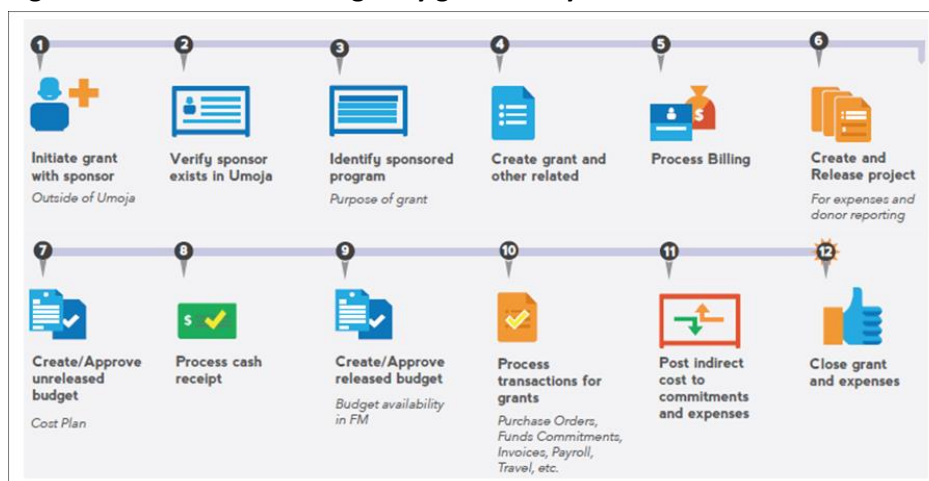
4.4.1 Programme or project start-up in Umoja

RPTC funded projects: Once the project has been approved, SPORD is notified and funds are pre-committed, in accordance with the signed agreement with the IPs. The Division then notifies the Finance Section, which reviews the supporting documents and authorizes the commitment of funds. The Division commits the funds and informs the implementing division. At this point, the project manager can request the funds and start completing the budget monitoring form. See more about financial management of RPTC funded projects in section 4.2.2 below.

DA funded projects: Once the project document has been vetted internally by the PPBSin SPORD, it is sent to the Capacity Development Office (CDO) in the Department of Economic and Social Affairs (DESA) at Headquarters. When this office is satisfied, the project structure is created in Umoja along with the appropriation. The Budget Unit in SPORD loads the detailed allotment onto the system in keeping with object lines and the appropriation. After the allotment has been posted in Umoja, it is ready to be spent on the project activities. See more about financial management of DA funded projects in section 4.4.4 below.

Project with extrabudgetary funding - If the project is resourced from extrabudgetary funds, the responsible implementing (or lead) division initiates the grant in the Umoja system, including the master data of the grant, budget and work breakdown structure²⁹⁹. The grant is set up in Umoja after approval by the Trust Fund Unit, and the work breakdown structure of is approved by the PPBSin SPORD. At this point, the project is fully on-board with Umoja and ready for implementation, disbursement and reporting.

Figure: End-to-end extrabudgetary grant life cycle



The process map (Figure above) shows the funding flow for voluntary contributions and how they are channelled through Umoja for cost control purposes. Budget reporting templates are available in Annex of this manual. See also section 4.4.5 below for financial management of projects with extrabudgetary funding.

4.4.2 Overview and introduction

Financial resources are essential to the delivery of programmes and projects and should be properly managed throughout the programme and project cycle. In each project, financial management

²⁹⁹ A detailed guideline on setting up the grant and the project structures is accessible at <http://discourse.uneca.org/t/programme-project-management>.

forms a functional area that falls within the overall responsibility of the project manager. A project manager holds the primary responsibility to ensure that the desired results are achieved within the project’s budget, with oversight by the programme manager (division director). At each stage of the project cycle, the project manager needs to perform related tasks summarized below on financial management and report regularly to the programme manager:

Table : Financial management and reporting

PLANNING and DESIGN	Understand the Commission’s funding structure and how the project can be funded. Estimate cost for project delivery and develop a budget breakdown based on the results hierarchy of the project and the projection of available funding.
▼	
REVIEW and APPROVAL	For extrabudgetary projects, once the project has been approved, the project manager initiates a project accounting process in Umoja with the responsible programme management officer. This consists of master data creation, budget, and setting up the project work breakdown structure. For DA projects, the DA team at Headquarters allocates the approved amount in Umoja and notifies SPORD, which notifies the divisions concerned. For projects funded through RPTC, once resources for an IP have been approved, SPORD initiates pre-commitment and informs the Finance team, who authorize commitment. At this point, SPORD commits the funds and informs the implementing division.
▼	
IMPLEMENTING and MONITORING	Facilitate payments for expenses and procurement for necessary goods and services to deliver activities in accordance with the project delivery plan. Monitor the project’s financial performance (spending rate relative to plan, correct use, value for money) and take necessary management actions (such as revising or adjusting the budget).
▼	
COMPLETION and CLOSING	Make sure the project is operationally completed within budget, and finalize administrative processes for formal completion and closure. ³⁰⁰

Standard implementation management under the United Nations system

The implementation of activities and the financial management of a programme or project are undertaken in accordance with the Financial Rules and Regulations of the United Nations,³⁰¹ which lay down detailed step-by-step procedures for the following processes:

- a) Financial administration – budget, accounting in Umoja, disbursement, and budget revisions in accordance with United Nations rules and regulations;
- b) Personnel – preparation of terms of reference, recruitment, contract negotiations;
- c) Contracts for services – preparation of terms of reference, pre-qualification and shortlisting, selection, contracting, monitoring;
- d) Agreements – preparation of activity brief, budgeting, identification, negotiation, clearance, administration and monitoring;
- e) Procurement of equipment and supplies – specification, requisition, purchase, receipt and inspection;
- f) Training – identification of appropriate source, placement, travel, financing and logistics, monitoring, learning plans and commitment;
- g) Events (workshops, seminars or conferences) – proposal, identification of host, MoU, travel, logistics, evaluation, reporting;

³⁰⁰ Details on project close-out are covered in the section on project closure at the end of this chapter.

³⁰¹United Nations, *Financial Rules and Regulations*. Updated regularly. Available at <http://www.unsceb.org/system/files/Finance%20%26%20Budget%20Network/Financial%20Regulations%20and%20Rules/fin/20030509.pdf>

- h) Monitoring and reporting – narrative reports, schedule, financial statements, annual report, final expenditure reports, evaluation, terminal report.

Grant compliance

Compliance with funding agreements is key to sustaining trust and credibility with donor partners. Throughout implementation, managers must ensure that programme and financial data required for donor reporting is being captured. Additionally, managers must see to it that implementation of activities is occurring in accordance to the specified work plan (which should align with the funding agreement and be directly linked to the results structure)³⁰².

Typically, donor reporting focuses on whether funds are used before the grants expire and for the use specified in the funding agreement. These are basic components of ensuring compliance. However, managers must also determine whether there are any other conditions that must be complied with. Certain ‘visibility requirements’ or ‘brand issues’ may be specified, for example, or reporting to the donor when certain types of issues are encountered during implementation. The information the manager will need on grant conditionality and requirements is contained in the grant agreements available in the ECA headquarters. Managers may seek advice from donor relations specialists in the PRMS unit to ensure they understand how to fully comply with funding agreements during implementation. This is especially true when a manager is new to a programme and funding agreements are already in place. In such cases, managers must acquaint themselves with the conditionality of existing agreements and manage accordingly.

Managing the budget

Financial resources have a direct bearing on the reach and results of a programme. The programme manager must ensure that financial resources are adequate to achieve expected results and that value for money is being achieved. Value for money is about maximizing the impact of each dollar spent. Value for money doesn’t mean we always pay the lowest price. Rather, it means we strive to understand what is driving our costs and make sure that we are getting the desired quality at the lowest price. ECA’s implementing partners also need to understand value for money.

The overall financial performance of the programme needs to be monitored: Do we have funding in place to resource the programme as planned? Are we utilizing existing resources as planned?

Financial management system – Umoja

ECA uses Umoja for processing and accounting for the project budget; the expenditure items in the project budget should be recorded in accordance with the Umoja budget codes (see Annex). Project management officers hold the main rights to access and manage information on Umoja. If necessary, a project manager can also request access to Umoja.

How to monitor financial performance (all funding sources)

The project manager should measure and monitor the financial performance of the project according to the planned budget and the instalment schedule of secured funding. It is the responsibility of the project manager to analyse the gap between actual expenditure and the budget regularly, and to review the financial analysis against programmatic performance under the project in terms of delivery of activities, attainment of outputs and other measures. Figure below illustrates how to use the planned budget as a baseline and measure actual expenditure against it.

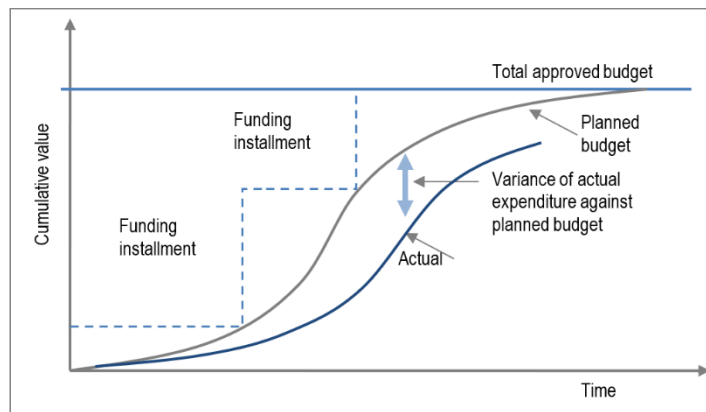
On the basis of this review and analysis, the project manager should direct the project to be delivered within the total budget. For example, if the financial data show over-expenditure when

³⁰² UNICEF (2017) Results-Based Management Handbook: Working together for Children

output is not delivered on schedule, the project manager needs to review the relevant factors carefully, report the status and take corrective action in consultation with the programme manager (division director). While budgets should be as accurate as possible, it should be recognized that a budget is essentially a plan and that variations will occur during implementation. Depending on the project’s progress, actual expenditure can be either higher or lower than planned at a given time.

Managing and recording expenditure information is critical for monitoring financial performance, especially when the project involves implementation by partners. The expenditure report is the main tool for monitoring whether project expenditure is in line with the approved budget. The expenditure report should also be reviewed in tandem with narrative progress reports.

Figure: Project expenditure and financial performance



The frequency requirement for expenditure reports for extrabudgetary projects should be defined at the planning stage, in consultation with the Trust Funds Unit in the Division of Administration (DOA) and the PPBS in SPORD. The minimum requirement for all extrabudgetary projects is the submission of a certified financial statement every six months. Fund utilization rates at project level are prepared, as required, by the Trust Fund Unit for project review and decision-making. Programme management officers, in consultation with project managers and the programme manager, can initiate mid-year budget revisions to capture any redeployment of funds between budget lines.

Audits

Audits in the United Nations are normal accountability exercises to ensure that regulations and rules are strictly adhered to. All projects are subject to audit by the internal and external auditors of the United Nations, as appointed by the General Assembly. Auditors have the right of access to all official records associated with a project. Auditors may visit implementing and support divisions to review documentation and interview personnel who have certified expenditure on projects. For this reason, it is of the utmost importance that individuals who have been entrusted with approving and certifying responsibilities should keep track of expenditure and be able to confirm that any financial report they have certified was accurate at the time it was signed.

4.4.3 Regular Programme of Technical Cooperation funding

The RPTC was established by the General Assembly to provide the United Nations with flexible resources for responding to the urgent and emerging needs and priorities of developing countries. The Programme is funded from the RB and provides small-scale, demand-driven and focused technical assistance and advisory services to member States to meet international commitments arising from the outcomes of United Nations conferences and summits. Like any accounts in the RB, revisions in the Regular Programme are carried out at ECA level during the second half of the second year of each biennium. SPORD has the role of reviewing utilization rates of the budget, analysing underuse and overuse of funds and securing justifications for the differences. Regular Programme funds are available for two years, like other funds in the RB, and all expenditure is to be liquidated by

the end of the first year of the next biennium. After this time any funds that have not been used are recalled and classified as savings by SPORD.

Implementing the RPTC with partners

The following steps guide financing of a project in the RPTC with IPs:

- Step 1:** The implementing division conducts a due diligence process for selecting an IP³⁰³.
- Step 2:** Once the project has been approved, SPORD is notified and pre-commits the funds in accordance with the signed agreement with IPs. The Division notifies the Finance Section, where staff review the supporting documents and then authorize commitment.
- Step 3:** SPORD commits the funds and informs the implementing division.
- Step 4:** The project manager drafts agreements with IPs and submits them for review by the Partnership and Resource Mobilization Section and the Legal Office.
- Step 5:** Once the parties have signed the IP agreement, the project manager submits a budget monitoring form to SPORD and requests transfer of the first instalment of funds to the IP.
- Step 6:** The IP acknowledges receiving the funds within seven days of receipt (the implementing division will follow up). Each disbursement is tied to deliverables, and when these are verified as satisfactory, this will trigger payment of the next or final tranche.
- Step 7:** The IP submits a progress report based on the time frame stipulated in the agreement (to be followed up by the implementing division).
- Step 8:** A final report and certified financial statement is submitted no later than three months after completion of project activities.

4.4.4 Development Account projects

DA funding is a mechanism to channel RB resources to capacity-building projects (see box 9 for DA project selection criteria).

Box 9: Generic criteria for all Development Account projects

- a) Must result in durable, self-sustained initiatives to develop national capacities, with measurable impact at field level, ideally having multiplier effects
- b) Must be innovative and take advantage of information and communications technology, knowledge management and networking of expertise at the subregional, regional and global levels
- c) Must utilize the technical, human and other resources available in developing countries and effectively draw on the existing knowledge, skills and capacities within the United Nations Secretariat
- d) Must create synergies with other development interventions and benefit from partnerships with non-United Nations stakeholders.

Steps in the process of designing a DA project:

- Step 1:** The General Assembly determines the priority area to be covered by the DA tranche.
- Step 2:** The CDO in DESA sends guidelines and templates for developing CNs and full project documents (including templates for results-based workplans and budget details).
- Step 3:** The CDO formally invites ECA to apply for funding and stipulates a deadline and budget limits.
- Step 4:** SPORD invites divisions, SROs and IDEP to apply for funding and provides support for the preparation of CNs in keeping with quality requirements as fixed by the Capacity Development Office. These requirements include thematic priority and the expected

³⁰³ For guidance, see "Partnership management" in section 5.1 and the document from the Partnership and Resource Mobilization Section, "Implementing partner pre-engagement capacity and risk assessment tool"

structure of the project document. The Evaluation Section in SPORD is involved during development of the project M&E plan to ensure the evaluability of the project.

Step 5: CNs are submitted to the QRC for review and selection of the CNs to be submitted to DESA for consideration.

Step 6: During CN development, a Quality Assurance Group is set up between DESA, SPORD, and the applying division to review and support the effort.

Step 7: A virtual review of the CNs is organized with the QRC for the Commission's own accountability assurance.

Step 8: The applying division, in collaboration with SPORD, finalizes the project document.

Step 9: At this point, the project document is presented to the QRC for technical review, after which it will be sent to DESA for review together with the Quality Assurance Group.

Step 10: On approval, DESA requests the Commission to issue an allocation for the project so that the division can start implementation.

Budget allocation for Development Account projects

The PPBS provides details about the cost centre and functional area for the selected project to the Office of Programme Planning and the Budget Division at United Nations Headquarters, which can then issue the allotment. The Headquarters offices create the allocation of the approved amount in Umoja. The Finance Section in the DOA then informs the division concerned when the money has been disbursed and it can start implementation.

Planning, monitoring and evaluation of Development Account projects

All objectives, expected results, indicators and main activities of the project are stated in the project document, along with a results framework that indicates the intervention logic and the means of verification. Divisions are required to submit an annual progress report to the CDO in DESA using a template provided by that Office. Within ECA, SPORD assists each implementing division to provide a high-quality and evidence-based annual report. Once cleared by SPORD, annual progress reports are sent to DESA for approval. All DA projects require a mandatory evaluation upon completion of activities, and at least 2 per cent of each project's budget should be earmarked for this purpose.

4.4.5 Extrabudgetary funding for projects

This section summarizes the project management procedures to be followed and the financial services functions to be performed by project managers as well as by project management officers in the implementation of projects funded from the Commission's Technical Cooperation Trust Funds. Trust funds are established, administered and controlled in accordance with the policies contained in the Secretary-General's bulletin on the establishment and management of trust funds (ST/SGB/188).

Before a general trust fund is established, the prospective donor must be made fully aware of the United Nations policies and procedures regarding trust funds, so as to ensure that the management of the proposed trust fund is consistent with the policies, programmes, priorities, aims and purposes of the United Nations. Prospective donors should be advised in particular that all trust funds are subject to charges for programme support functions executed by ECA. [see box below]

Box:
Programme support costs

Programme support costs (PSCs) - are the part of direct costs that the United Nations collects as an overhead on extrabudgetary expenditure. The percentage overhead rate for extrabudgetary funds should be 13 per cent, unless otherwise formally agreed and approved by the Controller. The 13 per cent rate was decided by the General Assembly (resolution 35/217) and applies to ECA as a component part of the United Nations.

The revenue raised through PSCs supports proper funding of corporate services in operational management and ensures that the Commission's core resources are not used up through the indirect costs of supporting activities such as project appraisal, administration and recruitment on projects funded through extrabudgetary contributions. Administration and management of PSCs is defined in an administrative instruction (ST/AI/286).

For all secured extrabudgetary funding, the rate and amount of PSCs should be listed in the project document (duration and cost table). The rate should be indicated separately for each funding source, unless all have the same rate. PSC rates should be calculated only on the basis of the direct costs of project implementation, i.e., the costs that can be clearly attributed to the operation of the project.

Grants and project administration require a team effort. Although the project manager has primary responsibility for the management of the project, the programme manager (division director) has an oversight role. The Trust Fund Unit in the DOA is set up to provide the project manager with technical advice and the financial information necessary to manage the project effectively. It also ensures that all parties comply with the terms of the donor agreement. Within SPORD, the Partnership and Resource Mobilization Section and the PPBS in the Strategic Planning and Operational Quality Division act as liaisons between the donor and the project manager to ensure that the projects are properly authorized and conducted in conformity with the administrative requirements of both the United Nations and the donor.

Transferring extrabudgetary funds to IPs

The following steps apply to this kind of transaction:

- Step 1:** The implementing division processes the budget monitoring form. The Trust Fund Unit will obligate the total agreed amount of the agreement and process the down payment.
- Step 2:** The implementing division transfers the first instalment of the project budget upon receipt of a request for the release of funds.
- Step 3:** The IP acknowledges receipt of funds within seven days of receipt, and the implementing division follows up the process. Each disbursement is tied to deliverables. Once achievement of deliverables is verified as satisfactory, it will trigger payment of the next or the final tranche.
- Step 4:** The progress report is submitted by the IP in accordance with the time frame stipulated in the agreement (to be followed up by the implementing division).
- Step 5:** A final report and certified financial statement are submitted in accordance with the time frame in the agreement, usually no later than three to six months after activities have been completed.
- Step 6:** The Trust Fund Unit finally clears the advance to the IPs, based on the financial report submitted.

Managing budget revisions on extrabudgetary funds

A budget revision is needed when: (a) Additional funds are received and allocated to the project account³⁰⁴; (b) There is an agreed and approved change in the workplan, and sometimes in the project duration; or (c) Funds are reallocated between the budget lines.³⁰⁵

³⁰⁴ This will require a project document revision; see section 5.7 below on project revisions.

³⁰⁵ Taking into account the cost increase or decrease.

No more than two budget revisions should be raised in a year, preferably only one in each half of the year. Reallocations between budget lines should be limited to the total amount stipulated in the project document. The request for budget revision should be submitted to the subprogramme director along with:

- A cover page (signed by the project manager)
- A revised budget page
- A revised results-based workplan
- An extract from Umoja that shows the current status of the project budget
- Justifications for the revision.

The implementing section or the project manager will upload the approved budget revision in the system. The unreleased budget will be approved by SPORD, and the released budget will be approved by the Trust Fund Unit. The unreleased portion of the total commitment is not factored into the financial accountability for the project until it is released (see Annex).

4.5 Human resources management

4.5.1 Recruitment and preparation

Recruitment issues: In the case of projects supported through extrabudgetary funds, owing to the potential for long delays between approval and release of donor funds, there is a need to start pre-recruitment activities during the latter stages of project formulation, especially for very critical roles, such as the project manager and other professional staff. In planning the recruitment of international professional staff, a time lapse³⁰⁶ of four to six months between the request and the actual arrival of the individual to take up the post should be taken into account. Human resources personnel require at least six weeks in order to process recruitment before the effective date of appointment. Among other tasks, they must obtain medical clearance and a visa and arrange travel.

Meanwhile, there are good practices that can speed up the process and avoid delays. This can begin by discussion with HR staff about the development or adaptation of an appropriate job description, as well as getting access to lists of any persons pre-qualified for the desired position. The position can also be advertised to gather more profiles of potential candidates for consideration, as long as the advertisements make no promises and stipulate that the operation is being carried out only for pre-qualification screening. The United Nations has a category of “rostered” candidates who can be picked within a short time. Basically, all steps including interviews can be performed, except final selection. Once the funds are released, the ECA HR staff will proceed with the recruitment process, which has its own time constraints imposed by United Nations rules and regulations, for instance, regarding direct communication between HR staff and candidates’ referees.

Induction: All staff and consultants will require some form of induction if they are new to the Commission, the position, the programme, the subprogramme or the location. The HR staff can work with the division to facilitate an appropriate induction package, including its content, and the induction process. Recruits need to be brought quickly on board so as to reduce time needed to work at full proficiency.

³⁰⁶ The Human Resources Division requires at least one month to process a recruitment before the effective date of appointment.

4.5.2 Roles and responsibilities

Once the right people are on board, they need to be effectively deployed³⁰⁷. In other words, their strengths and interests should be matched with the needs of the programmes they will be supporting. This requires getting to know staff and matching resources to activities that are identified within the work plan. Results-based management principles dictate that all work undertaken should relate to a specific output/ outcome/result. By aligning human resources to the work plan (which is aligned to the results structure), this will be achieved.

Table : Summary of roles and responsibilities in project implementation³⁰⁸

Role	Responsibilities
Project Manager	<ul style="list-style-type: none"> • Initiate and lead consultations with stakeholders and partners, including annual reviews • Draft results frame and Project Document • Initiate project in Umoja • Actively manage all project activities and problems; raise issues as required to higher management (e.g., programme manager, managing division, SPORD) • Manage project team members' roles and responsibilities • Maintain records of communications, financial records, and progress reporting • Lead on analysis of monitoring data; carry out monitoring and reporting in Umoja
Project Team Members	<ul style="list-style-type: none"> • Plan, monitor and manage specific outputs • Consolidate inputs for progress reporting; take responsibility on monitoring use of resources • Identify and advise Project Manager of any issues and risks associated with responsible work area • Propose corrective action or revision within project boundaries, if necessary • Prepare work plan, report on progress and field missions • Carry out oversight of partners' performance
Supervisor	<ul style="list-style-type: none"> • Guide Project Managers on project feasibility and provide timely and adequate feedback • Advise Project Managers on coordination with other relevant ECA projects • Ensure effectiveness and efficiency in project delivery • Resolve conflicts, approve any changes within authorities defined in Project Revision Guidelines • Identify and deal with implementation problems on administrative and technical/ substantive issues, including political judgments • Oversee progress through field missions, participation in annual reviews, occasional communications with stakeholders, and review of project documents and progress reports • Raise resources and monitor expenditures; oversight of donor relations and communications • Raise any issues to SQAS where necessary

The expected roles and responsibilities for programme and project personnel are based on a RACI responsibility matrix that is prepared during implementation planning. 'RACI' (which stands for Responsible, Accountable, Consulted, Informed) is a management tool used to help all project stakeholders understand their roles and responsibilities and those of other project members³⁰⁹:

- **Responsible:** person who performs an activity or does the work.
- **Accountable:** person who is ultimately answerable for decisions taken
- **Consulted:** person who needs to provide feedback and contribute to the activity
- **Informed:** person who needs to know of the decision or action.

A RACI analysis can be helpful in not only charting responsibilities but also in determining cross function/inter-sectional communication during implementation. The matrix should be reviewed and updated at the beginning of implementation when revising the workplan. The matrix is a summary based on all the individual terms of reference. Each column assigns responsibility for specific tasks, activities and outputs. This methodology ensures that staff time and expertise are focused on results

³⁰⁷ UNICEF (2017) Results-Based Management Handbook: Working together for Children

³⁰⁸ Adapted from: UNEP (2013) Programme Manual

³⁰⁹ See Annex for a RACI matrix tool ("Responsible, accountable, consulted, informed").

and that each staff member sees clearly her or his own contribution towards the final outputs. From a results perspective, defining the responsibilities of the project personnel increases motivation and encourages team-building and support.

A matrix for guidance about the critical roles of individuals and structural units of the Commission in implementing programmes and projects is included in Annex of this manual. The Commission must make these roles and responsibilities operational, as this is essential for professionalizing the quality of programme and project management in the organization, and to ensure accountability. Related to the above matrix, the same Annex also includes a table composed of unedited extracts from generic United Nations job profiles for the categories of staff in the Commission who are most directly involved with programme and project management.

4.5.3 Staff performance

Managing performance is an integral part of the work of the project manager and the supervisors concerned throughout the duration of the programme or project. It is a continuous dialogue between staff and their supervisors about the project, its objectives and priorities, the results expected and contributions made. It involves planning, performance evaluation and feedback. Each staff member is responsible for carrying out the duties and responsibilities of her or his position to the best of her or his abilities, in order to meet the performance management standards of the position she or he occupies.

The performance goals of human resources need to be discussed, documented and aligned with the overall requirements and results of programmes³¹⁰. Effective performance management is about continuous communication, planning, monitoring and objective performance evaluation. When done right, it elevates employee performance and overall results.

As noted in section 1.2 on programme accountability, accountability includes all aspects of performance, including a clearly defined system of rewards and sanctions, with due recognition of the important role of the oversight bodies and in full compliance with accepted recommendations. It is important for programme and project management processes to include strategies during implementation to identify, document, publicly recognize and reward behaviours that exemplify organizational values, are innovative and bring better effectiveness or efficiency to the organization, or meet and exceed the expected performance of designated roles. It is also important to ensure that staff have the skills to meet current and emerging needs, e.g., by creating learning maps and training activities appropriate for the team.

4.5.4 Managing consultancies

Contracted services

Managing third-party service vendors and consultants is essentially managing the relationship as outlined in a contract between ECA and the third party³¹¹. Tasks assigned to third-party vendors and consultants should be in alignment with those set forth in the work plan. The principles related to managing third-party vendors and consultants are very similar. Third parties have to be onboarded to the project in question. The onboarding process is often more detailed for consultants, who require ground passes and access to ECA networks and venues required for their work.

Contract management involves planning, budgeting, scheduling and monitoring the progress of work and taking corrective actions to safeguard the interests of ECA and the contractor. The performance

³¹⁰ UNICEF (2017) Results-Based Management Handbook: Working together for Children

³¹¹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

of the third party must be monitored to ensure that the progress of work is proceeding in accordance with the requirements of the contract. Monitoring is also needed to ensure timely detection of potential problems and/or the need for amendments to deal with changes in deliverables (scope, time and budget). Ineffective administration of a contract leads to increased costs and delays in delivery and may expose ECA to legal complications with unpredictable results. The performance of third parties needs to be documented. Payment of fees is subject to satisfactory completion of services as approved by the Contracting Office. If deliverables are evaluated as less than fully satisfactory, no further contracts can be granted to the consultant, and payments may be reduced or withheld entirely. However, efforts to resolve performance problems should always aim for the successful execution of the contract. The manager strives to reach a just and practical solution that will allow work to proceed and, at the same time, safeguard the interests of ECA.

In-house resource persons

The Commission's technical specialists can be considered for short consulting assignments, in the light of their expertise and their familiarity with and interest in the project. If this entails periods of four weeks or more, it is appropriate for the project budget to cover the salary and other costs of the official (on temporary assignment). For shorter periods, the project pays only the travel and a daily subsistence allowance. It is sometimes difficult to draw the line between a technical input from within the Commission, which should not be provided at the expense of the RB, and general project support work. Direct consultancy inputs from experts within ECA should be included in the project budget.

4.6 Partnership management

Managing relationships with stakeholders and implementing partners

Partnerships and agreements - Partners also need to be knowledgeable about RBM practices, including development and use of the results framework, monitoring plan, indicators, data collection and results-based reporting³¹². The goal is coherence between government management systems and the results-based management used by ECA so that there is no duplication of effort or working at cross purposes. This is also why it is important to involve partners from the beginning. Working collaboratively from the start helps promote ownership of various frameworks used by the government and ECA. With core government and CSO implementing partners, an emphasis on results can ensure buy-in and follow through. With contractors, on the other hand, managing relationships is more about strict compliance and quality assurance.

For programmes or projects being implemented through or with partners, partnership agreements are required. The type of agreement to be used will depend on the type of partner (government, CSO or UN agency), whether resources are being transferred, and the value of resources in cases where there is a resource transfer. Managers must also determine whether partners require any training or orientation for working with ECA. Implementation can be significantly delayed when partners are not familiar with ECA's expectations in carrying out and reporting on activities. Ensuring adequate technical support and oversight at all stages of programming is critical to the quality of programme implementation with partners. This includes managing inputs (cash and supplies) transferred to partners to ensure timely reporting and intended use.

³¹² UNICEF (2017) Results-Based Management Handbook: Working together for Children

4.6.1 Maintaining open communication channels

The project manager and team will need to ensure that constituents, partners and other project stakeholders are kept informed and fully involved during implementation. To a large extent the success of the project depends upon harmonious relations between all of those who participate in its activities. A key aspect of the project manager's job is facilitating the integration of everyone's efforts.

4.6.2 Implementing partner selection – requirements

Implementing partners are generally expected to bring added value, access to people in their network and expertise that is not available in the Commission to the joint delivery of projects. As such, they are held fully accountable for successfully managing the programmatic and financial aspects of the agreed project, in accordance with the signed partnership instrument. It is therefore critical for IPs to be selected on the basis of their expertise and capacity to deliver in a timely way with the agreed quality specifications. The selection process must be carried out with due diligence and in an objective, consistent and transparent manner.

Pre-engagement assessment of IPs forms part of the Commission's corporate risk-based approach to programme management. This is essentially a due diligence step, and has the following two objectives:

- a) To evaluate potential IPs with a view to determining whether they are best qualified to deliver defined project outputs and activities;
- b) To assess internal and external risks associated with engaging the IP, plan for any risks and put in place the required controls.

Divisions, SROs or centres are required to show that any IPs they choose to work with in a programme or project have undergone assessments using the Commission's capacity and risk assessment tool.³¹³ The programme or project manager will perform the due diligence exercise³¹⁴ with this tool in order to:

- a) Protect the Commission's investments and reputation – involves verifying the legitimacy of the proposed IP by confirming their official registration in the host country, that they comply with national laws, have the necessary licenses and certificates to operate legally;
- b) Ensure that agreed outputs are delivered on time and within the agreed budget – involves verifying that the IP has the necessary capacity, professional competence, and experience to carry out the required activities, deliver outputs, and produce narrative and financial reports in an agreed format and on a timely basis;
- c) Secure an assurance that funds channelled from the United Nations or a donor will be managed in accordance with acceptable fiduciary standards and stringent procedures – involves verifying the IP has adequate administrative capacity and clean audits showing capacity to report financial activity in line with standards.

Project Managers should consult PRMS for further detailed guidance on how the due diligence exercise is performed. For high-risk projects there may be additional due diligence requirements. High-risk projects are those that present an increased political, financial, or reputational risk to ECA because of their nature, size, political sensitivity or other inherently risky characteristics. High-risk

³¹³ See the document from the Partnership and Resource Mobilization Section: "Implementing partner (IP) pre-engagement capacity and risk assessment tool"

³¹⁴ Content from ECA and from: OSCE (2010) Project Management in the OSCE: A Manual for Programme and Project Managers. Organization for Security and Co-operation in Europe

projects may be subject to an audit and the Project Manager should ensure that this cost is included in the budget.

The process of selection of an IP should ensure that:

- a) As many potentially suitable IPs as possible have been considered (the minimum is three);
- b) The assessment of prospective IPs is impartial and objective;
- c) The prospective IP has the technical, financial, managerial and administrative capabilities required to deliver on the agreed outputs within the planned time frame.

4.6.3 Partnership management workflow and responsibilities

The most common management structure for projects includes a Section Chief and a Project management officer, with roles defined as follows:

- *Section chief* – responsible for assessing whether the prospective IPs are the best qualified to implement the project output or activity, and overseeing the performance of the IP;
- *Project management officer* – responsible for liaising with potential IPs so that the assessment tool is completed and submitted along with supporting documentation; gathering and compiling relevant documents, and keeping records of the selection process; and carrying out the preparatory work, including preliminary appraisal of the capacity and systems of prospective IPs through review and verification of documentation.

It is critical that the accountable and implementing officers for the initiative, whether a programme or a project, should understand the value of and commit to early planning and involvement with SPORD, including both its PPBS and its Partnership and Resource Mobilization Section. The key roles in processing and supporting agreements are:

- PPBS – review of project documents, budgets and reports
- Partnership and Resource Mobilization Section – review of agreements against standard templates, United Nations rules and donor requirements
- Legal Office – legal interpretation, review and clearing of agreements; general legal support
- DOA - Designated trust fund manager and an ECA authorized signatory.

Well-formulated proposal documents are essential for defining roles with clarity and scheduling deliverables, disbursements, the frequency and timing of reports, and many other management aspects. The approved programme or project documents will become the basis for transferring funds and delivering the agreed initiative on time.

4.6.4 Partnership risk management

Maximizing opportunities and mitigating risks associated with the pursuit of partnerships is an integral part of programme management roles and responsibilities. Risk-based partnering promotes careful analysis of potential internal and external risks, followed by the formulation of mitigation strategies to reduce or manage risks and their potential impact. A risk-based approach to partnering seeks to ascertain, prior to any formal engagement, a reasonable level of assurance that the IP will implement the agreed project in line with defined terms and conditions, while exercising effective fiduciary responsibility.

Types of risks common in partnering

Risks can arise internally within the Commission and externally from the IP and project environment. The following classification can help to guide the risk assessment process with partners. The four most common risks associated with partnership include:

- **Operational risks**, such as an inability to meet delivery targets in a satisfactory or timely manner, limited capacity to manage the project, change of focal points, change of government officials responsible for overseeing project implementation, communication failure, attrition of project staff, delayed recruitment or engagement of project staff, loss of data due to technological failure;
- **Fiduciary risks**, such as the failure of financial management to meet agreed or international standards, disallowed expenditure, deviation from the agreed budget, shifting of resources between budget lines, failure to demarcate duties at various stages, for instance, in reviewing, certifying and approving financial transactions;
- **Fraud and corruption risks**, such as forging of signatures, falsification of documents and financial statements to obtain benefits, collusion or anti-competitive actions during a procurement process, payroll fraud, or processing the cost of personal travel as official travel;
- **Reputational risks**, such as inability to deliver on time and on budget, creating a reputation for being ineffective and inefficient; conflict of interest; failing to ensure an effective “strategic fit”; engaging an IP with a questionable record on human rights or a partner that has no legal status or is in process of being dissolved.

A simple risk register and mitigation plan is included in the earlier section 3.4.2; plus a more detailed explanation and template for risk management in Annex.

Issues and common pitfalls with partnerships

Table 16: Major partnership challenges and mitigation measures

Challenge	Mitigation measure
Significant advance payments expose ECA to fiduciary risks	The partnership guidance document defines the current rules on tranche size as a proportion of the programme or project budget
Limited technical and operational capacity of IPs leads to late delivery or non-delivery. Frequent change of focal points or contacts at the IP, high staff turnover, etc.	Careful pre-selection and use of due diligence screening will help to address these issues The provisions of agreements with IPs should be crafted with a view to addressing identified risks
Failure by IPs to meet reporting obligations, including production of poor-quality reports. Narratives and financial reports are often not in line with the agreed template	Scheduling regular programme or project reviews to monitor reporting and adherence to partnership agreements and commitments
Too many amendments and extensions beyond the planned time frame, including both cost and no cost extensions	Regular programme or project reviews with IPs; including dialogue or engagement with the support teams in SPORD; will help to remedy this issue. If that fails, the Partnership and Resource Mobilization Section and Finance may impose sanctions
Financial irregularities, such as deviations from approved budget, disallowed costs or use of funds for unapproved items Uncertified or unsigned financial reports	Requires careful review of financial capacity during due diligence assessment, careful monitoring, review and discussion of financial reports with the IP and the Finance Section
Weak monitoring and review of agreements	Internal oversight and possibly capacity-building within ECA; performance monitoring of managers; link with the Operational Quality Section for quality assurance criteria to be included in the initial agreement Documentation of communications between divisions and IPs during the implementation of the agreement.

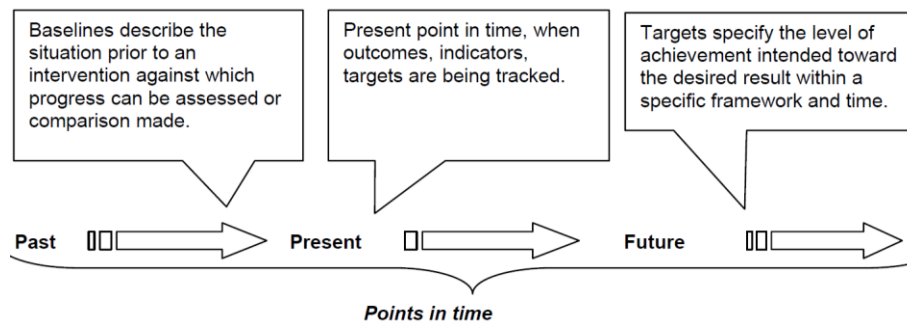
Note. More details about partnership principles are covered in section 4.2.2 above.

4.7 Monitoring and reporting

4.7.1 Baseline

The Baseline is a clearly defined starting point prior to a development intervention. It is where implementation begins, improvement is judged, against which progress on results can be assessed or comparisons are made³¹⁵. Baseline values for the indicators offer a snapshot of your programme or project at the inception or beginning phase.

Figure ##: Illustration of the time relationship between baselines and targets³¹⁶



4.7.2 Monitoring overview

Monitoring tracks the actual performance or situation against what was planned or expected according to the predetermined standards. Monitoring is one of the most important responsibilities of any programme or project manager. Good monitoring includes a balanced mix of reporting and analysis, verification of progress towards results and ensuring the participation of key stakeholders.

In results-based management, the implementation process is significant only in terms of the results it leads to, or what follows from the process of planning, managing and implementing. It is important to get to outcomes and not just outputs.

Definition:

Monitoring is “a continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.” [from OECD, 2002]

Monitoring to enable managing resources and effort

Managing for results involves bringing together all human, financial, technical and other resources to achieve desired development results³¹⁷. Management of this kind requires sound information to improve decision-making, which means tracking progress and managing in a way that will maximize results. Key to this process is being able to identify the constraints that may impede implementation, while keeping an eye out for opportunities to pick up the pace of progress. Hence, when implementing the work plan, a number of areas should be closely monitored. These include:

- Human resources, including staff performance;
- Grant compliance;
- Managing relationships with stakeholders and implementing partners;

³¹⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children

³¹⁶ ILO (2011) Results-based Management in the ILO: A Guidebook. Version 2

³¹⁷ UNICEF (2017) Results-Based Management Handbook: Working together for Children

- Communication, media and information;
- Financial resources or budget.

Key monitoring questions

There are several key questions project managers should ask when monitoring project processes:

- *Is the project on schedule?* The concern here is about meeting the requirements of the project specifications. If there are variations to the project’s schedule, then decisions are required on whether, and how, to deal with these variations.
- *Does progress made in implementing the project correspond to expected financial expenditure?* There should be a strong monitoring link made between technical progress and financial expenditure.
- *Is the project working as well as it could?* This can be unpacked into questions such as: “*Is the project team functioning effectively? What shows it?*” and “*Are the project’s processes and systems performing reliably and efficiently for reporting, allocating work, communication and budget monitoring? What shows it?*” Such questions should be considered at each project team meeting, including reviews, and in the project reports. The questions should not simply be asked; they should also be answered and, of course, the answers should be documented and acted on.

TIP Monitoring is part of programme and project management not an addition to it. Monitoring should not be regarded as merely a management or reporting requirement. Rather, it should be regarded as an opportunity to:

- Engage beneficiaries so that they feel ownership of results being achieved and are motivated to sustain them.
- Demonstrate achievement of development results, how they benefit the intended people, and leverage support of the beneficiaries and other stakeholders to address any operational challenges faced.
- Nurture an inclusive and purposeful monitoring culture to make implementation and management effective and interesting as well as to ease gathering of data and evidence objectively to back achievements and make decisions. [from UNDP, 2009]

For monitoring deliverables (outputs), there are three additional questions:

- *Are the deliverables (outputs) being produced on schedule?* This is a question about the extent to which contractual requirements are being met. If the answer is “Yes, with exceptions”, a judgment is required as to what remedial action is required.
- *Are the deliverables (outputs) as good as they could (reasonably) be?* If not, in what respects could they be better? The aim of these questions is not to induce gloom in the team, but to learn for future work within the project or for future projects.
- *Is the project on track to achieve the outcomes?* The team should review whether project activities essential to promote the achievement of outcomes are on track. This will require the project manager, partners and stakeholders to periodically review the theory of change and results chain logic of the project design. Have any new “pathways” emerged that may lead to the desired results? Are the assumptions still valid?

Revisiting theories of change³¹⁸

Monitoring programme and project results will be facilitated by having a clearly articulated theory of change (TOC). The TOC enables re-examination of the continued relevance and soundness of initial thinking on how outcome and output level results will be achieved. Necessary adjustments can be made at the time of annual reviews, thereby reinforcing the element of continuous learning and adaptation. This process includes reviewing if new learning (e.g., from evaluations or research studies) or changes in the external environment (i.e., assumptions and risks) warrant a revision to the TOC and possible course corrections.

³¹⁸ UNDG (2018) Monitoring and Evaluation UNDAF Companion Guidance 6

As part of the review of the continued relevance of the TOC, continuously monitoring risks and assumptions identified during the design of the programme will be critical. This can be undertaken as part of the midyear and annual reviews. Risks of natural hazards, socio-political instability and disruption of services should be monitored. Monitoring should ensure that appropriate mitigation measures (such as contingency plans, resource availability, and adjustment of implementation approaches) are in place to continue to carry out activities and to preserve development gains.

4.7.3 Periodic reviews of results

Use the results matrix and M&E plan as the basis for establishing³¹⁹:

- How far have outputs been achieved and the extent to which they are likely to contribute to outcomes;
- The continued appropriateness of the theory of change to achieving results with partners;
- How effectively barriers and bottlenecks to results achievement are being dismantled, and if programme adjustments are needed;
- The quality of programme implementation and results, including the extent to which each result adheres to and furthers the Commission’s core programming principles;
- An update on any changes to previously identified risks, as well as discussion of any new risks;
- An update on the resource picture and how an increase or decrease of planned resources may affect the results the programme or project is able to achieve;
- Staff and stakeholder opinions about whether the programme continues to be strategic, relevant, principled, efficient, effective and sustainable; and
- An updated review the partnerships and stakeholder relationships that enable programme implementation and results achievement.

The aim would be to identify what needs to be changed, why and how. Such a review can help ensure the data being collected are useful, that perverse behaviour is being checked, that measurement approaches are cost-effective, and that expectations set some time ago remain relevant to current context³²⁰.

Annual Review Meeting

All multi-year programmes and projects will be expected to conduct annual review meetings involving staff and key stakeholders. The Annual Review is an important element in the programme management cycle. Careful assessments of progress and results can only happen if problems and obstacles in implementation are openly discussed to obtain the necessary recommendations to move forward.

As part of the annual review process, the programme and project managers should carry out a review meeting with each implementing partner³²¹. Each programme or project should also conduct a common or collective annual review meeting with their key stakeholders to examine the effectiveness of the initiative, the extent to which intended goals are being achieved, identify potential improvements in implementation to enable acceleration in the achievement of goals, and address any issues arising about management.

³¹⁹ UNDG (2018) Monitoring and Evaluation UNDAF Companion Guidance 6

³²⁰ Mayne, J. (2007) Best Practices in Results-Based Management: A Review of Experience. A Report for the United Nations Secretariat, Volume 1: Main Report

³²¹ UNFPA (2017) Programme Management Implementation Guideline; Cooperation Between the Government of Indonesia and UNFPA 9 Cycle (2016 – 2020)

The annual review meeting should verify that the recommendations of the previous annual review were appropriately followed-up by the parties concerned and make suggestions/recommendations to overcome any new issues or seize opportunities identified³²². The conclusions and recommendations from the annual review enable ECA's programme or project to update and/or revise its implementation plan for the coming year, review and finalize any requests for revisions, and prepare inputs into an annual results report of ECA and any other reporting required by stakeholders/donors.

Annual project reviews

Annual reviews are yearly assessments of the performance of an intervention, and focus on outputs and outcomes of a project³²³. They allow stakeholders to reflect on how well the project is progressing towards achieving its objectives, and to identify any challenges, taking into account available monitoring and evaluation data. They are often based on a compilation of progress reports, and can also be organized to look at specific issues. Programme managers are responsible for these, while SPORD oversees the processes at an organizational level.

The annual project review is part of oversight and monitoring. It also feeds into annual reporting by programmes and by donor partners on the results that they support. The annual review can be designed to serve the following purposes³²⁴:

- a) **Performance assessment**—When conducted as a participatory meeting with stakeholders, the annual review can provide a basis for consensus-building and joint decision making on recommendations for future courses of action. The annual review is a way to obtain feedback on project performance.
- b) **Learning**—The annual review should generate information on what went right or what went wrong, and the factors contributing to success or failure. Annual reviews are a useful way to share results and problems with beneficiaries, partners and stakeholders and to solicit their feedback. The results of the review should feed into the annual report, learning and practitioner networks, repositories of knowledge and evaluations. It is recommended that the annual review of the final year of the project include specific sections on lessons learned and planning for sustainability (exit strategy). The annual reports could address the main lessons learned in terms of best and worst practices, the likelihood of success, and recommendations for follow-up actions where necessary.
- c) **Decision making**—The partners may use the annual review for planning future actions and implementation strategies, tracking progress in achieving outputs, approaching 'soft assistance', and developing partnerships and alliances. The annual review allows the project team and partners to seek solutions to the major constraints to achievement of the planned results. As a result of this consultative process, necessary modifications can be made to the overall project design and to the corresponding overall results frameworks in the planning documents.

Annual Programme Review at country level

In all countries with a UNCT, the UNCT is expected to conduct a systematic annual review on the UNDAF, as an integral part of its monitoring function at the country level. In the ECA countries of focus, the ECA programmes and projects should actively participate in this UNDAF Annual Review process. The purpose of ECA's participation in the multi-stakeholder UNDAF annual review includes³²⁵:

³²² UNDP (2011) Policies and Procedures

³²³ Adapted from: ILO (2018) Development Cooperation Internal Governance Manual

³²⁴ Adapted from: UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

³²⁵ Adapted from: UNDP (2011) Policies and Procedures

- Ensuring ECA’s contribution to a systematic and comprehensive review of country level results.
- Assessing progress toward achieving national level outcome targets to which ECA support is contributing, whether led by ECA or where ECA is a collaborating partner.
- Reflecting on the extent to which ECA has integrated key concerns such as capacity development, gender equality, national ownership, South-South cooperation.
- Reviewing and making changes, as needed, in its management arrangements and partnerships to most effectively achieve the targeted outcomes.
- Reviewing progress toward outcomes in the context of ECA’s programme and project theories of change, and identifying any changes deemed necessary to the programme to enhance progress.
- Reviewing and reflecting on the implications of any unexpected outcomes, whether positive or negative, and changes in the context, and whether they are affecting the foreseen assumptions or risks for ECA’s initiatives in the country.

Purpose of the annual programme review³²⁶:

- a) The annual review is a management tool that enables country teams to:
 - i. Maintain an ongoing dialogue with the Member state governments where the programme or project is being implemented about the country situation and the cooperation agreements;
 - ii. Assess progress towards expected results;
 - iii. Identify any need for adjustments to programmes and projects;
 - iv. Lay the basis for planning programmes and projects over the next 12 months;
 - v. Help to maintain an institutional record of operational issues;
- b) The annual review facilitates results-based management and helps to ensure continuous learning;
- c) The annual review is a key element of holistic oversight;
- d) The annual review will be able to contribute evidence of ECA’s contributions to the UNCT annual assessments of progress on the UNDAF.

To minimize work, the annual review should focus on data and analyses already available from monitoring, evaluation and audit, as well as any completed studies and surveys.

Scope³²⁷ - The annual programme review should address the following issues:

- Changes in the national context and their implications for the continued relevance, results and sustainability of the currently implemented programme or project;
- Progress towards achieving outcome level results in the programme or project;
- Progress in the determining the contribution of ECA support to the achievement of the SDGs;
- Support provided to the UNCT in the Member state, results achieved and any issues arising;
- Lessons emerging from experience with programme and project management, including application of the programme approach and execution modalities, compliance with monitoring and evaluation policies and procedures, resource availability and utilization.

Outputs of the annual programme review: The principal outputs of the annual review are:

- A programme annual report with narrative text, recommendations and drafts of any revisions being proposed for the coming year;
- A record of the proceedings at the annual review meeting. This is kept for reference in the programme office.

³²⁶ UNDP (2001) UNDP Programming Manual

³²⁷ UNDP (2001) UNDP Programming Manual

4.7.4 Reporting

Reports help us demonstrate the effectiveness of an intervention by explaining how ECA has used resources to achieve results. Reporting is part of ECA's accountability to stakeholders, including the Executive Board, governments, partners and donors. Demands on ECA by stakeholders to show the link between resources and results are growing. At the same time, there are increased requirements for transparency at all levels on what ECA does, and where and how it undertakes its work. All of these factors combined are creating a heavy demand for reporting on results³²⁸.

Communication in this context means telling the performance story: highlighting evidence seen in the indicators, the achievement of targets or current versus baseline data. Quotes, graphs and testimonials are useful in clarifying the data and providing a human dimension. The performance story may be communicated in reports that are more results-based than activity-based and may be supplemented with a variety of media, such as videos, and interviews.

Be visual: Use Charts, Graphs, Photos - Use charts and graphs to illuminate and provide evidence of your findings. Visual examples such as **photos, videos, graphs and charts** help to tell the results story. Data in visual format help bring results to life. As they say, a photo is worth a thousand words.



Use stories: ECA encourages programmes and projects to include stories about individual successes and programme or project activities in reports for the following reasons:

- Stories and examples give readers a practical sense of what the initiative is achieving. They paint a picture of how people's lives can be different as a result of ECA and stakeholder intervention and support.
- They give a concrete and human example of the impact of the programme on the people it is designed to assist.

UNIFEM has developed some good tips regarding the best way to write these stories³²⁹:

- Use examples that demonstrate changes in the lives of vulnerable populations or target groups should be the first priority.
- Be sure to use a story or example that clearly relates to the result you are illustrating.
- Select stories that are representative of what is happening in the programme.
- Make sure to include information to help the reader understand the context of the programme. While stories are personal, they should also reflect political, economic, social and cultural realities. Even if focusing on an individual, link this into wider social change issues.
- Keep your stories short and limit them to two paragraphs at most.
- Different types of stories and examples will appeal to the experiences and perspectives of different readers. Therefore, you should vary the kind of stories you include from report to report.
- You can also use stories or examples to document lessons learned. As such, not all of your stories need to be about programme successes. Sometimes it can be very valuable to tell a story about something that did not work to help the reader understand why this was the case.

³²⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

³²⁹ UNIFEM (2005) Results Based Management in UNIFEM: Essential Guide

One of the key things to remember about writing stories is that they should be integrated into the report as a whole, and illustrate particular findings. Stories that are not integrated will have less impact because the reader will have difficulty making the connection between the story and the overall report.

Throughout implementation, managers must be mindful of managing communication with stakeholders – both internal and external. Managers must be mindful of the need to communicate the status of the programme or project, especially any adjustments required.

Communication with various types of stakeholders serve different purposes. Sometimes, the requests are explicit – such as audit requests or information requests from donors, governments or the general public – and the manager must respond. Some external stakeholder communication is routine and forms part of a manager’s every day functions. Other requests, however, such as media inquiries, may require consultation with communications officers. Internal stakeholder communication could be in response to an ad hoc information request from senior management or a headquarters division or may form part of regular reporting requirements.

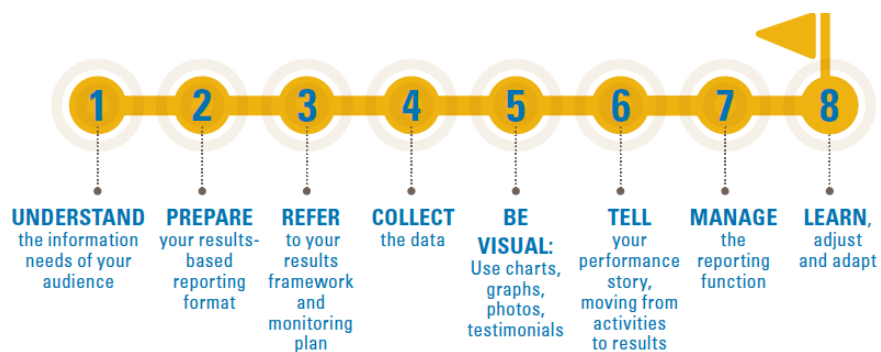
Internal stakeholder communication could be in response to an ad hoc information request from senior management or a headquarters division or may form part of regular reporting requirements.

All of these forms of communication require a certain level of effort. It is important to remember that the quality of communication with stakeholders not only affects the success of a project, but may positively or negatively impact on the reputation of the programme or project and/or ECA.

TIP A well-run programme or project can easily report on the contributions it makes to results for its target populations if it has:

- Results-based reporting systems from implementing partners that are clearly aligned with ECA’s expected outputs and outcomes;
- Explicit theories of change about how results are to be achieved;
- Clearly defined results and indicators, which have been updated as needed;
- Sound programme implementation;
- Regular monitoring of programme actions;
- Periodic evaluations;
- Effective management of its reporting responsibilities. [From UNICEF, 2017]

Figure: Steps in results-based reporting³³⁰



The following considerations may be helpful when devising and implementing the reporting component of your stakeholder engagement strategy³³¹:

- Consult with stakeholders regarding their reporting needs and requirements and come to an agreement on what are reasonable reporting obligations
- Request that stakeholders provide you with regular communication on their reaction to the feedback and reports provided
- Determine what information needs to be reported to which stakeholders, by what method and how frequently
- Regularly update your commitments register and disclose progress to affected and interested parties. In particular, publicise any material changes to commitments or implementation actions that vary from publicly disclosed documents.

³³⁰ UNICEF (2017) Results-Based Management Handbook: Working together for Children

³³¹ Jeffery, N. (2009) Stakeholder Engagement: A Road Map to Meaningful Engagement; #2 in the Doughty Centre 'How to do Corporate Responsibility' Series; Doughty Centre, Cranfield School of Management

- Make monitoring results publicly available, especially reports of any external monitors
- Regularly report on the process of stakeholder engagement as a whole, both to those stakeholders who are directly engaged, and to other interested parties
- Translate information reported to stakeholders into other languages including local languages, if necessary
- Provide feedback in a summary or and easy to understand formats
- Ensure a summary of stakeholder consultation activity is included in the Annual Report



Table : Principles of good results-based reporting³³²

Principle 1: Focus on outcomes/results: explain critical aspects of performance and set them in context
<ul style="list-style-type: none"> • Clearly present achievements: The results statements should be short and supported by factual evidence to determine progress towards achieving ECA’s strategic results. • Briefly describe delivery mechanisms (such as technical assistance, training, advocacy platforms, normative tools such as guidelines, etc.), indicating how they contributed to change and ECA’s role in that change. • Where possible, use numerical comparisons and trends. • Discuss key challenges, risks and opportunities, and their effect on performance during the reporting period
Principle 2: Present credible, reliable and balanced information
<ul style="list-style-type: none"> • Provide factual and independently verifiable performance information, as found in monitoring data and evaluations. Use comparisons and trends.
Principle 3: Associate performance with plans, priorities, and expected results, explain changes, and discuss lessons learned
<ul style="list-style-type: none"> • Link performance with plans (strategic framework, work programme and project documents); Demonstrate links to ECA’s four-year MTPF focus areas, work programme, expected accomplishments, etc. • Briefly discuss lessons learned and corrective actions to be taken, if any. Briefly discuss the likelihood of sustainability of positive results
Principle 4: Link resources to results
<ul style="list-style-type: none"> • Explain what has been accomplished with the resources allocated in relation to what was planned. Demonstrate whether the performance represents efficient and effective use of funds. • Significant internal reallocations to meet emerging priorities, or to better sustain progress toward the achievement of the strategic outcomes should be discussed. • Explain any variances

All too often, periodic and annual reports talk a lot about activities and not enough about actual results. In RBM, we are challenged to report on what has changed vs. what was done. To guide your results-based report, use your monitoring plan, in particular the indicators, baseline, and target, and report on them. The contract that has been signed with the executing agency should spell out what to report on³³³. Your results-based report should document actual results at the output, outcome and impact level. You will need to refer to the expected results in your logic model and corresponding indicators, baseline and target from your monitoring plan. Your monitoring plan will be your key aid

³³² UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

³³³ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

in reporting: it tells you how to track the indicators you have selected to measure how well you are achieving results. Be sure to report on unexpected results as well.

Figure: elements of an effective results-based report³³⁴

Capture the change process - Reporting presents evidence that an initiative has contributed to the achievement of planned results – and demonstrates how the results were achieved³³⁵. For effective reporting:

- Use active ‘change language’
- Look at the effects of completed activities
- Focus on what has changed as a result of your intervention
- Present evidence of change by using your indicators, baselines and targets
- Incorporate lessons learned and best practices
- Highlight how you will overcome gaps and bottlenecks
- Keep it concise, brief and to the point.

When you refer to any relevant activities, it is important to highlight the *effects* of those completed activities, that is, their outputs and outcomes. Too often organizations find they are unable to report against their expected results: the results were too ambitious; they cannot obtain data on their chosen indicators, or they have no baseline. To test out whether your expected results are truly measurable, write a report at the *beginning* of your project! This thought experiment is a great reality check, and will help you improve and develop a measurable logic model and a workable monitoring plan from the outset.

Risks - If results and indicators are poorly designed in the planning phase, then you will have difficulty reporting clearly on results. If monitoring data are missing or implementing partners’ reporting requirements are not aligned with those of ECA, there will be significant gaps not only in implementation, but in reporting as well. It is also important that agreements with civil society organization include monitoring and reporting requirements that support ECA’s own requirements. This will streamline the work and should lighten ECA’s workload. Thus, all elements of results-based management – from planning to implementation and monitoring – need to be in place for reporting to be carried out effectively.

Monitoring reports

The reporting function translates programme and project monitoring into a useful tool. Good reporting fosters two-way communication with different audiences. The reports should be meaningful, concise and issue-focused, targeted to the audience and interesting to read. It is useful to present planned and actual results together, with an analysis explaining any deviation, and to record the action proposed (see Annex).

Summary for ‘good’ reporting
Quality reporting always includes three elements:

- Current status of results and indicators compared to baseline and plans
- Analysis of *how* movement towards results has been achieved
- ECA’s specific contribution to achievement of results.

Effective reporting always requires:

- Clear understanding of reporting instructions from stakeholders
- Good results-based management planning and implementation so data is available
- Clearly defined reporting processes within ECA. [From UNICEF, 2027]

Regular reporting on the progress of the programme or project should be conducted in accordance with clauses laid down in the pertinent agreements, e.g., with Member state governments, donors, or other partners. Obligations in terms of reporting to donors are specified in the signed agreement.

³³⁴ UNDG (2011) Results-Based Management Handbook: Harmonizing RBM concepts and approaches for improved development results at country level
³³⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children

Timely and good-quality reporting is a contractual obligation; it is also essential for good relations with donors and facilitating future funding. Donor reporting includes technical progress reports, certified financial statements and evaluation reports.

Sound reporting on monitoring results is contingent upon³³⁶:

- **Good timing.** It is important to communicate the outcome of monitoring activities to key stakeholders in a timely and predictable manner. Hence, a sound trip report should conclude a monitoring mission, outlining the findings, recommendations and responsibilities for follow-up actions. Quarterly, mid-term or annual reviews are important elements of a programme monitoring mechanism.
- **Easy access to result data.** Available data storage and management mechanisms and platforms should be used to facilitate easy access to data from field monitoring visits by other staff and partners, and to permit analysis of trends over time.
- **Sharing of data.** Monitoring findings should be discussed with implementing partners and shared with relevant stakeholders.
- **An analysis of progress against plans.** Established mechanisms (e.g., in Umoja) should be used to analyse progress against plans. This analysis will help determine future actions, both internally and with partners.

Annual Review Report

An annual review report of the programme or project should be prepared by the initiative manager and shared with the responsible division and SPORD for oversight and coordination. The annual review report should reflect on the operational experience of the year to revalidate the logic of the programme or project with the following questions³³⁷:

- What issues have emerged during implementation?
- Have the foreseen risks and assumption materialized? What effects are they having on implementation?
- Have other unforeseen challenges, opportunities or risks materialized? If so, what are they? And are they all being managed?
- What evidence shows the nature or level of progress toward the planned outcomes?

As minimum requirement, the annual review report should cover the whole year with an updated summary of results achieved against pre-defined annual targets at the output and outcome levels. The report should confirm whether the delivery of outputs as planned will still lead to the desired outcomes. If not, state what changes are needed. If revisions to programme and project plans are needed, then the revisions, and an amended results framework with new cost estimates, annual targets etc. should be drafted to facilitate decision making at higher levels.

Donor reports

Donor reports should highlight ECA's unique comparative advantage vis-à-vis other organizations³³⁸. This includes:

- Programme sectors where ECA interventions are acknowledged around Africa for their effectiveness, such as its flagship reports, country profiles and policy influence.
- Upstream areas, including technical support and capacity-building, the result-based approach to programming and evidence-based policy advocacy.
- Advocacy to address inequity and disparities, e.g., for youth and women.
- Policy agenda issues such as various forms of inequality and exclusion.

³³⁶ UNICEF (2017) Results-Based Management Handbook: Working together for Children

³³⁷ Adapted from: UNDP (2011) Policies and Procedures

³³⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

Responding to feedback, maintaining open dialogue

On-going engagement, reporting and dialogue with stakeholders - A primary goal of reporting is to contribute to an ongoing stakeholder dialogue³³⁹. Reports by themselves provide little value if they fail to inform stakeholders or support a dialogue that influences the decisions and behaviour of both the reporting organisation and its stakeholders. The basic test of responding to feedback and stakeholder concerns is whether the reports from the programme or project address material issues that are surfaced by any of the stakeholder engagement activities or processes, e.g., joint monitoring, participatory reviews, or satisfaction surveys. The principle of responsiveness does not require that the reporting programme agrees or complies with all the stakeholder concerns and interests, just that it has responded coherently and consistently to them. Therefore, an adequate response to stakeholder feedback should include acknowledgement of the key concerns, a prioritisation of issues (including how this was determined), what has taken place since the dialogue, benchmarks, and next steps within a fixed timeframe.

Emphasize partnering and ‘One UN’ - Remember that reports should describe joint efforts with government and implementing partners. For projects involving more than one UN agency, seek to draw attention to the strength of the entire UN system working together. Be honest and acknowledge the contribution of others. It is important to emphasize the benefits of integrated joint efforts or ‘Delivering as One’.

4.8 Managing project information

Managing records on a project is an essential activity that ensures the availability of the detailed and timely records of a project from start to finish. Project records are crucial in getting things done in an effective way and unravelling challenges that project teams may face when making the information accessible to partners and other users. Poorly managed project records will lead to challenges for programme and project managers who need to be able to focus on the most relevant information contained in project documents so that they can overcome bottlenecks. They also need to regularly update and account to stakeholders and donors, which can fail if they only have of inaccurate, incomplete or non-existent information. Project documents include, but are not limited to:

- Business case documents;
- Feasibility and research reports;
- Contracts such as letters of agreement and memorandums of understanding;
- Workplans;
- Budgets and financial reports;
- Minutes of meetings;
- Progress reports;
- Personnel records;
- Project risk analyses and relevant management actions;
- Project revisions; and
- Documentation of challenges and lessons learned.

Project documents also include communications with the project team, other ECA staff, partners, stakeholders and consultants.

The procedures for managing project documents are guided by the Commission’s overall archives and records management framework, which encompasses policy, procedures, standards and retention schedules and tools. The framework acknowledges that records management follows life cycle and continuum models from the time that records are created or received, through to their use, maintenance and temporary storage before finally being destroyed or archived permanently. As part of the archives and records management programme, an electronic system has been implemented to manage documents and records and to ensure that all records are captured,

³³⁹ Krick, T., et al (2005). The stakeholder engagement manual: The practitioner’s handbook on stakeholder engagement. AccountAbility, UNEP and Stakeholder Research Associates.

managed, preserved and made accessible. The system provides functionality and workflows that ensure ease of the indicated operations and streamline and centralize the records-generating activities, which are distributed across the organization.

It is the responsibility of the project manager to ensure that records generated at each stage of the project are properly captured, maintained and updated to reflect the ongoing project activities and procedures. This is critical in preparing for analysis and reflection, lessons learned, and helping teams capture and retrieve necessary information to be shared with partners and the public, as appropriate. Training, reference tools such as “how to” videos, and documents will be provided through PIKMD and the programme and project management e-platform to the relevant officers handling records to ensure that they are well equipped to manage the records and other information emanating from the programmes and projects.

4.9 Adaptive management

4.9.1 Using monitoring data

The main point of monitoring is that the data should be used as evidence for action or decision-taking³⁴⁰. Reliable monitoring information will enable programme managers to:

1. Consider changes to what we are doing and how we are doing it. Questions that could be asked are:

- What needs to be scaled up or down?
- What should be stopped? What needs to be changed?
- What new activities or strategies should be introduced?
- Do we need to change the results framework and corresponding theories of change, or just the strategies and activities, and thus costing?

2. Build capacity. Monitoring data may be used to justify additional human resources or better-skilled human resources, getting more funding, building better systems or improving the governance and management of a programme.

3. Allocate resources more appropriately. Monitoring data can be used to:

- Reallocate financial resources
- Make sure equipment is allocated correctly
- Ensure that supplies are distributed correctly.

4. Re-prioritize. Certain aspects of the programme may need to change, based on monitoring data. We may need to change implementing partners, change strategies, and/or make other adjustments

5. Organisational learning. Performance information can be used for organizational learning throughout programme and project implementation. In addition, ongoing implementation and monitoring may generate opportunities to revisit and review performance. Internal audits, management reviews, mid-term or end-of-project evaluations are other opportunities to take stock of operations, results and lessons learned that can be used for organizational learning and programme and project redirection. Reporting should also lead to best practice examples and innovations, knowledge exchange and increased staff skills and capacities. This knowledge exchange can also occur through many other modalities, e.g., round table discussions, conferences, videos, the Internet, study tours and capacity-building workshops.

³⁴⁰ UNICEF (2017) Results-Based Management Handbook: Working together for Children

4.9.2 Managing risk

Throughout implementation, managers monitor performance and identify and mitigate risks that may impede the achievement of results. Managers also put in place mechanisms to promote learning from experience, including from unexpected outcomes and opportunities, and promote the exchange of knowledge.

Identify and mitigate risks

Managers should continuously be seeking to identify and mitigate risks that may impede the achievement of results. At the same time, they must seek to balance risks with the costs related to mitigating them and the value that taking risks may bring.

Risk management involves periodic monitoring and re-assessment of risks that can impact the achievement of results, taking measures to mitigate negative risks (including preparedness measures) and to maximize opportunities. Risk management in this context applies to both re-assessment and adjustment in relation to risks to vulnerable populations, and in relation to a wider range of risks to programme implementation. In the formulation phase, you will have identified the risks to the achievement of your results, assessed their likelihood and impact, defined risk response measures, and recorded it all in a risk monitoring and response matrix.

Balancing risk response with cost and results

During implementation, managers should continually monitor, respond to and report on risks. It is also important to periodically assess whether any new risks have emerged. However, managers must seek to balance risks with the costs of responding to them and the value that taking risks may bring. The figure ## (below) provides some basic questions with regard to risk, costs and results. Meeting periodically with implementing partners to discuss risks and measures to mitigate them is an essential aspect of a programme manager's job. Review the risk monitoring and response matrix from the programme or project document [see Annex] during programme reviews and re-assess the risks and response strategies that you had anticipated. Assess the current risk level and record it in your risk matrix under the current date. Use your updated matrix to determine what adjustments are needed in strategies and work plans.

Figure: Connecting risk response with costs and results³⁴¹



4.9.3 Project revisions and extensions

Change is always a factor in the project management environment. Taking early corrective action is a key objective of monitoring project implementation, and a major responsibility of programme and project management. Understanding the causes of discrepancies is critical to successful corrective action. Project managers are responsible for continually assessing the project’s business justification and making adjustments to achieve the intended results. Regularly revising and updating project documents is important for accountability, transparency and effective communication.

Discrepancies and shortfalls may be due to problems or conditions within the project’s control, such as project organization, administrative systems and personnel changes (project managers), or to shortages and delays in the provision of inputs. The project manager can remedy such problems by instructing personnel to take action or by making minor modifications to the workplan. Meanwhile, disappointing results, delays or cost overruns may also be due to situations outside the control of the project, such as political disturbances or natural disasters. External factors and trends should be monitored as part of the task of tracking project assumptions and risks.

Project revisions

Project managers, in consultation with the programme managers, have to take the lead in the revision process, while working closely with programme management officers. While some routine revisions should be handled between project managers, supervisors or the division directors, revisions beyond the division directors’ delegated authority should be reviewed and cleared at the corporate level. In the case of ECA projects, thresholds related to project outcomes, duration and budget determine whether review and approval is required from DESA, the ECA ACABM or the QRC.

The important steps in the revision process are:

- Step 1.** For all types of project revision,³⁴² the project managers must prepare the required documents in consultation with the responsible programme management officer and relevant subprogrammes.

³⁴¹ From: UNICEF (2017) Results-Based Management Handbook: Working together for Children

³⁴² Revisions for a specific project should not be requested more than two to three times in a year.

Step 2. The project manager must secure clearance for project revisions from her or his supervisor, the programme manager.

Step 3. Project managers should then submit the completed revision request template and associated documents³⁴³ to the subprogramme director.

Step 4. When the revision requires approval from DESA or the funding partner, SPORD will consult DESA and the relevant funding partners to seek their views and suggestions, depending on the type of revisions. DESA or the funding partner will provide comments on the proposed revision, which the project manager must take into account. If this manager fails to do so, the subprogramme Director will suspend the project until action is taken. If this situation persists, SPORD will not authorize expenditure in the case of projects funded through the DA, and the subprogramme Director will not authorize expenditure for extrabudgetary projects in the financial system (Umoja). In the case of RPTC projects, the Director of the Capacity Development Division in ECA must authorize any project revision before expenditure is incurred.

Step 5. Upon approval, the project managers, with the help of the responsible programme management officers, should update the relevant information in Umoja and the project filing system (see Annex).

Project extensions

Projects should aim to deliver their results in line with their originally designed and approved workplans. The project manager is responsible for monitoring the delivery of a project against its workplan, and anticipating and mitigating problems as they arise so as to minimize the need for project extensions. Such extensions increase the transaction costs of the Commission and of the partners, result in poor performance ratings, and, in the case of extrabudgetary projects, cause loss of income on overheads.

Project extensions may be requested because of external risks (for example, in cases of *force majeure*) or delivery problems. Requests for extension can be granted, but should be treated as exceptional. The project manager should report and review progress regularly with the programme manager. The programme manager will have the ultimate responsibility to provide justification for any extension to SPORD and the donor. Requests for no-cost extensions should be submitted in time to enable the Commission and the donor to process them before the end of the project, which means at least three months before the expected end.

³⁴³ Revisions will be cleared by SPORD. Note, however, that it will take three to five days for the Division to review and clear revisions if complete information is provided. If the submission is incomplete, it may take up to two weeks to clear.

5 Phase 5 – Demonstrate results

5.1 Project completion and close-out

5.1.1 Overview of completion and closure processes

All projects are designed with a definite end and must be formally closed. It is the responsibility of the project manager to complete the project in accordance with the planned schedule. Project completion and closure are determined by the dates indicated in the original agreement signed with the donor or in subsequent approved project extensions. A project may be brought to premature closure if the project is no longer viable or if the business case of the project is no longer valid. Regardless of the reason for closure, the project manager is accountable for finalizing all administrative procedures for project completion and closure, and should work with the programme management officer to complete the necessary final project revisions and ensure compliance with the United Nations Financial Rules and Regulations.

The timely ending of activities and closure of projects involve the key managerial roles of the programme manager (division director), project manager and programme management officer, with well-coordinated action by all support units concerned. It is of the utmost importance to plan the end of activities and financial transactions of the project in line with the established end dates of the proposal and donor agreement, in order to maintain good working relationships with donors. The project manager and programme manager (division director) should be fully aware of the provisions of the agreement, as they are responsible for complying with them.

Close out procedures for personnel and assets

The ECA programme manager also initiates action with respect to the following matters:

- Contracts for project personnel: This entails coordinating with the HR section for international experts and with the respective SROs and the project manager for national personnel.
- Disposal of equipment and other assets: The final destination of equipment, furniture and other assets is often stipulated in the project agreement, or can be agreed and negotiated between the Commission, the donor and the national counterpart prior to the end of the project. As a general rule, project equipment purchased with project funds is transferred to the project beneficiary at the conclusion of the project.

Any encumbrances and expenditure initiated after the project end dates will be the liability of the programme manager.

5.1.2 Operational and financial closure, by funding source

At the end of a project funded by means of the RPTC, the DA or extrabudgetary funds, the Commission is required to submit a final financial report detailing project expenditure and a final substantive report on the results achieved, especially at outcome level. Donors are increasingly interested in value for money or the social returns on investment. These final project reports are often requested within 90 days after the end of the project. The preparation of the final (terminal) report of the project is the direct responsibility of the project managers concerned.

a) Projects funded through the RPTC

The closure of a project funded through the RPTC entails the following:

1. The first step is to review the closure checklist in order to ensure that project closure has been completed smoothly and efficiently.
2. The next step is to hand over the deliverables to the stakeholder (for example, a member State or a pan-African institution). This is also an opportunity to inform all stakeholders of the closure of the project, passing all the documentation to the archiving system and closing contractual services provided by consultants and other service providers.
3. Shortly after the project has been closed, there is a post-implementation review. This review allows project management and the Commission to identify the level of success of the project and to list any lessons learned for application in future projects.

b) Projects funded by the Development Account

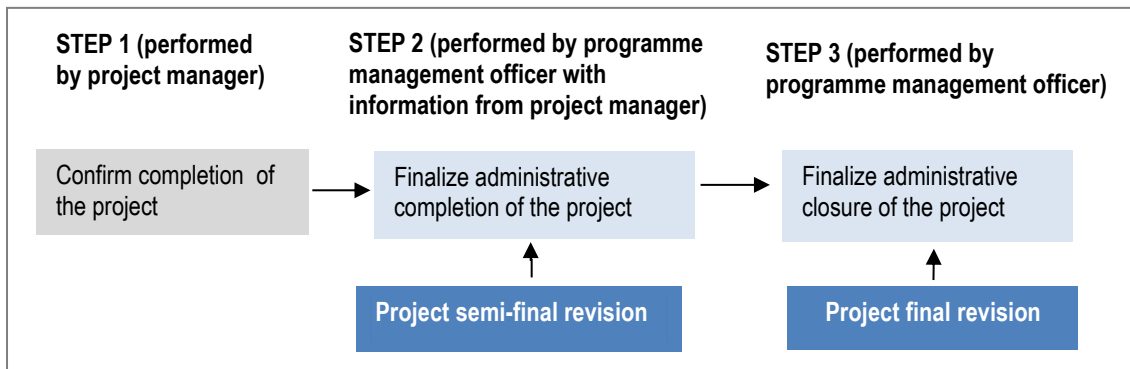
In principle, DESA requires automatic closure of projects funded through the DA on the date stipulated in the approved project document (usually 31 December). Except in very rare cases, no more activities or expenditure are allowed after this date, and no extensions. This date is also when the project manager and the accountable division director are expected to submit a final project report that includes a financial statement (see Annex for the template for final reports on DA projects). If there are any unspent funds, they are sent to the CDO in DESA, where all such funds from the different projects and implementing United Nations entities are bundled into a residual balance that is used to create a new tranche for another round of projects.

Approximately three months after closure, DA projects are required to have an independent external evaluation. This is usually conducted in March or April. This exercise is supported by the Evaluation Section in SPORD and usually lasts for one to two months, depending on the size of the project. The costs of the evaluation should have been included in the project budget (the minimum is 2 per cent of the total budget of the project) and the money allocated before the closure of accounts on 31 December. Therefore, good planning is needed by the project management to prepare for the evaluation. The evaluation report is first reviewed and cleared internally by the Commission and then sent to the CDO in DESA.

c) Projects funded from extrabudgetary sources

A project is considered completed when all planned activities and outputs listed in the project document have been delivered (Figure 18 below). If the project is implemented by partners, the partners should submit the final narrative and certified financial statement - as specified in the signed partnership agreement - to the project manager when they complete the delivery of planned deliverables (outputs) or when the project reaches its end date. The documents should be prepared in accordance with the terms and conditions of the relevant partner agreement and project document.

Figure 18: Process of project completion and closure



Note: For steps 2 and 3, see Annex for budget and revision templates.

A project will be operationally closed when all the planned project activities have been completed; and it will be financially closed when all payments have been made and outstanding obligations on the project fully liquidated. A project is deemed to be operationally and financially closed when the above two conditions have been met and the mandatory final financial and final narrative technical reports have been transmitted to the partner or donor.

5.1.3 Closure involving partners

Lack of or delay in reporting - If a partner fails to comply with any project closure requirements, such as delivery of the final report or of the final audited statement of accounts within two weeks from the project completion date, the project managers should send reminders to the partner on a monthly basis for a period of one year and keep the programme management officer informed. Such reminders will constitute written evidence in the form of emails and letters showing that all possible steps have been taken to obtain such reports, including escalating the issue to a supervisor or senior manager. In special circumstances, and subject to the approval of division directors, this may constitute cause to impede future partnership agreements with the organization that failed to submit reports. If necessary, a request for write-off can be submitted to close the project as described below.

Write-off process and call for audit - The Commission may write off a receivable amount when a partner is unable to account for funds that have been transferred to it. Before requesting a write-off, the programme manager should create an audit trail testifying to its due diligence in trying to either make the partner comply with the contract terms or recover the cash advanced and not reported on. The audit trail should, at a minimum, consist of a written reminder of the partner's obligations every 3 months over a period of 18 months, stating the Commission's expectations vis-à-vis the partner. The wording, as well as the seniority of the signatory of the reminder, should escalate gradually to reach at the final stage the blacklisting of the partner, signed by the programme manager who is the division or SRO director.

The write-off is governed by regulation 6.4 of the United Nations Financial Rules and Regulations, which states that *“the Secretary-General may, after full investigation, authorize the writing-off of losses of cash, stores and other assets, provided that a statement of all such amounts written off shall be submitted to the Board of Auditors with the accounts.”* Where it appears that the cash advanced has instead been misappropriated, the audit trail will serve as a supporting document to a request for a forensic audit in accordance with the signed agreement with the IP and with United Nations audit rules and regulations.

5.2 Quality assurance

5.3 Evaluation

5.3.1 Overview of evaluation in ECA

Evaluation is integral to programme and project management at the Commission. Evaluative thinking throughout the programme and project management cycle enables ECA to improve programme management and performance through learning and evidence-based decision-making, and to provide substantive accountability to member States, UN Headquarters and development partners as per the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (PPBME). The Commission subscribes to the inter-agency United Nations Evaluation Group’s norms, standards and definition of evaluation, but also makes provision for unintended outcomes. These may be positive or negative, but are often overlooked, especially in monitoring and evaluation that focuses only on quantifying desired results.

Box : The definition of evaluation used at ECA is from the United Nations Evaluation Group (UNEG)

“(Evaluation is) ... an assessment, as systematic and impartial as possible, of an activity, project, programme, strategy, policy, topic, theme, sector, operational area, institutional performance, etc. It focuses on expected and achieved accomplishments, examining the results chain, processes, contextual factors and causality, in order to understand achievements or the lack thereof. It aims at determining the relevance, impact, effectiveness, efficiency and sustainability of the interventions and contributions of the organizations of the United Nations system. An evaluation should provide evidence-based information that is credible, reliable and useful, enabling the timely incorporation of findings, recommendations and lessons into the decision-making processes of the organizations of the United Nations system and its members”. [From UNEG, 2005]

Evaluation is distinct from: (i) other functions in the oversight spectrum, although it draws from and informs the products of the other oversight functions; (ii) monitoring, as it attends much more widely to issues of relevance, context, causality and eventual impact and sustainability; and (iii) research³⁴⁴. Evaluations should be useful. Utility and intentionality are key standards to be addressed in any evaluation activity, and the intended use of an evaluation should determine the choice of evaluation approach and methodology.

One of the purposes of results-based management is to understand and sharpen an organization’s contribution to results. Evaluation is a core component of the RBM cycle; and solid RBM systems are the foundation for useful evaluations. Evaluations help determine the extent to which planned or unexpected results have been achieved; they also provide credible evidence-based information, recommendations and lessons to improve future programming and decision-making³⁴⁵.

³⁴⁴ UNICEF (2015) 16 Tools for Programming for Policy Results: Towards the Meaningful Use of Results-Based Management and Theory of Change for Social Inclusion and Policy A Reference Guide

³⁴⁵ UNICEF (2017) Results-Based Management Handbook: Working together for Children

Scope of evaluation

Evaluation addresses what works and why, as well as what does not work, and under what circumstances. Evaluations are a key element of results-based management and pose three fundamental questions³⁴⁶:

- *Are we doing the right thing?*
- *Are we doing things right (as planned)?*
- *Are there better ways of achieving the expected/desired results?*

Evaluations provide the basis for assessing the outcome, impact, relevance, effectiveness, efficiency, partnerships and sustainability of ECA programmes and projects, as well as the Commission's contributions in the areas of gender, human rights and policy influence. Evaluations also provide information and lessons learned which should be taken into account during annual programme planning and budgeting exercises.

Results-based evaluation - incorporates theory of change as an essential analytical tool³⁴⁷. Using theory of change in evaluation ensures a common understanding of a programme or project's objectives and how the objectives were to be achieved. In some cases, evaluators may find the project to be evaluated already has a theory of change and so they will need to review it and assess its applicability in the reality on the ground. Sometimes, it will be necessary to reconstruct or rework the existing theory. If no theory of change exists then the evaluator should construct one and validate it with the project manager and project staff involved as the evaluation process begins. Use of the theory of change supports a rigorous review of project progress along the pathways of the project from outcome to impact. The pathways summarize causal relationships and help identify or clarify the assumptions and risks in the intervention logic of the project.

Impact evaluations can be improved by using the theory of change to³⁴⁸:

- Identify relevant variables that should be included in data collection;
- identify intermediate outcomes that can be used as markers of success, in situations where the impacts of interest will occur after the evaluation time frame;
- identify aspects of implementation that should be examined to see if the failure to achieve intended impacts is due to a failure to implement the intervention successfully;
- identify potentially relevant contextual factors that should be included in data collection;
- guide data analysis; and
- provide a framework for reporting findings.

Policy evaluation – Policy evaluations face a number of unique challenges³⁴⁹. First, many policies are not based on a clearly articulated theory of change which can be identified and assessed. Second, policy change requires many different kinds of behavioural and attitude change from many different

Internationally agreed evaluation criteria

- **Relevance.** The extent to which the objectives of policies, programmes or projects are consistent with the needs of target populations and country and with global priorities. In changing circumstances, are the objectives of an intervention and its design still relevant?
- **Effectiveness.** The extent to which the development intervention's objectives and results were achieved, or are expected to be achieved, taking into account their relative importance. A measure of the extent to which a technical cooperation activity attains its objectives and results.
- **Efficiency.** A measure of how economically resources/inputs (including funds, expertise, time, etc.) are converted to results. This may require comparing alternative approaches to achieving the same outputs, to see whether the most efficient processes have been adopted.
- **Impact.** The long-term effects produced by a development intervention, directly or indirectly, intended or unintended, positive or negative.
- **Sustainability.** The continuation of benefits from a development intervention after major development assistance has been completed. Sustainability looks to the probability of continued long-term benefits. Interventions should be environmentally and

³⁴⁶ ECA (2014) Evaluation Policy

³⁴⁷ UN-Habitat (2018) UN Habitat Evaluation Manual

³⁴⁸ Rogers, P. (2014) Methodological Briefs: Overview of Impact Evaluation. Impact Evaluation No. 1. UNICEF

³⁴⁹ UN Global Pulse (2016) 'Integrating Big Data into the Monitoring and Evaluation of Development Programmes'

actors and agencies. These are often very difficult to monitor. Third, the outcomes of many policies cannot be observed for a number of years. For example, policies may not be implemented until the next four- or five-year development plan, and results may not be observed until the next plan after that is underway. As such, it could be five or more years before the assessment of policy outcome or impact can be completed. Fifth, given the nature of most policy interventions, it is extremely difficult to identify a counterfactual, and consequently it is difficult to determine the extent to which changes can be attributed to the new policy. Finally, when assessing the impacts of donor-initiated policy reforms, an additional challenge can be that many governments do not wish to acknowledge that their policy reforms were based on advice from donors.

The scope and focus of the evaluations should be linked to the nature of change that the development intervention (programme or project) is attempting to bring about. Much of ECA's work is aimed at the level of influencing policies and norms. If the intervention falls within the first category of normative work – the creation of norms, standards and international instruments – then the evaluation should focus on process and governance issues, and perhaps the relevance of the norm, standard or international instrument. If the intervention is to support a government in adopting and implementing a particular norm as a duty bearer, then the evaluation should focus on the outcomes related to that support³⁵⁰.

Theory based evaluation - The use of a theory of change is recommended in evaluating complex initiatives, especially where time lags make it difficult to directly measure changes at the impact level. Testing the strength of the assumptions and causal links in a theory of change enables one to assess the likelihood and magnitude of effects of an intervention. This includes testing assumptions about key constraints, risks, and linkages between outputs (systemic change in the training and skills development system) and impact (increased employment and exports). It also includes an identification of alternate pathways of change and other factors which might also contribute to change.

Some version of a theory of change is likely to have been developed as part of the planning for a programme or project. When preparing for an evaluation, the theory of change should be reviewed and revised as necessary³⁵¹. For example, the existing theory of change may have gaps or unrealistic assumptions that should be revised; it can also be out of date if the programme has evolved since the theory of change was developed.

Theories of change should be tested through the collection and analysis of evidence and through vetting with external stakeholders, including: (a) beneficiaries, and (b) individuals and/or organizations with relevant expertise. Interviews with players within the sector of the intervention can help to test the theory of change. These interviews can focus on the identification of key constraints, assumptions, other effects and contributing factors. Such player consultations can contribute to a greater understanding of sector dynamics more generally, resulting in a more informed programme approach³⁵².

Joint evaluations - In ECA's countries of focus, the level of interaction and collaboration with the UNCT is expected to be much higher. One consequence of this affiliation is likely to be the opportunity, and even requirement, to participate in joint evaluations, especially of the outcomes and collective contributions toward the 2030 Agenda and the SDGs.

³⁵⁰ UNEG (2013) UNEG Handbook for Conducting Evaluations of Normative Work in the UN System

³⁵¹ Rogers, P. (2014) Methodological Briefs: Overview of Impact Evaluation. Impact Evaluation No. 1. UNICEF

³⁵² ILO/SIDA (2016) STED Results Based Management and M&E Manual

Table 1: Benefits and challenges of joint evaluations³⁵³

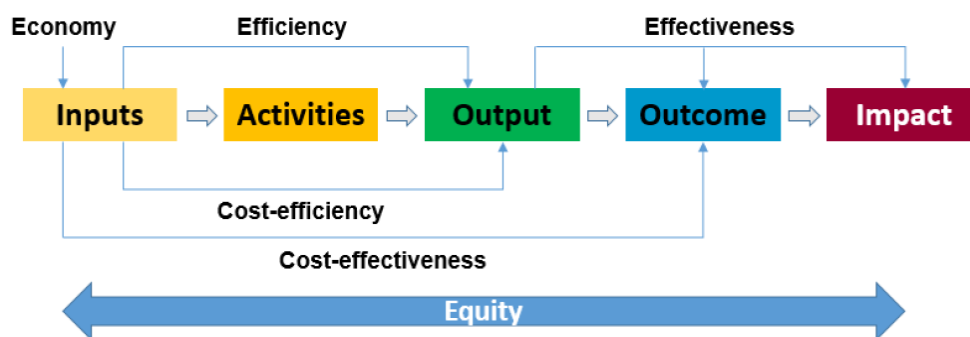
Benefits	Challenges
<ul style="list-style-type: none"> + Strengthened evaluation harmonization and capacity development: shared good practice, innovations and improved programming + Reduced transaction costs and management burden (mainly for the partner country) + Improved donor coordination and alignment: increase donor understanding of government strategies, priorities and procedures + Objectivity and legitimacy: enables greater diversity of perspectives and a consensus must be reached + Broader scope: able to tackle more complex and wider reaching subject areas + Enhanced ownership: greater participation + Greater learning: by providing opportunities for bringing together wider stakeholders, learning from evaluation becomes broader than simply for organizational learning and also encompasses advancement of knowledge in development 	<ul style="list-style-type: none"> - More difficult subjects to evaluate (complex, many partners, etc.) - Processes for coordinating large number of participants may make it difficult to reach consensus - Lower-level of commitment by some participants

Value for Money (VfM) and Cost-effectiveness focuses on how an organization achieves results, understanding and articulating the process and costs to ensure optimal deployment of effort and resources to achieved intended results. *Cost-effectiveness* refers to an assessment of whether activities and outputs have been delivered with a minimum of resources without reducing the quality and quantity of the achievements. *Cost-efficiency* analysis of a development intervention is the assessment of whether the same (or greater) results could have been achieved at lower cost through other alternative delivery approaches³⁵⁴.

Key dimensions of Value for Money (VfM), the 4 Es

- *Economy*: The degree to which inputs of the right quality are being purchased in the right quantity, at the right time and place and at the right price.
- *Effectiveness*: The extent to which the programme, project’s results were achieved, or are expected to be achieved, taking into account their relative importance. Responding to the question: "Are we doing the right things?"
- *Efficiency*: A measure of how economically inputs are converted into results. Responding to the question: "Are we doing the things right?"
- *Equity*: The degree to which the programme, project results are equitably distributed. It implies considering the extent to which the results benefit and ensure coverage of those left behind or at risk of being left behind and taking action to redress disparities.

Figure : Key dimensions of Value for Money (VfM), the 4 Es



Review of relevant literature, case studies, etc. - Reviewing relevant literature (e.g., in the sector of focus) and examples of other programmes in the area of intervention or elsewhere can help to test the theory of change and identify areas for inquiry.

³⁵³ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

³⁵⁴ Bureau of Strategic Planning (2019) Results-Based Programming, Budgeting, Management, Monitoring and Reporting (RBM) approach as applied at UNESCO: Guiding Principles

Risks - Many widely used evaluation designs fail to capture unintended outcomes. Most quantitative designs, including randomized control trials, are designed to test whether intended outcomes have been achieved (e.g., Is there a statistically significant difference in the change, in specific outcomes between the project and control groups over the life of the project?). However, they are not designed to identify outcomes and they are not included in the original project design. While qualitative designs, such as a theory of change can potentially identify unintended outcomes, often evaluation clients are only interested in knowing whether their project has achieved intended outcomes³⁶⁵.

Evaluation in ECA

Evaluations of programmes and projects at ECA seek first and foremost to³⁶⁶:

- Enable programme managers to demonstrate and measure performance during programme and project design, planning and implementation, including through evaluative reviews and mid-term evaluations;
- Help achieve stronger results through better planning and adjustments of activities as may be required
- Identify where improvements can be made to design or delivery methods;
- Identify good practices and lessons for the future;
- Assess the impact of the Commission’s activities on Africa’s transformational agenda at the national, sub-regional and regional levels, at the end of a programme phase or a project cycle, or in “ex post” evaluation at some time after completion;
- Provide disclosure as a means of achieving accountability and transparency in the way ECA implements its programme activities and uses its resources.

In the Commission, evaluations are divided into two broad categories: external and internal. This distinction is based on who conducts the evaluation. External evaluations ensure impartiality and assess the value of programmes on the basis of the extent to which they have discharged their objectives and contributed to higher-level outcomes and impacts. The term “external evaluation” should be used strictly for evaluations that are managed and conducted by independent entities that have no stake in the ECA. Oversight bodies such as the United Nations Office of Internal Oversight Services or the Joint Inspection Unit and UN Board of Auditors are mandated to undertake programme and legislative mandate evaluations, system-wide evaluations and reviews and performance audits respectively. In addition, development partners also undertake evaluations. Internal evaluations are performed within the Commission and can be managed or conducted by ECA staff. Divisions, SROs and IDEP are responsible for undertaking programme self-assessment at 18-month and 24-month intervals, within any given biennium.

The Evaluation Section (EvalS) in SPORD is guided by the ECA Evaluation Policy. The EvalS provides support and technical assistance in the form of guidance, tools and quality checks of programme, project and major event self-assessments. These guidance documents will also be posted on the programme and project management e-platform.

Budgeting for evaluations

The evaluation community usually suggests a provision ranging from 5 to 10 per cent of a programme or project’s budget for monitoring and evaluation, with 2 to 4 per cent allocated specifically to evaluation³⁶⁷. [see also earlier discussion of budgeting for programme or project M&E

³⁶⁵ UN Global Pulse (2016) ‘Integrating Big Data into the Monitoring and Evaluation of Development Programmes’

³⁶⁶ ECA is also involved with strategic, thematic and operational (business processes) evaluations. These are becoming an increasing focus for the Evaluation section in SPORD.

³⁶⁷ IOM (2018) IOM Evaluation Policy

in section 3.5.3]. These figures should be regarded as purely indicative estimates, as whatever the size of the project, the amount allocated to evaluation in ECA will differ based on whether it is conducted by ECA staff or external consultants and on the type of evaluation required (e.g., rigorous impact evaluations are more expensive than standard programme performance evaluations).

The detailed budget for evaluations should include the frequency of evaluation (e.g., midterm and final, and potentially ex post for a full impact evaluation); the extent of travel required; hiring consultants, translators or interpreters; transportation; and other logistics, such as meeting facilities during field visits or debriefings³⁵⁸. It should also reflect the complexity and scale of the project, the geographical coverage, availability of a theory of change and if there is a need for an evaluability assessment. It is important to also note that if the funders request a final evaluation to be carried out after operational completion, the Project Manager will need to have formal authorization to use the budget line for this purpose (include this arrangement in the project document)³⁵⁹.

Programme units should estimate and indicate financial requirements and financing means for each evaluation in the evaluation plan³⁶⁰. When estimating costs for an evaluation, consider the **duration and scope** of the evaluation. Duration will be determined by its purpose. An evaluation conducted early in implementation, which tends to focus on programme or project design issues, is apt to be less complex and entail a smaller scope, hence requiring less data than would a ‘heavier’ exercise conducted at the end of the project or the programming cycle. The greater the complexity and scope of an evaluation, the longer time and more detailed work will be needed by the evaluation team to collect required data, which will affect the evaluators’ total fees. Programme units should be realistic in terms of the scope and complexity of the evaluation *vis-à-vis* available resources.

Risks - The absence or inadequacy of a budget for evaluation will prevent the Commission from conducting the required evaluation to assess the efficiency, effectiveness, impact and sustainability of its projects and to help management in making decisions³⁶¹.

The availability and accessibility of primary and secondary data (monitoring, regular reporting and evaluation) and the data collection methods selected will also influence the cost of an evaluation exercise³⁶². Without reliable data, evaluators need to spend more time and resources to locate or generate information. The appropriateness of allocated resources should be assessed together with the commissioned external evaluators based on the work programme submitted by them.

5.3.2 Impact assessment: Attribution vs contribution

Evaluations help ECA determine its contribution to various levels of results, e.g., within projects and programmes, and at higher strategic levels. Meanwhile, the longer-term outcome or impact results, e.g., influencing policy development toward realising the SDGs, can rarely be attributed solely to ECA efforts. ECA works in partnership with governments and other stakeholders who also contribute to the results. A result may have multiple contributing factors beyond ECA, such as interventions by non-governmental organizations, UN country teams, the government, or other external factors.

In all ECA interventions, especially in domains like policy influence, it is rarely possible to attribute a result to one specific cause or actor. For most complex or policy influence projects and programmes, it will generally be more feasible and appropriate to consider looking for plausible evidence of contribution to impacts rather than attribution³⁶³.

³⁵⁸ More details about costing, sources of funds, and responsibilities are included in the main PPM manual

³⁵⁹ ITC (2018) ITC Evaluation Guidelines, Second Edition

³⁶⁰ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

³⁶¹ FAO (2013) Thirty-eighth Session; Audited Accounts - FAO 2010-2011 Part B - Report of the External Auditor

³⁶² UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

³⁶³ UNICEF (2017) Results-Based Management Handbook: Working together for Children

Figure ##: Attribution Versus Contribution³⁶⁴

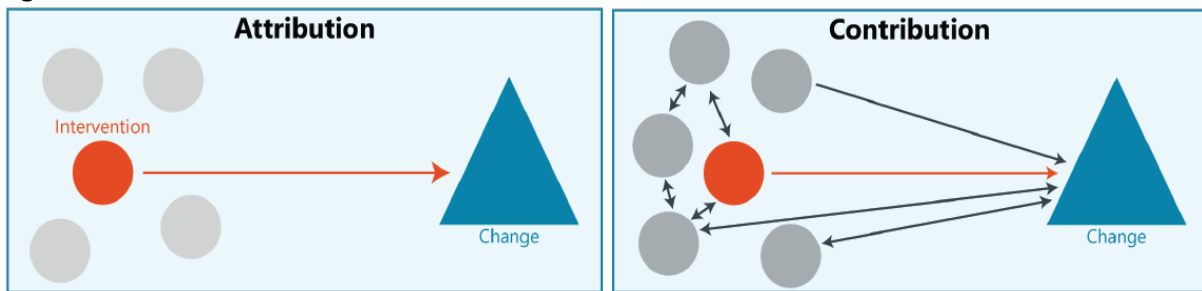


Table ##: Attribution versus contribution

Attribution analysis	Contribution analysis
Employs a narrow-angle lens that assumes a linear cause-and-effect relationship between intervention activities and observed changes	Embraces a wide-angle lens on the non-linear cause-and-effect relationships between intervention and non-intervention factors that influence changes
Asks: To what extent did our intervention cause the change?	Asks: to what extent did our intervention contribute to the change?
Seeks to prove the link between activities and change	Seeks to establish a plausible link between the intervention and change
Privileges experimental design as the 'gold standard' methodology	Emphasizes triangulation of methods and stakeholder verification of findings

The systematic development and corroboration of the causal story can be achieved through *causal contribution analysis*, which aims to demonstrate whether the evaluated intervention is one of the causes of observed change³⁶⁵. Contribution analysis relies on chains of logical arguments that are verified through careful analysis. Rigor in causal contribution analysis involves systematically identifying and investigating alternative explanations for observed impacts. This includes being able to rule out implementation failure as an explanation for lack of results and developing testable hypotheses and predictions to identify the conditions under which interventions contribute to specific impacts.

The causal story is inferred from the following evidence:

- There is a reasoned theory of change for the intervention: it makes sense, is plausible, and is agreed to by key players.
- The activities of the intervention were implemented.
- The theory of change—or key elements thereof—is verified by evidence: the chain of expected results occurred.
- Other influencing factors have been assessed and either shown not to have made a significant contribution or their relative role in contributing to the desired result has been recognized.

³⁶⁴ Tamarack Institute (2017) Evaluating Community Impact: Capturing and Making Sense of Community Outcomes. Module 9: Contribution Analysis

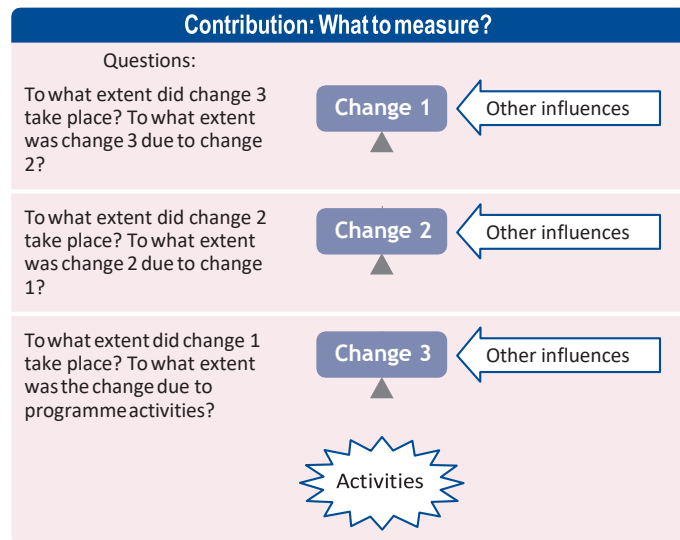
³⁶⁵ Leeuw, F. and Vaessen, J. (2009) Impact Evaluations and Development: Nonie Guidance on Impact Evaluation. UNEG, DAC Evaluation Network

Figure 5 Attribution analysis

This requires³⁶⁶:

- Developing clear and logical results chains, and measuring changes at every level of those chains.
- Investigating the extent to which each change is due to the previous one in the results chain, based on qualitative information.

See Annex for a chart showing the typical series of steps in developing a rigorous contribution analysis.



5.3.3 Evaluation steps and procedures

Evaluability assessment prior to the evaluation

Prior to an evaluation, it is both useful and important to assess utility, necessity and evaluability. This will help identify whether an intervention can be evaluated, and whether an evaluation is justified and likely to provide useful information. It can also serve to ensure that necessary conditions for an evaluation are in place.

Table 5 Characteristics of High and Low Evaluability³⁶⁷

↑ High evaluability	↓ Low evaluability
<ul style="list-style-type: none"> • Theory of change/results frameworks have clear goals and objectives • Baseline data and indicators available • Includes a clear plan of execution/implementation • Has a clear target population • Monitoring frameworks and system exist • Is well timed; that is, a sufficient implementation period has passed • A relevant conducive context and adequate resources and capacities • A clear management structure and responsibilities • Key stakeholders available and willing to participate • Good access to intervention areas. 	<ul style="list-style-type: none"> • Implicit (rather than explicit) theory of change • Limited or no baseline data • Poor-quality indicators • Lack of detailed implementation plan • Limited or poor-quality monitoring frameworks and/or system • Resources and capacities are inadequate • Limited or poor understanding of the programme among stakeholders and no management structure • Lack of access, security risks.

An evaluability assessment generally looks at four areas³⁶⁸:

- 1) Design of the programme
- 2) Availability of information for an evaluation
- 3) Conduciveness of the context.
- 4) Accountability framework

Steps in the actual evaluation

Step 1 – Pre-Design Planning and Preparation. This step involves developing evaluation terms of reference, identification and selection of evaluators and preparation of document repository.

³⁶⁶Adapted from: ILO/SIDA (2016) STED Results Based Management and M&E Manual
³⁶⁷ UNICEF (2017) Results-Based Management Handbook: Working together for Children
³⁶⁸ UNICEF (2017) Results-Based Management Handbook: Working together for Children

Phase 5 – Demonstrate results

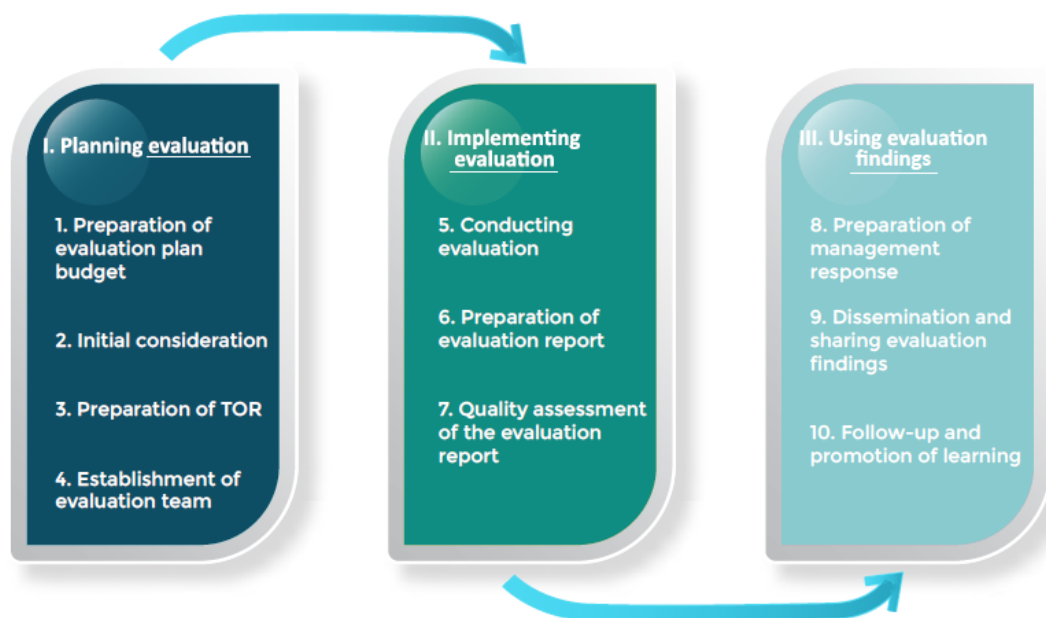
Step 2 – Inception. This step involves clarifying the ToRs including evaluation goals and objectives, key questions and indicators, key stakeholders and evaluation purpose. It also involves doing desk review and determining the appropriate evaluation design, methodology and timeline. The deliverable for this step is an Inception Report.

Step 3 – Implementation. This phase involves data collection, analysis and reporting. This entails organizing consultant’s field visits, debriefing of initial findings, reviewing draft reports and ensuring quality and meeting of minimum standards. Deliverables for this phase are drafts and final evaluation reports.

Step 4 – Finalization. Finalization involves report approval and dissemination of evaluation findings, recommendations and lessons learned. Finalization also involves preparation of the management response, which is a mechanism to ensure that evaluation findings and recommendations are taken up and used for learning, improvement and accountability purposes.

Step 5 – Recommendations implementation and tracking. This step involves Implementation of agreed actions including ensuring use and incorporation of lessons learned in the design, planning implementation and monitoring. This step also involves tracking, following up and closing of recommendations.

Figure ##: Phases of an evaluation³⁶⁹



Planning and preparation for an evaluation

Planning an evaluation implies, among other things, identifying the activity, theme, strategy, project or programme to be evaluated, and defining the scope of the evaluation, in close consultation with clients and stakeholders³⁷⁰. It also means determining who will be responsible for managing the evaluation and defining the evaluation’s purpose. Clearly articulating the purpose will help in developing a sound terms of reference (ToR). It is important to know why the evaluation is being undertaken, why at this particular point in time, and how and by whom the evaluation will be used.

³⁶⁹ UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

³⁷⁰ UNICEF (2017) Results-Based Management Handbook: Working together for Children

The next step in the planning stage is the preparation, by the evaluation manager, of the ToR. The ToR is a reference document to guide the management, implementation and use of the evaluation. It lays out the purpose, scope, process and products of an evaluation, including management arrangements. The management arrangements indicate who will manage the evaluation and what the role of the evaluation manager will be. The ToR also includes: evaluation questions clustered against preestablished evaluation criteria; the scope of the evaluation, which includes the programmatic, geographic and time horizons of the evaluation; products, time-frame and budget; and methodological principles and evaluation design. The ToR provides all stakeholders with information on what is expected from the evaluation process and use. It also clarifies the role of the evaluation manager vis-à-vis the role of the evaluation team. The ToR also provides the evaluation team with the parameters of the assignment, clear expectations and expected deliverables.

A ToR for an evaluation should include³⁷¹:

- Context for the evaluation
- Purpose of the evaluation
- Scope (what is covered or not)
- Evaluation criteria (see below)
- Key evaluation questions
- Methodology – data collection, analysis and stakeholder involvement
- Work plan, organization and budget
- Deliverables and reporting
- Management arrangements
- Standards and ethical considerations

Key roles in evaluation process

Table 1 Summary of key roles in evaluation process³⁷²

Actor	Roles and responsibilities
Evaluation Manager	<ul style="list-style-type: none"> • Identifies and engages potential stakeholders • Leads the development of the evaluation TOR • Manages the selection and recruitment of the evaluation team • Ensures that the evaluation consultant/team understand the TOR • Guides the evaluation process, provides advice on performance management approaches and provides technical support as required, including access to project documents and records • Manages the contractual arrangements, budget and personnel involved in the evaluation • Introduces the evaluation team to various stakeholders • Explains evaluation standards and ensures they are respected • Oversees the progress and conduct of the evaluation; Makes payments against results (outputs) • Reviews and approves the inception report and the draft evaluation report(s); and ensures the final draft meets quality standards • Publishes and disseminates evaluation products
Evaluation Team	<ul style="list-style-type: none"> • Fulfils the evaluation contractual arrangements in line with UN Norms and Standards and ethical guidelines • Plans and conducts the evaluation; Involves stakeholders in the evaluation • Delivers specified evaluation outputs including inception report, draft reports and final report in a timely manner • Returns all confidential or single copy documents and materials to the project or ECA before concluding
ECA's managing division	<ul style="list-style-type: none"> • Provides the overall management response to the evaluation; and responds to all recommendations. • Provides an action plan to implement accepted recommendations and timelines for implementation • Provides responsible parties/officers to implement the recommendations
Evaluation section in SPORD	<ul style="list-style-type: none"> • The Evaluation Section facilitates the process and provides oversight to the evaluation. • Carries out or oversees due diligence on choices for evaluation consultant/team • Provide norms, standards, guidelines and tools to support the quality enhancement of evaluations • Maintain and improve management systems for evaluation

³⁷¹ UNICEF (2017) Results-Based Management Handbook: Working together for Children

³⁷² Adapted from: UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

Norms for evaluations

Evaluations should be³⁷³:

- **Independent**—Management must not impose restrictions on the scope, content, comments and recommendations of evaluation reports. Evaluators must be free of conflict of interest.
- **Intentional**—The rationale for an evaluation and the decisions to be based on it should be clear from the outset.
- **Transparent**—Meaningful consultation with stakeholders is essential for the credibility and utility of the evaluation.
- **Ethical**—Evaluation should not reflect personal or sectoral interests. Evaluators must have professional integrity, respect the rights of institutions and individuals to provide information in confidence, and be sensitive to the beliefs and customs of local social and cultural environments.
- **Impartial**—Removing bias and maximizing objectivity are critical for the credibility of the evaluation and its contribution to knowledge.
- **Of high quality**—All evaluations should meet minimum quality standards defined by the Evaluation Office.
- **Timely**—Evaluations must be designed and completed in a timely fashion so as to ensure the usefulness of the findings and recommendations
- **Used**—Evaluation is a management discipline that seeks to provide information to be used for evidence-based decision making. To enhance the usefulness of the findings and recommendations, key stakeholders should be engaged in various ways in the conduct of the evaluation.

Reviewing the draft evaluation report

Once the first draft of the evaluation report is submitted, the evaluation task manager with key evaluation stakeholders should assure the quality of the report and provide comments. UNDP programme units may call for evaluation experts or the advisory panel to assess the technical rigour of the evaluation. The evaluation report should be logically structured; contain evidence-based findings, conclusions, lessons and recommendations; and be presented in a way that makes the information accessible and comprehensible. It should meet the criteria outlined in Box 35.

A quality evaluation report should³⁷⁴:

- Be well structured and complete
- Describe what is being evaluated and why
- Identify the questions of concern to users
- Explain the steps and the procedures used to answer those questions
- Present findings supported by credible evidence in response to the questions
- Acknowledge limitations
- Draw conclusions about findings based on of the evidence
- Propose concrete and usable recommendations derived from conclusions
- Be written with the report user and how they will use the evaluation in mind

Management response to an evaluation

After an evaluation report has been approved, the ECA office that commissioned the report should meet with relevant stakeholders to prepare a management response under the guidance of the Evaluation section in SPORD. The purpose of the response is to ensure that the evaluation's recommendations will be implemented and its findings will be used by ECA and its partners. While

³⁷³ UNDP (2009) Handbook on Planning, Monitoring and Evaluating for Development Results

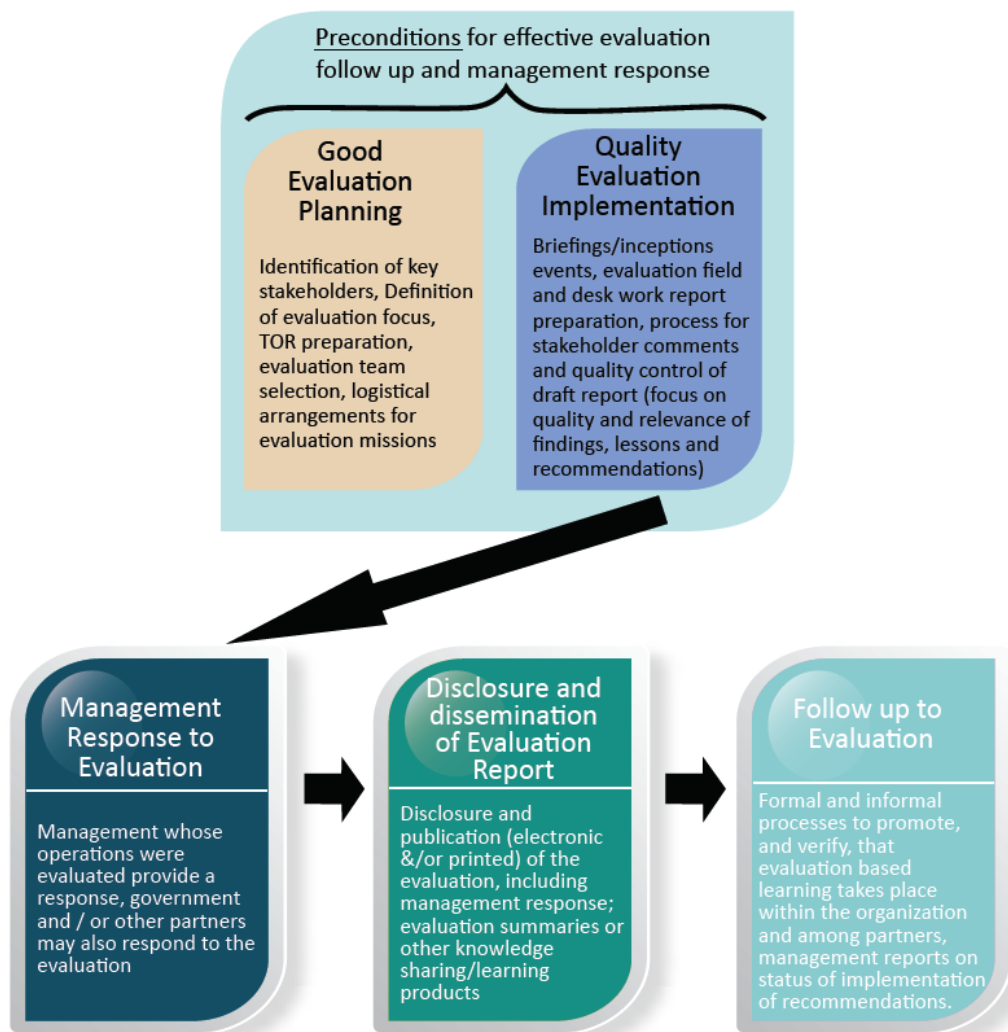
³⁷⁴ UNEG (2005) Standards for Evaluation in the UN System

Phase 5 – Demonstrate results

the management response is a formal reaction to the evaluation by management, additional sessions might be held with stakeholders and implementing partners to define how they will use the evaluation findings and to follow up on relevant recommendations.

Contents of the management response – the first section is an overall response to the evaluation. A subsequent section describes the planned use of the evaluation followed by a description of actions to be taken, who will be responsible, the expected completion date, the implementation stage and actions taken.

The following diagram illustrates the flow from preparation to management response to effective uptake and use of the evaluation results³⁷⁵.



³⁷⁵ UN-Habitat (2017) Results-Based Management Handbook: Applying RBM Concepts and Tools for a Better Urban Future. United Nations Human Settlements Programme (UN-Habitat)

ANNEXES