

MINISTRY OF FOREIGN AFFAIRS OF DENMARK

Danida



Danish Development Cooperation in a Results Perspective

Danida's Framework for Managing for Development Results 2011-2014

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Introduction: Why a results framework?

Achieving and demonstrating results are an integrated part of securing value for money and aid effectiveness, and as such a core elements of the Danish development policy “Freedom from Poverty – Freedom to Change”. The present framework intends to clarify how Danida manages the process towards this goal.

The main audience for the framework is Danida staff wishing to know more about results management and the framework Danida has set up.

The overarching goal of this framework is to present the five core stages of the managing for development results approach Danida uses in its results management.

Managing for development results is a process. It is acknowledged that there is still much to refine in the current set-up and concrete action areas are identified in this paper to improve the framework over the next years.

This paper has deliberately been kept short. Many of the concepts are sought explained or expanded through hyperlinks. The paper seeks to answer questions which have systematically been asked by staff or external partners on the topics in the framework. There will nevertheless surely be issues that could be improved and/or better explained. Any such feedback would be appreciated – please send it to kva@um.dk

The present framework supplements the more targeted tools available in the Aid Management Guidelines (www.amg.um.dk), not least the Guidelines for Programme Management. It replaces the Performance Management Framework from 2005.

Managing for Development Results as Danida's Results Framework

When looking at a results framework it is important from the outset to realize that results come in many forms and cover different things at different levels. The concept of "results" is defined as the consequence of a particular action, operation, or course. In development cooperation a result at the overall level would e.g. be poverty reduction in the partner countries we support. It could also be the drilling of wells. As such, results can be seen both at different aggregate levels as well as a dynamic concept which changes over time (from immediate results to long-term results).

Results are thus not as straightforward as it might seem. This has operational consequences.

A fundamental difference between a results based management framework (RBM) and many past management frameworks is the increased emphasis on outcomes and impact. Not on how many schools were built, but on the population's literacy rates. Not on how many wells have been drilled, but on citizens' well being.

The best known global commitment to results based poverty reduction is the Millennium Development Goals – a set of goals, targets and indicators at the outcome and impact level. Associated with this is the Paris Declaration adopted in 2005, and the subsequent 2008 Accra Agenda for Action, which reflects a broad consensus on how best to reform aid to contribute to these objectives. Denmark is firmly committed to these.

The Millennium Development Goals highlights an aspect which is important when discussing results: the distinction between attribution and contribution. A result can either be attributed to for instance a specific Danida intervention, or the Danida intervention has only been part of a larger contribution to a concerted effort. From a development results perspective Danida favours joint interventions. This does, however, have an effect in accountability terms, as the result is more difficult to attribute precisely to the Danida contribution. A challenge for this framework is therefore to establish mechanisms that can capture attribution and/or contribution to results, as may be appropriate, in an efficient manner.

Danida established a Performance Management Framework in 2005, the overall objectives of which are still valid for the present results framework. They are:

- Enhance the quality of Danish development cooperation; through stronger focus on results;
- Improve management and continuous learning, through better information and results reporting;
- Strengthen accountability through performance assessments and measurement in the context of an increasingly decentralised management structure.

Danida has chosen to use the OECD standard Managing for Development Results (MfDR) as its management strategy to improve decision-making towards achieving results.¹ The [principles](#) of MfDR are to:

- focus the dialogue on results at all phases of the development process;
- align programming, monitoring and evaluation with results;
- keep measurement and reporting simple;
- manage for results;
- use results information for learning and decision making.

MfDR aims to gear all resources to achieve desired development results. This implies that goals should be clear, measurable, limited in number and concrete with time bound targets. It does so through an evidence based process, i.e. a process where progress towards clear targets is consistently tracked and documented. In principle this can be at output- as well as outcome level.

The MfDR cycle involves five stages which are in accordance with the principles of the [Paris Declaration 2005 and the Accra Agenda for Action 2008](#):

1. Setting goals and agreeing on targets and strategies;
2. Allocating available resources to activities that will contribute to achievement of the desired results;
3. Monitoring and evaluating whether the resources allocated are making the intended difference;
4. Reporting on performance to the public; (both in donor- and partner countries);
5. Feeding back information to future decision making for better results.

How we approach each of these elements is the topic of the following chapters.

The emergence of a results culture or performance culture does not come by itself and the full application of all stages is not easy. Using MfDR requires strong leadership, accompanying measures to provide the organisational incentives and knowledge management, and patience to reap the full benefits.

Much of the focus will be on bilateral activities. The support to multilateral organisations will follow the results based management frameworks developed by the multilateral organisations. The MfDR principles do however apply throughout the framework, and where relevant aspects related to multilateral development cooperation will be highlighted.

Improving the results based management framework will require an incremental approach. Points of action for the coming period have therefore been set for each of the five core stages of the MfDR.

¹ The [MfDR](#) approach has emerged as a centerpiece of global efforts to improve the effectiveness of public management. Taking its roots in the MDG, it has become one of the cornerstones in the Paris Declaration and subsequent aid effectiveness work. How this is linked to Results-Based Management (RBM) and Performance Management is outlined in Annex II.

1. SETTING GOALS

To demonstrate results one should be clear about what goals one wishes to achieve. Danida wish to produce results with our partners in an effective way, and to demonstrate what is achieved to the recipients as well as to Danish citizens. We also want to ensure that this is done in the most efficient way.

Goals and the related results can take form at different aggregate levels as well as in dynamic terms where goals can be set for the relative short term (as in outputs), the medium term (outcomes) or the long term (impact). These concepts, derived from the results chain, will be dealt with again in chapter 3 in connection with monitoring. It is however important to be clear about the timeframe – and the level of abstraction – in which goals are set.

Danida's goals are currently mainly set (and monitored) at output-level. The guidelines for programme management have as one of the few mandatory requirements that monitoring and budgets should be output-based. Managing at the output-level will typically be necessary for most monitoring. Danida aspires, though, to have more goals set at the outcome-level or at least have a clear connection to how the outputs will support outcomes and expected impact.

Danida sets goals at three levels:

- The global (or corporate) level;
- The country/regional level;
- The programme & project level.

At the **global/corporate level** the strategy for Denmark's development cooperation "[Freedom from Poverty – Freedom to Change](#)" from June 2010 provides the overarching strategy for Denmark's development cooperation. It lays down the main priorities, values and principles of Danish development policy. Focus is on ensuring better results and on maximising value for money. The strategy highlights the need to focus on fewer partners and sectors and it emphasises five political priority areas for Danish development cooperation:

- Freedom, democracy and human rights;
- Growth and employment ;
- Gender equality;
- Stability and fragility;
- Environment and climate.

The strategy is implemented by Danida in cooperation with relevant ministries or other partners. The implementation of the strategy and its five political priority areas is outlined in annual road maps, which outline major actions and initiatives as well as indicators to monitor progress.

The strategy for Denmark's development cooperation is supplemented and supported by policy papers which in more detail guide the implementation of

actions in the five priority areas formed, e.g. the policy on [Peace and Stability](#) and the strategic framework for [Growth and Employment](#). To this come thematic sub-strategies such as the [Civil Society Strategy](#) and the [Humanitarian Strategy](#) (their link to the strategic priorities is listed in annex V). Specific goals are generally not set individually for sub-strategies, which are seen as supportive of the overall strategy and integrated into the road maps for the five priority areas.

For multilateral cooperation the global goals are set at the organisational level, Danida's formulation of organisational strategies includes identifying goals, based on the organisations' own systems – where possible at the outcome level. The fulfilment of goals is monitored through multi-year action plans.

Related to development cooperation at the global level, the Millennium Development Goals (MDG) represent eight internationally agreed goals in important intervention areas such as eradication of poverty, improved health and education. Under the MDG 47 indicators have been identified to substantiate more specific progress. Although difficult to achieve within the timeframe these constitute overall outcome goals which Danida sets itself to contribute to.

In bilateral as well as multilateral development cooperation Denmark has stressed the importance of ownership and taking our partners' policy framework as the reference point for Danish support. It is the prevalent context in the specific country – or organisation – which determines what activities Denmark will get involved in, with due attention to division of labour and joint programming issues. The Danish strategy takes this as the point of departure. After setting the goals at the identification phase, the choice of specific Danish development aid instruments used for its delivery will be considered, selecting the most appropriate among the Danish aid instruments (see box in annex IV).

At the **national level** each partner country has its own aspirations to meet the MDG's as well as nationally defined goals. These are often presented in a national development plan or poverty reduction strategy with sector specific goals. In many partner countries the national development plan is supported by sector plans with more specific goals.

For bilateral cooperation at the country level, specific goals are identified in the Partner Country Policy Papers. The goals here are generally identified at the outcome level and draws wherever possible on the monitoring systems for national development plans.

Danish development cooperation is provided with the intention of assisting partner countries in achieving their own goals. Ideally, results are documented using national systems and feed back to the donors so that they together with their national partners can monitor progress and learn what works and what doesn't work – and under which conditions.

At the **programme and project level** programme documents often include goals at outcome and impact level – or refer to national goals at these levels - but monitoring progress at these levels has so far not been done on a systematic

basis in the Danida system. Specific targets for the activities are agreed yearly in the decision-making body (e.g. steering committee). This forum is also tasked with reviewing progress in implementation in order to identify the results achieved and adjust the engagement accordingly. At this level the national indicators are used where possible and, if necessary, Danida contributes to the development of new relevant indicators.

Danida's Action Plan 2011-2014 for Setting Goals

- The main task will be to ensure that the strategy for Denmark's development cooperation "Freedom from Poverty – Freedom to Change" and its five priority areas are further operationalized with clear and results-oriented goals. This will be done through annual road maps for the respective five priority areas.
- These road maps will be part of the results framework and be monitored annually through separate reporting.
- A strategic framework will be developed for the priority 'Environment and Climate'.
- All embassies in partner countries should by 2014 have Partner Country Policy Papers or similar medium term strategies, and have defined clear and measurable goals, preferably at outcome-level, linked to the partner country's results framework.
- Organisational strategies and accompanying action plans, for multilateral organisation should all have clear and measurable goals at outcome-level.
- All programmes and projects should by 2014 have a clear and systematic approach where goals are clearly defined at least at output level with accompanying baseline. Where possible, the goals should be formulated in outcomes. Where this is not possible, a mapping should be done which links activity outputs with outcome-goals from the national policies.

2. ALLOCATING RESOURCES

After having decided on the goals it is necessary to allocate the resources to attain them. Planned outcomes should be clearly defined at the beginning of any intervention, and then the resources and inputs required to attain these outcomes are identified.

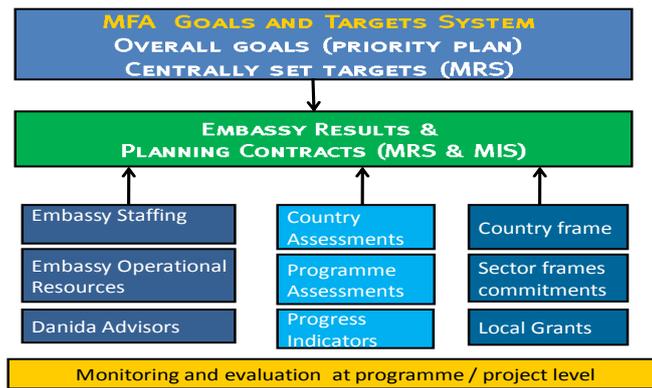
The resource allocation process of Danida has two main stages: the first is the government's overall financial resource allocation in connection with the Finance Act. The second is Danida's internal resource allocation through the overall goals- and targets system (MRS) of the Ministry of Foreign Affairs.

Allocating financial resources for Danish development cooperation takes place in the approval process of the Government's Finance Act for the subsequent fiscal year. In connection with the Finance Act, the Danish Government publishes the aid figures including provisional figures for the coming five years in a publication, ["Priorities of the Danish Government for Danish Development Assistance"](#) specifying the overall resource allocation to the Ministry of Foreign Affairs, the division among bilateral and multilateral aid as well as to partner country frames and certain particular Danish aid instruments administered by the Ministry of Foreign Affairs. Major individual programmes are assessed by the Danida Board (proposed grants of more than DKK 35.0 million) or the Appropriation Committee (proposed grants between DKK 5.0 and 35.0 million) and approved by the Minister.

The operational budget of the Ministry of Foreign Affairs is approved at the same time as the aid budget, but decisions on the internal allocation of the operational budget is conducted as a separate process, through the goals- and targets system (MRS).

The MRS aims to:

- Facilitate annual discussions between Senior Management and all units throughout the MFA on the selection of strategic goals and allocation of resources;
- Contribute to optimal allocation of the MFA's resources, including contribute to balanced and efficient management across the organisation;
- Ensure annual (coordinated) alignment of expectations regarding the individual unit's most important tasks in the year ahead;
- Ensure collection of evidence and documentation of the achievement of MFA's strategic goals, tasks and results vis-à-vis the Danish Parliament, the National Audit Office, the Ministry of Finance, parliamentary committees, etc., especially in connection with the Annual Report.



The approach of the MRS process is to link the overall strategic goals and targets with the allocation of resources, both in financial as well as human resource terms. The results contract reflects overall strategic goals. It does not reflect all activities of embassies or departments. This poses a challenge when matching resources. To ensure a resource efficient process instead of formalizing exhaustive resource planning schemes, resource allocation is discussed during the annual MRS dialogue between senior management and representations.

The MRS process has evolved in recent years. The accent has been put on a process throughout the year rather than one being confined to a few months at the end of the year. This has been promoted through establishing HR partners and anchoring MRS chairs at senior level as continuous dialogue partners for management at representations.

Danida's Action Plan 2011-2014 for Allocating Resources:

- A more systematic and strategic approach to allocation of resources to different partner countries will be developed.
- Tools will be provided to streamline the MRS process to focus on strengthening the linkages between goals and resources.
- Performance data will be presented in a more comprehensive form to support management decisions.

3. MONITORING AND EVALUATING THE RESULTS

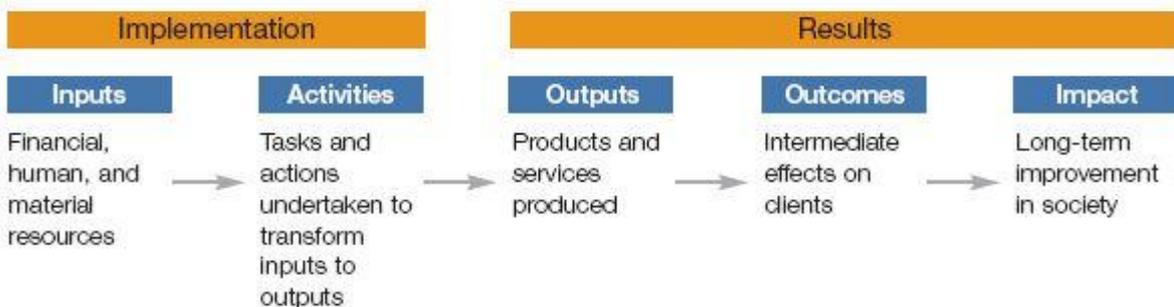
The monitoring and evaluation system is central to ascertaining whether the intended results are achieved and to which extent resources allocated by Danida contributed to the result. In Danida all programmes above 35 million DKK are reviewed on an annual basis with the Department for Technical Advisory Services (TAS) participating every second year. Reviews aim at monitoring progress and providing input to management concerning needs for adjustments of activities to ensure that programmes remain on track.

Evaluations in the Danida system are conducted on a strategic basis to cover (over a number of years) a fair range of modalities as well as geographical, thematic and sector wide areas of intervention. Evaluations aim at documenting results and generating knowledge for improvement of Danish development cooperation. They often focus more on outcome and impact level.

The results chain as the conceptual building block

Danida uses the logical framework (also known as the results chain), as an important conceptual building block in the monitoring and evaluation framework. The results chain underpins the management for development results philosophy of shifting focus from input and activity to output and in particular outcomes and impact.

The results chain



In general the Danida funded programmes should at least be able to report results at the output-level; i.e. what is produced. It is indeed a requirement that budgets relate to outputs rather than activities. In practice this alone represents a challenge as partners own systems are often not geared towards this approach. Building capacity and encouraging monitoring at the output level then becomes a development activity in itself.

Few activities systematically link the development objectives to specific outcome level goals in the monitoring reporting. While it is mandatory that the objectives of programmes should refer to the strategic framework of the partner, e.g. to a poverty reduction strategy in bilateral cooperation, there may, however, not be sufficiently specific outcome goals. In addition, baseline data are often not available and rarely monitored/reported on in a systematic manner.

Ownership and accountability at the operational level as the basis for monitoring and evaluation

Who monitors for whom relates to ownership and accountability. For this reason, the responsibility for the ongoing, day-to-day monitoring lies in principle with our partners. In general, partner institutions implement the agreed activities in accordance with their own strategic plan, their annual work plan and budgets, incorporating donor funds and inputs. Day to day monitoring of the activities and use of resources will take place at the level closest to the action. Danida's general approach is that it is our partners who generate the results and that Danida's role is in facilitating the process. Danida's bilateral programme guidelines therefore stress that as far as possible the partners systems should be used. Aligning to and using partners monitoring systems is believed to give the most sustainable development results. Along the same logic, Danida also aims at aligning its support through multilateral organisations with the systems and goals they have in place.

Danida emphasizes the importance of aligning the monitoring of country programmes and sector support programmes with the Millennium Development Goals, national development strategies (such as Poverty Reduction Strategies), and national sector policies (see guidance on this [here](#)).

Aligning to partners monitoring systems is seen as a necessary but not sufficient condition. The monitoring system must also be efficient, results oriented and an adequate basis for subsequent evaluation. Experience from reviews, audits and evaluations, however, show that the quality and nature of the monitoring systems, including the indicators, needs to be improved. Especially the linkage between the output level and the outcome level (as well as the impact level) often needs improvement.

While ongoing monitoring of the programmes and projects should be done by the partners, the embassy/representation, in bilateral cooperation, will take an active part in the use of the monitoring information. Depending on the modalities of the support reviews or joint reviews are undertaken to assess programme performance. Part of this information is available through the Programme and Project Database (PDB) and more information is available at the embassies. In order to retrieve information on each project and programme a centrally managed Project Data Base was established in 1996. Financial data, reports and documents are filed in the Project Data Base as the programme goes through the various phases of identification, formulation, financing and implementation (see below).

The other aspect of this point is accountability. Partners are accountable for the ongoing monitoring to the other institutions represented in the decision-making body (e.g. a steering committee). In large programmes, the steering committee (or similar bodies) will be constituted by the national partner authorities and the donors. Civil society groups or other stakeholders may be invited to join this decision making body to improve the quality of decision making. Progress will be assessed on the basis of quarterly or semi-annual reports covering financial and

physical progress. Progress reports will be complemented by technical reviews and independent evaluations.

For multilateral development cooperation, the monitoring of activities and the related results are made by the organisations themselves. The agency goals set in the Danish organisation strategies and the related annual action plans, are reviewed in connection with the participation in the work of their respective Executive Boards or similar bodies. Added to this, the organisational effectiveness of the most important multilateral organisations is now regularly monitored through [MOPAN](#) (the Multilateral Organisation Performance Assessment Network). Monitoring of multilateral organisations is complemented by evaluations conducted by evaluation functions in the multilateral organisations. Evaluation functions in multilateral organisations may be subject to professional peer reviews and strategic evaluations conducted by Danida's Evaluation Department (EVAL) in cooperation with other evaluation units (bilateral or multilateral).

Danida corporate use of monitoring and evaluation,

As Danish development cooperation is decentralised the crux of the monitoring happens at embassy/representation level. The information the embassies/representations submit to headquarter should be geared towards corporate decision making and resource allocation as well as input to reporting on results to the Danish general public and external stakeholders (see next section).

The current management information system consists of several elements: the annual financial frames, and the disbursement targets, the activity calendar, the submission of sector programme assessments (made in connection with sector programme reviews), annual country assessments, the entering of programme progress indicators (so called VPA indicators) and the ongoing performance on financial management indicators. Reviews are undertaken annually to assess progress compared to plans and to make overall quality assurance of the monitoring of the programme and issue recommendations on programme implementation. Evaluations, conducted by external and independent evaluation teams, are also an important source of information on the performance of representations/departments with respect to development cooperation e.g. through documentation of results at output, outcome and where possible, impact level.

There is not one single integrated platform for this varied information. Most of the programmatic information is available through the Project Data Base and the results-page on the [Danida-website](#). The financial information is available through Danida's internal financial systems (STRAM/UMFinans). All [evaluations](#) are publicly available.

The monitoring system and requirements for indicators at Danida corporate level are different from those necessary at Embassy level. For efficiency reasons the principle is that no information is required by headquarters from the representations unless it is used for management or communication purposes. In

that spirit, the nature of reporting to headquarters has evolved since the decentralisation and the reporting requirements are fewer and more focused. Streamlining the reporting, however, requires continuous attention.

In general it is important to have quality assurance of the indicators of progress to ensure that they properly reflect the nature of the activities and relate to the original objective. Especially when it comes to perceptions based qualitative indicators (e.g. in the country assessment) it is even more important to ensure that adequate quality assurance mechanisms are in place at field level as well as at headquarter.

The linkage between the monitoring at different levels (corporate, country programme and field level) is reviewed in Annex III.

Risk assessment and management

Risk management is closely related to the achievement of results: attempting to achieve more ambitious strategic objectives is likely to entail higher degrees of risk. When identifying the goals, an initial risk assessment is made to balance the likely results and the cost of achieving them. Risks are, however, dynamic, not static, and to ensure the desired goals are reached a continuous risk monitoring (and mitigation) is necessary. Monitoring of risk development is thus an integrated part of results monitoring.

Risk assessment and monitoring has for many years been an integral part of Danida's programming approach. Changes in the risk situation is, for example, one element of the reporting in the yearly reporting on programme and projects (PPO, see next section).

Development cooperation covers many types of risk (contextual, programmatic and institutional). Danida has established technical guidelines to approach the risk assessment (including the distinction between likelihood and impact). There is not yet an agreed international approach to systematic risk assessment and management. Danida is promoting a common approach together with other partners.

Danida's Action Plan 2011-2014 for Monitoring and Evaluation:

- The performance measurement tools listed in annex III will be reviewed to ensure that they are focused, lean and appropriate. To facilitate this, a full list of the different monitoring tools will be mapped in 2011 and include relevant MfDR performance information (purpose, periodicity, intended recipient, who assures quality assurance, etc). See draft template in Annex VI.
- It will be ensured that the results measurement framework encompasses all development aid instruments. The format will be adjusted to the scope of the intervention.
- Multilateral performance measurement will be anchored on fewer, but more targeted goals based on the organisations' own results-based management system and the Multilateral Organisation Performance Assessment Network (MOPAN).
- The different Danish instruments for cooperation will be streamlined and linked systematically to the guidelines as well as the monitoring systems they use.
- A revised and more systematic risk management system will be piloted developed in 2011. Risk monitoring will be systematized and integrated in the overall Management Information System. An international approach to risk management will be promoted.
- A comprehensive platform will be developed on the intranet giving managers on-line and updated performance information per unit/embassy. This will start with key financial performance indicators but gradually be developed into a more comprehensive system. Manageable and targeted programme performance indicators will be defined and piloted in 2011-12 and further developed over the following years.
- Strengthen the resources for staff, including training, in setting up and improving monitoring systems and indicators with a particular view to improve documentation of results at outcome and impact level.
- Methods will be developed to integrate evaluation considerations and where feasible evaluation design early in programme preparation. Efforts will also be made to enhance quality assurance of data on programme performance at different levels.

4. RESULTS REPORTING

Transparency is an underlying principle in the delivery of Danish aid. Promotion of mutual accountability involves reporting on results to different audiences (taxpayers, parliament, national auditors, etc.) both in the donor- and partner countries. The reporting takes place for accountability purposes, for learning and information sharing and for political reasons, which include the specific purpose of maintaining continued public support for Danish aid in Denmark.

External reporting on results, progress and constraints in the management and provision of Danish development cooperation is done primarily through Danida's annual report. The Danida annual report provides documentation and analysis of the information generated by the various results management tools, presented in Annex III. As highlighted in earlier chapters there are many types of results at different levels of abstraction. Reporting to stakeholders must therefore take different forms. Below are some of the key vehicles for results information:

- In 2008 a report "From Goal to results" was introduced. It reviews the issues of documentation of results, and presents overall results on main issues like the MDGs, Danida's performance in aid effectiveness and reports on strategic issues like gender, hiv-aids etc. This information is being kept updated and supplemented on Danida's [results site](#) (only in Danish).
- Independent evaluations commissioned by Danida present findings, lessons learned and recommendations relating to in-depth analyses of selected topics, aid modalities, themes or country programmes (see www.evaluation.dk).
- Danida's website (www.danida.dk) will be developed into the hub for information on Danish development cooperation. The results site has gradually been expanded in recent years.
- The Danida Project and Programme Overview ([PPO](#)) is made available on the Danida's website. It is based on the internal Project and Programme Database (PDB) and provides detailed information about each concrete intervention, including information about objective, status, risks, key financial information and progress in key indicators (the PPO-database is only in Danish).
- A specific site on [anti-corruption/fraud](#) is available on the Danida webpage. Besides outlining Danish anti-corruption policy it highlights some of the issues in misuse of funds and corruption, gives an overview of the scale of funds lost in cases of misuse and provides a listing of all reported cases including the amounts at stake.
- To service audiences in the partner countries and make information about support to specific countries easily available also to the Danish public and the international community, Embassies have developed comprehensive

websites where the Danish programmes are described and programme documents are available for download (see [example](#)). In addition disbursement figures are generally published on these sites.

- Finally, reporting to international fora such as OECD / DAC takes place annually. In the future it is expected that the International Aid Transparency Initiative ([IATI](#)) will also be receiving and disseminating internationally comparable information about Danish aid.

When communicating about development results a frequent dilemma is how to present what is inherently a complex picture through few indicators and how to demonstrate what has been achieved with Danida financing without creating complex and burdensome reporting systems.

The project and programme database (PPO) currently includes only one proxy (progress) indicator for each programme, component and project, respectively. The Programme Progress Indicators (formerly VPA indicators) are chosen from the different indicators used for monitoring to give an indication of what the particular activity aims to achieve and what progress is made. In principle the indicator should be the same during the time span of the activity, to ensure comparison. This can be a challenge as the monitoring system may develop better indicators over time that better describes the activity. To give a better representation of the activity the Programme Progress Indicators will be expanded to a level of 3-5 indicators for each component.

Danida's Action Plan 2011-2014 for Results Reporting:

- A new internet platform will be developed for Danida in 2011 (Web2011). Results documentation will be a key feature of this new site. Over the period continued development of the contents of the results documentation will be needed.
- The linkage between output and outcome indicators will be made more systematic to communicate how Danida's efforts support partner countries' national endeavours.
- The number of Programme Progress Indicators will be increased to give a more nuanced picture of the specific activities.
- Accountability to the partner countries will be promoted through transparent and adequate information. Platforms like IATI, DAC and Danida's own web will ensure this.

5. FEEDING BACK INFORMATION

We want to learn from past results in order to prepare for future. It is important that there are adequate learning mechanisms to ensure that experience gained is anchored and taken into account when starting new activities or in adjusting existing ones.

In Danida, all new bilateral support programmes must be presented to the internal Programme Committee in the form of a concept note. An important part of the presentation of new programmes to the programme committee includes lessons learned from past results and experiences. This should be based on relevant completion reports and other relevant types of documentation of lessons learned (technical or thematic reviews, lesson-learned exercises, evaluations). For the multilateral activities, concept papers on Organisational Strategies are discussed in the Programme Committee. Likewise, new evaluations – including draft management responses to these – are presented to the Danida Programme Committee with a view to facilitate learning throughout the organisation.

When the Board of Danida and the Appropriation Committee make recommendations to the Minister for Development Cooperation regarding a new programme, past results and lessons learned are again mandatory elements of the documentation. The Board is informed biannually about the development of bilateral cooperation in each of the country programmes (Country Assessment). The Board receives reporting on the results of Danish support to multilateral organisations and also receives an annual report on the evaluations undertaken. All evaluations and management responses to these are forwarded to board members and the board may request in-depth discussions of specific evaluations.

In Danish bilateral development cooperation all programmes and projects above 35 million DDK are reviewed annually during their life time. The reviews deal with progress reporting, results, and challenges. They make recommendations on how to improve performance and are an important quality assurance and learning tool.

Completion reports aim at documenting the achieved results, challenges during the time of implementation and lessons learned. The completion reports have so far been elaborated in a document uploaded in PDB with a cross-cutting analysis of the reports being prepared by the evaluation department on a bi-annual basis. The completion reports have only to a limited extent been used to inform management decisions, but have in some cases proven useful for evaluations. A major problem, however, is that most completion reports are self-assessments and tend to be more positive about the assessed interventions than reviews and evaluations,

Internal reporting on performance of embassies and representations is made available to internal staff at all levels of the organisation. These include a range of reports, e.g.:

- Performance Review reports which include key findings across countries and themes (e.g. on general experience regarding aid effectiveness issues, harmonisation and alignment, organisation and management at representations);
- Management reports, in particular the country assessments
- Programme review reports;
- Programme assessments;
- Completion reports;
- Reporting on annual action plans for multilateral organisations;
- Travel reports from missions and field visits

Danida's Action Plan 2011-2014 for Feeding Back Information:

- The various monitoring instruments, completion- and evaluation reports will be reviewed to establish a systematic and digitalised search system based on criteria as sector, aid modality etc.
- The outputs from the Danida international research programme 2011-13 on what works and what has been achieved with development assistance will be communicated to the public and systematized and searchable.
- The completion reports will have a significant format change in 2011 which a.o. entails a digitalisation of data in order to promote a more targeted spread of learning.

Annex I - Results monitoring tools

The highest level of reporting and communication about Danish development cooperation is the Danida annual report encompassing information from various reporting tools. The Danida results and performance management framework for bilateral and multilateral development cooperation includes a series of tools, which combine quantitative and qualitative information. The purpose of the framework is to benefit from the complementarities of the various tools and avoid relying on a single source of information. Below is the most important tools related to results monitoring.

1. Tools used for bilateral development cooperation

A distinction is made between two types of measuring instruments. One is used for gauging development effectiveness, while the other is applied to measure organisational efficiency.

1.1. Development effectiveness tools

- Country strategies/Partner country policy papers define the strategic objectives for the development cooperation with each of the partner countries, usually for a five-year period.
- High-Level Consultations between MFA and the government of partner countries are undertaken every second year or, as need arises, to review the status and perspectives of the Danish development cooperation with the partner country based on the country strategy.
- Programme and project reviews analyse technical aspects of the individual project or programme. These should be carried out annually. Every second year, or twice in a programme cycle, the Technical Advisory Services of MFA participates in the reviews. In recent years, more reviews are being carried out jointly with other donors involved in the same sector.
- Danida Programme assessments are made jointly between the review team leader and the Embassy after reviews of all major programmes. Such assessments address progress towards achieving the objectives of the programmes, objectives relating to cross-cutting issues and priority themes, and harmonisation and alignment objectives.
- Day-to-day monitoring at programme and project level is the responsibility of the national programme management under the supervision of a decision making body where the embassy is member together with relevant partners. The Embassy must ensure that in all programmes and projects an adequate monitoring system has been established before implementation starts including output and outcome indicators.

- Participation in Poverty Reduction Strategy (PRS) monitoring and other monitoring and assessment exercises at country level in partner countries² contributes both to the strengthening of national systems and to the insight of Danida and other donors into the results of development cooperation.
- Evaluations provide independent and in-depth analyses of selected activities, such as a particular programme, a sector intervention, a country programme, aid modalities (i.e. budget support, humanitarian aid, etc.) or certain selected themes cutting across programmes and countries. Country programme evaluations are in-depth analyses of the results of the country programmes as seen in the context of general national development processes in partner countries. In line with the Paris Declaration on Aid Effectiveness, evaluations may be conducted jointly with partner countries and/or harmonised with evaluation work conducted by other development partners.
- Programme and project completion reports are prepared by the Embassies/responsible department upon completion of all activities (including completion of each phase of a long-term programme).

1.2. Organisational efficiency tools

Results Contracts between each Embassy and the MFA is evaluated as part of the MRS process. It defines the contribution by the Representation to achieving the overall strategic objectives of MFA.

- Financial management information was introduced in the 2010 MRS process with seven indicators common for all units. These will from 2011 be updated on a quarterly/monthly basis. They will be supplemented with programme performance indicators.
- Country assessments (“Representation’s Assessment of Country Programme”) are, in general, the Embassies’ own assessments of overall progress in their respective country programmes. The assessments address the progress towards achieving overall objectives of the country strategies, harmonisation and alignment objectives and progress of each of the major programmes. The country assessment is increasingly used as the vehicle for provision of yearly results documentation.
- Performance Reviews assess whether each country programme and its management, including financial management, is on track with regard to achievement of stated goals, plans and procedures, issuing recommendations on any adjustments required. Performance Reviews are the key quality assurance instrument to assess whether PMF tools are used consistently. Performance Reviews are undertaken approximately every third year, or according to needs, in all partner countries and in South Africa. Thematic Performance Reviews across countries are conducted upon request from the Danida management.

² E.g. Public Expenditure Reviews (PER), Country Financial Accountability Assessments (CFAA), and Public Expenditure Framework Assessments (PEFA)

2. Tools used for multilateral development cooperation

MFA has developed a number of key tools for its quality assessment of multilateral organisations:

- Organisation strategies are the key driver for the Danish cooperation with each multilateral organisation receiving more than DKK 20 million annually as well as organisations that are deemed strategically important to Danish development policy. These strategies outline the overall Danish priorities vis-à-vis the organisation.
- The specific Danish expectations regarding the organisation's implementation of the organisation strategies are spelled out in annual action plans. They are formulated by Multilateral representations and relevant departments in MFA. Such organisation strategies are to some extent jointly formulated with other donors.
- The Annual Results Contracts between the multilateral Representations and the MFA outline the Representation's specific follow-up on organisation strategies with the multilateral organisations.
- Performance information generated by the monitoring systems of the organisations themselves is reported in their annual reports and shared with Danida and other donors in the inter-governmental bodies of the multilateral organisations.
- Analyses of the general performance of multilateral organisations based on the annual action plans are made by multilateral representations and relevant departments in MFA.
- The MOPAN Common Approach assesses the organisational effectiveness of multilateral institutions based on a survey of the perceptions of MOPAN members at country and HQ level as well as of partners/clients of these organisations, and on a review of publicly available documents.
- Peer reviews of evaluation functions in 'multilateral organisations' are carried out jointly with other bilateral and multilateral agencies with a view to assess the independence, credibility and utility of the evaluation functions.
- Joint evaluations of activities conducted by or through multilateral organisations are conducted on selected topics to complement evaluations conducted by the evaluation functions in the multilateral organisations
- Joint assessments of the development effectiveness of multilateral organisations are conducted on a trial basis through the OECD/DAC evaluation network.

In addition to the above-mentioned tools it will be a future challenge to develop a Management Information System for Danish multilateral development cooperation (MIS) as an electronic platform for exchange of information and lessons learned regarding modalities for the implementation of Danish multilateral development cooperation.

Annex II - Links between different results based management approaches

Results-Based Management (RBM) is a management strategy aimed at achieving important changes in the way organisations operate, with improving performance in terms of results as the central orientation. RBM provides the management framework and tools for strategic planning, risk management, resource allocation, performance monitoring and evaluation. Its primary purpose is to improve efficiency and effectiveness through organisational learning, and secondly to fulfil accountability obligations through performance reporting.

While RBM has evolved over 40 years and been applied by governments worldwide, a parallel or derived movement has emerged in development cooperation in the last decade, namely Managing for Development Results (MfDR).

MfDR aims to gear all resources to achieve desired development results and thus implies that goals are clear, measurable, limited in number and concrete with time bound targets. It does so through an evidence based process, i.e. a process where progress towards clear targets is consistency tracked, documented and reported. This again, implies that there is a system in place to track and document results.³

The MfDR cycle involves five core stages which are in accord with the principles of the Paris Declaration 2005 and the Accra Agenda for Action 2008:

1. Setting goals and agreeing on targets and strategies;
2. Allocating the available resources to activities that will contribute to achievement of the desired results;
3. Monitoring and evaluating whether the resources allocated are making the intended difference;
4. Reporting on performance to the public; (donors, stakeholders, and taxpayers)
5. Feeding back information to decision making for better results.

The emergence of a results culture or performance culture does not come by itself and the full application of all stages is not easy. The introduction of RBM and MfDR requires strong leadership, accompanying measures to provide the organisational incentives and knowledge management, and patience to reap the full benefits.

³ More information on the background and element of MfDR can be found on <http://www.mfdr.org/1About.html>

The RBM approach includes the following processes or phases:

1. Formulating objectives: Identifying in clear, measurable terms the results being sought and developing a conceptual framework for how the results will be achieved.	Strategic Planning	Performance Management	Results Based Management
2. Identifying indicators: For each objective, specifying exactly what is to be measured along a scale or dimension. Indicators should be defined at various levels (outputs and outcome levels).			
3. Setting targets: For each indicator, specifying the expected or planned levels of result to be achieved by specific dates, which will be used to judge performance.			
4. Monitoring results: Developing performance monitoring systems to regularly collect data on actual results achieved.			
5. Reviewing and reporting results: Comparing actual results vis-à-vis the targets (or other criteria for making judgements about performance).			
6. Integrating evaluations: Conducting evaluations to provide complementary information on performance not readily available from performance monitoring systems.			
7. Using performance information: Using information from performance monitoring and evaluation sources for internal management learning and decision-making and for external reporting to stakeholders on results achieved. Effective use generally depends upon putting in place various organisational reforms, new policies and procedures, and other mechanisms or incentives.			

The first three phases or processes generally relate to a results-oriented planning approach, sometimes referred to as strategic planning. The first five together are usually included in the concept of performance measurement. All seven phases combined are essential to an effective results based management system. That is, integrating complementary information from both evaluation and performance measurement systems and ensuring management's use of this information are viewed as critical aspects of results based management.

It is important to distinguish between performance management and measurement. The latter is concerned more narrowly with the production or supply of performance information, and is focused on technical aspects of clarifying objectives, developing indicators, collecting and analysing data on results.

Performance management thus encompasses performance measurement, but is broader. It is equally concerned with generating management demand for performance information -- that is, with its uses in program, policy, and budget decision-making processes and with establishing organisational procedures, mechanisms and incentives that actively encourage its use. In an effective performance management system, achieving results and continuous improvement based on performance information is central to the management process.

Annex III - Overview of results tools and their use

Overview of tools for bilateral development cooperation				
Level	PMF tool / activity	Responsible	Output	Primary target group for reporting
<i>Global Level</i>	MRS/VPA MIS Monitoring	KVA with input from Embassies	<ul style="list-style-type: none"> Mid-term and annual reporting on MRS/VPA, PPO 	<ul style="list-style-type: none"> MFA Management
	Performance Reviews	KVA	<ul style="list-style-type: none"> Performance Review Reports Annual Performance Report Annual Report of Danida 	<ul style="list-style-type: none"> MFA Management & departments Embassies Programme Committees
<i>Country programme level</i>	High Level Consultations		<ul style="list-style-type: none"> Report to the Board of Danida 	<ul style="list-style-type: none"> Board of Danida
	Country Assessment	Embassies	<ul style="list-style-type: none"> Completed format for 'Assessment of Country Programme' 	<ul style="list-style-type: none"> Board of Danida Danish Auditor General, etc. MFA Management
	Country Evaluation	Eval	<ul style="list-style-type: none"> Country Evaluation Reports 	<ul style="list-style-type: none"> Board of Danida MFA Management Embassies
	MRS/VPA MIS Monitoring	Embassies	<ul style="list-style-type: none"> Mid-term and annual reporting on MRS/VPA, PPO 	<ul style="list-style-type: none"> MFA Management
	Joint PRS Monitoring	Embassies (jointly with relevant partners)	<ul style="list-style-type: none"> Country PRS report 	<ul style="list-style-type: none"> Partners MFA
	Country Programme Review	UFT	<ul style="list-style-type: none"> Country Programme Review Reports 	<ul style="list-style-type: none"> Partners Embassies, MFA
	Thematic Reviews	UFT	<ul style="list-style-type: none"> Thematic Review Reports 	<ul style="list-style-type: none"> Embassies
	Day-to-day monitoring at programme and project level	Programme management under the supervision of the Embassy (jointly with relevant partners)	<ul style="list-style-type: none"> Progress Reports 	<ul style="list-style-type: none"> Steering Committee, Programme or Component level
<i>Programme and project level</i>	Programme and Project Reviews	UFT / Embassies	<ul style="list-style-type: none"> Completed Assessment of Program Support Input to annual reporting on country programme progress 	<ul style="list-style-type: none"> MFA Management (indirectly through performance information generated)
	Programme assessment,	UFT / Embassies	<ul style="list-style-type: none"> Programme review report (RAM) 	<ul style="list-style-type: none"> Steering Committees
	Programme Evaluation	Eval	<ul style="list-style-type: none"> Programme Evaluation Reports Impact evaluations Thematic evaluations Evaluations of aid modalities 	<ul style="list-style-type: none"> Danida Board MFA Management UFT Embassies
	Programme and Project Completion Monitoring	Embassies	<ul style="list-style-type: none"> Programme and Project Completion Reports (PCRs) 	<ul style="list-style-type: none"> KVA Eval

Overview of tools for multilateral development cooperation				
Level	PMF tool / activity	Responsible	Output	Target group for reporting
<i>Organisation level (HQ)</i>	Organisation strategies	Multilateral representations/relevant departments in MFA	<ul style="list-style-type: none"> • Strategy document for Denmark's engagement with the multilateral organisation 	<ul style="list-style-type: none"> • MFA management • Multilateral representations
	Annual action plans		<ul style="list-style-type: none"> • Annual report on action plan 	<ul style="list-style-type: none"> • MFA management • KVA • Danida's Board of International Development Cooperation
	Performance reporting provided by the multilateral organisations themselves	The multilateral organisation itself	<ul style="list-style-type: none"> • Agency performance report 	<ul style="list-style-type: none"> • Agency management • Used by MFA as well
	Performance Assessment of the multilateral organisations	KVA / MOPAN	<ul style="list-style-type: none"> • Completed MOPAN format 	<ul style="list-style-type: none"> • MOPAN Assessment group • MFA management • MO management
	High-Level Consultations		<ul style="list-style-type: none"> • Report to the Board of Danida 	<ul style="list-style-type: none"> • Danida's Board of International Development Cooperation
	Assessment of Multilateral Representation	KVA Multilateral Performance Review	<ul style="list-style-type: none"> • PR report 	<ul style="list-style-type: none"> • MFA management • Multilateral representations
	Annual results contract	Multilateral Representation	<ul style="list-style-type: none"> • Completed results contract 	<ul style="list-style-type: none"> • MFA management •
<i>Country level</i>	Professional Peer Reviews of evaluation functions in multilateral organisations	EVAL	<ul style="list-style-type: none"> • Peer review report assessing the organisation's evaluation capacity 	<ul style="list-style-type: none"> • Agency management, board and evaluation unit • Danida's Board of International Development Cooperation •
	Evaluations conducted with or by multilaterals on specific topics or interventions	EVAL	<ul style="list-style-type: none"> • Evaluation reports 	<ul style="list-style-type: none"> • Danida Board • MFA Management • Agency Board and Management
	Various systems by organisations and bilateral donors	Organisations and bilateral donors	<ul style="list-style-type: none"> • Internal performance reports 	<ul style="list-style-type: none"> • Agency Management
	Multilateral Organisations' Performance Assessment Network (MOPAN)	MFA and like-minded donors	<ul style="list-style-type: none"> • Joint assessment of multilateral organisations' efforts at the country level • Assessment reports 	<ul style="list-style-type: none"> • Local Agency Management • Donors • KVA
	Assessment of Multilateral Representation	Bilateral representation	<ul style="list-style-type: none"> • Completed MOPAN format 	<ul style="list-style-type: none"> • MOPAN Assessment group • MFA management • KVA

Annex IV - Overview of current Danish aid instruments

Main Danish Bilateral Aid instruments	Main Danish Multilateral aid instruments
<i>Bilateral country frame:</i>	1. UN assessed contributions
1.a General budget support	2. UN Voluntary core funding
1.b Sector budget support	3. UN Extra budgetary funding
1.c Programme and project support	4. World Bank contributions
1.d Embassy local grants	5. IDA contributions
<i>Special bilateral aid</i>	6. Regional development banks
2. B2B and IPD programmes	7. Local grant authority contributions to MO's
3. Mixed credits	8. Multilateral environmental cooperation
4. Neighbourhood programme	9. Multilateral relief & humanitarian cooperation
5. Special Environmental programmes	10. Trust funds (multi- / single donor)
6- Special climate programmes	11. EU core budget funding for aid
7. Danish Wider Middle East Initiative	12. EU's development fund
8. Regional Cooperation	13. Personnel Cooperation (JPO's, Special Ass.)
9. Regions of origin programme	
10. Special liberty funds	
11. Civilian- military cooperation	
12.a NGO cooperation (Danish org.)	
12.b NGO cooperation (International org.)	
13.a Humanitarian Assistance & Relief program.	
13.b Humanitarian Assistance (Danish org.)	
13. c Humanitarian Assistance(International org)	
14. Danida's research programme	
15. Humanitarian Service (IHB)	
16. Technical Cooperation (Danida advisors,etc)	
17. Danish State Loans and debt relief	

Annex V - Overview of *political priority areas*

		Links to useful tools
Strategy for Denmark's Development Cooperation, Freedom from Poverty – Freedom to Change, 2010		
Political priority area	Growth and employment	Strategic Framework for Growth and Employment (2011)
	Freedom, democracy and human rights	Democratisation and human rights (2009) Effective and Accountable Public Sector Management (2007) Strategy for Danish Support to Civil Society (2008) Strategy for Danish support to Indigenous Peoples (2004)
	Gender equality	Strategy for Gender Equality in Danish Development Assistance (2004) Danida Gender toolbox (2008) Strategy for Denmark's support to the international fight against HIV/AIDS (2005) The promotion of sexual and reproductive health and rights - Strategy for Denmark's Support (2006) GPM Annex 3 (Gender equality plan)
	Stability and fragility	Peace and Stability, Denmark's Policy for Interventions in Fragile States (2010) Strategy for Danish Humanitarian Action 2010-2015
	Environment and climate	Environment Guide (2009) Environmental Strategy (2004) Danish Climate and Development Action Programme (2005) Guidelines for occupational health and safety (2004) GPM Annex 4

Annex VI – Draft template for overview of monitoring tools

Reporting Tool	Indicator	Periodicity	Data source	If results info - level in results chain	Data/ Perception	Open data	Usage			Quality Assurance		
							Used for external communication/Website	HQ Management information	Board of Danida	Periodicity	Form	By Whom
Assessment of Country Programme	Country context - good governance	Yearly	Embassy	n.a.	Perception	No	Yes	Yes	Desk study	KVA	low	
	Country context - Anti-corruption	Yearly	Embassy	n.a.	Perception	No	Yes	Yes	Desk study	KVA	low	
	Country context - Poverty	Yearly	Embassy	n.a.	Perception	No	Yes	Yes	Desk study	KVA	low	

Assessment of Country Programme	Country strategy - fulfillment objectives	Yearly	Embassy	Outcome	Data	No	Yes	Yes	Desk study	KVA	low	
PDB - PPO	Progress indicators (VPA indicators)	Yearly	Embassy	Output	Data	Yes	No	No	Desk study	KVA	medium	
	Objectives	Yearly	Embassy	n.a.	Perception	Yes	No	No	Desk study	KVA	medium	
	Status	Yearly	Embassy	n.a.	Perception	Yes	No	No	Desk study	KVA	medium	
	Risks	Yearly	Embassy	n.a.	Perception	Yes	No	No	Desk study	KVA	medium	