



EVALUATION OF THE

DEMOCRATIC GOVERNANCE Thematic Trust Fund

Executive Summary
May 2008

United Nations Development Programme



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Evaluation of Democratic Governance Thematic Trust Fund

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FOREWORD

Significant strides have been made in recent years towards a more democratic world. Yet, far too many democratic deficits remain. The deficits arise when certain groups are denied access to the political process because they cannot vote or join political parties, or when basic public services fail to function or reach people in remote areas, or when the rule of law is not consistently applied, impunity prevails, and access to justice is denied

Recent country experiences and much academic research has documented that it is perfectly possible to achieve economic growth without democratic governance, but many experiences and much research also document that it is not possible—neither conceptually nor in practice—to seek and sustain comprehensive gains in human development as defined by UNDP without democratic governance.

The Democratic Governance Thematic Trust Fund (DGTTF) is one of the important tools UNDP has at its disposal to foster progress in democratic governance. It was created in 2001 to better align UNDP's global, regional, and country programmes around the democratic governance practice area, and to mobilize donor resources for thematic priorities as a new, quick funding alternative to traditional project-by-project co-financing. In the last six years, DGTTF has supported 550 innovative and catalytic projects strengthening democratic governance at global, regional, national and local levels. Given the strategic significance of this work, UNDP's Bureau for Development Policy (BDP) commissioned an independent forward-looking evaluation of the DGTTF in 2007. The overall objective of the evaluation was to provide lessons and recommendations to UNDP and BDP in particular for positioning and improving the DGTTF mechanism in promoting democratic governance for human development.

This report indicates that overall the DGTTF has been successful as a 'venture capital fund', promoting innovation in an area of development where it is both notoriously hard to make progress and extremely important to do so. The successes have often been characterized by the involvement of the counterpart governance institutions in the design of the innovation and by an implementation period longer than DGTTF's normal one year. The successful innovations have almost always led to major programmes of reform and capacity development, supported not only with UNDP core funding but even more often by other donors and the governments concerned. The greatest weakness of DGTTF identified has been that UNDP in general and the Democratic Governance practice in particular, the Regional Service Centres and Country Offices, as well as DGTTF's donors, could have learned much more from successful and unsuccessful projects, if appropriate procedures and mechanisms had been put in place.

The evaluation recommends that the DGTTF play an even more important role as a sponsor of innovation in democratic governance, as well as assuring alignment of UNDP results across democratic governance interventions. This would entail a redesign of DGTTF to reflect the findings of the evaluation as well as opportunities presented by the UNDP Strategic Plan (2008–2011) to further integrate and innovate in democratic governance areas of focus.

The evaluation team's primary data collection included interviewing more than 100 persons from UNDP's New York office as well as Regional and Country Offices, donors, counterparts from governance institutions and beneficiaries of the projects. The team also conducted a survey (May–June 2007) of members of UNDP's democratic governance network; analysed all Annual and Mid-Term Project Reports; and carried out eight detailed country cases studies in Bhutan, Bolivia, Kyrgyzstan, Mauritania, Mozambique, the Philippines, Sierra Leone and Yemen.

This report is the result of the dedication and contributions of many people. BDP is deeply grateful to the evaluation team that produced it, led by Harry Garnett, and supported by Robert G. Boase and Renata Nowak-Garmer. The international team was joined by a national expert in each of the case study countries: Khalid Al-Akwaa (Yemen), Runzin Dem (Bhutan), Omar Fall (Mauritania), Pamela Grafilo (Philippines), Fidelx Kulipossa (Mozambique), Gregorio Lanza Meneses (Bolivia), Patrick Robin (Sierra Leone) and Karabek Uzakbaev (Kyrgyzstan).

The evaluation team benefited from the advice of an advisory panel of international experts drawn from development agencies and academia: Beate Bull (NORAD), Ludgera Klemp (BMZ), Dr. Micheal Mc Faul (Stanford University, USA) and Dr. Siddiquir Osmani (University of Ulster, UK and BRAC University, Bangladesh).

We owe a great deal of gratitude to the numerous government officials, partner organizations, donors and members of civil society representatives, whose insights were invaluable to the evaluation team. I would like to single out for special thanks all the Resident Representatives and UNDP staff of the countries visited by the team and other colleagues in Headquarters' units who provided feedback. This includes in particular the members of the Steering Committee: Rosemary Kalapurakal (RBAP), Janey Lawry-White (BCPR), Cecile Molinier (Resident Coordinator/Resident Representative, Mauritania), Dr. Rolf Ring (Raul Wallenberg Institute), Mohamed Said Ould Hamody (Independent National Commission for Human Rights, Mauritania) and Dr. Massimo Tommasoli (International IDEA). Without their interest and involvement, the evaluation would not have been possible.

In BDP, the evaluation was task managed by Pauline Tamesis and Giske C. Lillehammer with administrative support provided by Tenagne Getahun. We would also like to express our appreciation to Jeff Hoover, editor of this report.

I hope that this evaluation will be useful to a broad audience and that the implementation of the recommendations will contribute to more effective support from UNDP in building societies where people, including the poor and marginalized, have political power and a voice in the political decisions that affect their lives.



Olav Kjoerven
Assistant Secretary General and Director, Bureau for Development Policy, UNDP

ABBREVIATIONS AND ACRONYMS

ADR	assessment of development results
APR(s)	Annual Project Report(s)
BCPR	Bureau for Crisis Prevention and Recovery
BDP	Bureau for Development Policy
CO(s)	Country Office(s)
CPAP	Country Programme Action Plan
CSO(s)	civil society organization(s)
DFID	UK Department for International Development
DGG	Democratic Governance Group
DGP	Democratic Governance Practice
DGP-Net	Democratic Governance Practice Network
DGTF	Democratic Governance Thematic Trust Fund
ECIS	Eastern Europe and the Commonwealth of Independent States
EOI(s)	expression(s) of interest
HQ	headquarters
HURLITALK	Human Rights Policy Network
ICT(s)	information and communications technology(ies)
LAC	Latin America and the Caribbean
LDC(s)	least developed country(ies)
LIC(s)	low income country (ies)
LPAC	Local Project Appraisal Committee
MDG(s)	Millennium Development Goal(s)
MYFF	multi-year funding framework
NGO(s)	non-governmental organization(s)
OECD/DAC	Organization for Economic Cooperation and Development's Development Assistance Committee
OGC	Oslo Governance Centre
ProDoc(s)	Project Document(s)
PSU	Policy Support Unit
PTL	Practice Team Leader
RB(x)	Regional Bureau(x)
SL	Service Line
SURF	Sub-Regional Resource Facility
SWAp	sector-wide approach
TOR	terms of reference
TRAC	target for resource assignment from the core
UN	United Nations
UNDP	United Nations Development Programme
UNDP NY	United Nations Development Programme Office New York

EXECUTIVE SUMMARY

About this report

This report is based on the findings of an independent evaluation of UNDP's Democratic Governance Thematic Trust Fund (DGTTF). Conducted in 2007, the evaluation was based on OECD/DAC criteria of effectiveness, sustainability, relevance and efficiency. The main objectives of the evaluation were to i) assess the results achieved by DGTTF against its objectives, the relevance of the fund and its strategic positioning vis-à-vis other similar funds within UNDP, and the efficiency of the fund's management processes; and ii) to distil important lessons learned and identify areas for improving the results, approach and processes.

The evaluation team's primary data collection included interviewing more than 100 persons from UNDP's New York office as well as Regional and Country Offices, donors, counterparts from governance institutions and beneficiaries of the projects. The team also conducted a survey (May–June 2007) of members of UNDP's Democratic Governance Practice Network (DGP-Net); analysed all Annual Progress Reports (APRs) and other reports on the projects; and carried out eight country cases studies.



UNDP Kyrgyzstan

*Training for women,
Support to Democratic
Elections project.
Kyrgyzstan, 2005.*

About DGTTF

DGTTF was created in 2001 to promote a thematic focus around UNDP's Democratic Governance Practice (DGP). Its main function is to provide Country Offices (COs) with discretionary funds to explore innovative approaches and address issues in politically sensitive areas where the use of core funds may prove more problematic and slow. DGTTF was designed to allow rapid disbursement and to attract funding from donors interested in democratic governance. From 2002 to 2007, DGTTF disbursed \$70 million for a total 572 one-year projects. Additional funding was provided for global projects and for the Oslo Governance Centre (OGC).

Key overall results from the evaluation: Summary of findings and lessons learned

Generally speaking, the results of the evaluation indicate that DGTTF has been successful as a venture capital fund promoting innovation in an area of development where it is both extremely important to make progress and notoriously hard to do so. The successes have often been characterized by the involvement of the counterpart governance institutions in the design of the innovation and by an implementation period of longer than DGTTF's one year. The successful innovations have almost always led to major programmes of reform and capacity-building, supported not only with UNDP core funding but even more often by other donors and the governments concerned.

The greatest weakness of DGTTF has been that UNDP HQ (in New York), the Regional and Country Offices, and DGTTF's donors have not learned as much as they might have from both the successful and unsuccessful projects (In a venture capital fund such as DGTTF, investors and the market learn as much from failure as from success).

DGTTF can play an even more important role as a sponsor of innovation in democratic governance. That objective would best be achieved by taking advantage of UNDP's multi-donor status, reputation for objectivity and good relations with governments and governance institutions, as well as an increased level of support from its donors and some redesign.

UNDP is uniquely positioned because of its particularly close relationship with government and its widely recognized neutrality [...]. The team found that almost every single project studied in the country studies took advantage of UNDP's comparative advantage defined in this way: even though many of the projects could have been implemented by another donor, UNDP's perceived neutrality gave it an edge.

Findings and lessons learned

A total of 18 distinct findings and lessons learned are summarized below. Each is numbered individually and grouped by relevant sub-heading.

Effectiveness

- DGTTF has been successful in fostering innovative projects that have led to larger programmes and projects aimed at making major improvements in democratic governance.** Two thirds of the projects reviewed by the evaluation team in the country studies were rated as innovative by the team in consultation with counterpart governance institutions, donors and Country Office (CO) staff. Half the projects mobilized additional funds to scale up the innovation piloted by

DGTTF. Almost every project fostered partnerships with governance institutions. DGTTF has also been successful in promoting UNDP themes: three quarters of the country study projects involved civil society, more than one half emphasized human rights, and half addressed gender issues.

2. **UNDP staff value DGTTF.** Over 60 percent of staff surveyed gave DGTTF the highest rating in terms of aligning country projects with DGTTF agenda, supporting innovation, pushing the governance agenda and developing partnerships. Most COs apply for DGTTF funding each year. One measure of the popularity of DGTTF is that applications for funding outstrip the availability of funding by about two times. CO staff, including managers, particularly appreciate having access to a fund that can be mobilized outside the existing programmes agreed with government and one that addresses a key need, democratic governance. Staff appreciate DGTTF's role in implementing the UNDP Strategic Plan 2008–2011, in which democratic governance is identified as one of four areas of UNDP comparative advantage.

Alignment

3. **DGTTF has been notably successful in aligning COs around the theme of democratic governance.** The team's comparison of the CO strategies prepared in the early 2000s with those prepared more recently shows a strong trend towards mainstreaming democratic governance. Not only do most COs have democratic governance as one of their programme's specific themes, but issues of democratic governance have been included in other themes as well, such as environment, health, education, and HIV/AIDS. Many DGTTF projects are linked to TRAC-funded governance projects. It has to be pointed out, however, that DGTTF's promotion of alignment around democratic governance reinforced a general UNDP corporate focus on democratic governance, including the UN assigning the governance mantle to UNDP.

Innovative and catalytic projects

4. **DGTTF supports innovative projects that are catalytic, as intended by the designers of the fund.** The evaluation team found that about half the projects reviewed in the country studies were innovative, and that many of them were scaled up into larger operations by governments (often with donor support), leading to improvements in democratic governance. Linking together innovation with catalytic impact through DGTTF is very much in line with the UNDP Strategic Plan's assertion that "UNDP will not support small-scale projects with no country-wide impact." It is worth noting, however, the corollary of the opening sentence: half the projects were **not**, as they are supposed to be, innovative. Steps are being taken by the Allocation Commission to ensure that only truly innovative projects will be selected from 2008 onward.

Many of the projects reviewed in the country studies were innovative and catalytic [...]. Many also mobilized additional funds for follow-up projects and almost all helped to develop partnerships with government, civil society and donors.

5. **Successful innovative and catalytic projects play an important role in positioning UNDP in the donor community and in defining its relationship with governance institutions.** In about one quarter of the projects reviewed in the country studies, the CO has been able to take on a leadership role in some major democratic governance projects as a result of successful innovative DGTTF projects. In some cases these projects have addressed politically sensitive issues.

6. **Many of the successful innovative and catalytic projects have involved early consultations with the government.** Such projects have resulted from discussions between government and UNDP, and also the donor community in some cases, well before the expressions of interest (EOIs) have been called for. However, staff at some COs avoid such consultations until after their project proposals have been approved by the Allocation Commission because they fear disappointing their government or governance institution counterpart.
7. **However, there is a general perception on the part of some CO staff, regional Policy Advisors and New York-based Policy Advisors that too many projects are not truly innovative.** The evaluation team was told by some staff in the COs, but more often by regional Policy Advisors and staff at UNDP NY, that too many COs too often use DGTTF to carry out projects that could be labelled 'governance' but are not particularly strategic or innovative. The team's review of the project files confirmed this to be the case. Many staff in the COs visited during the country studies were also of this view, even though the team found many of the projects studied during the country studies to be innovative. Some UNDP staff surveyed felt that DGTTF had in many cases been less than fully successful in i) helping governance institutions carry out projects they would not otherwise have supported and ii) in mobilizing additional funds.

“The team’s review of a number of Country Offices’ Country Programme Action Plans (CPAPs) confirms that democratic governance is indeed not only an important theme but in many cases the dominant one, not only in the sense that there are more democratic governance programmes and projects than in the past but also because democratic governance themes are integral parts of projects in other sectors.”

Projects' one-year time limit

8. **Almost everyone contacted agreed that the one-year time limit and fixed schedule often result in projects not being as effective as they might be in terms of testing an innovation and laying the basis for scaling up.** This was by far the most common complaint of the staff responding to the 2007 survey and the CO staff visited during the country studies. Half of the Annual Project Reports (APRs) indicated 'progress below target'; seventy five percent of those attributed limited success to the time constraints. Forty percent of those responding to the survey said that they were unable to complete their projects in one year. Because of delays, in particular in obtaining government approval (about one third of APRs reporting 'performance below target' give this as the main reason), the activities of the average project must be implemented in the last five months of the year.

Funding for individual projects

9. **Many respondents also think that the funding actually allocated to the individual projects is too small to test innovations that might be catalytic.** Few projects receive the funding the applicants believe is necessary for the project to succeed in meeting its objectives. As stated above, most do not achieve their targets. The average size of approved projects in 2007 was \$112,000—less than half the average application size (\$236,000)—and the average size of approved projects has been falling over time. Instead of fully funding fewer, perhaps larger projects that might be more truly innovative and catalytic, the selection process has favoured giving three quarters of CO applicants some support, often in the form of a smaller budget (and therefore a smaller project) than they applied for.

- 10. Many COs have responded to the partial funding issue by topping up with TRAC funds or by obtaining funding from other sources, usually from other UN agencies.** One third of all projects have had supplemental funding. Some add the funding in a second year, thus expanding the project in terms of time of implementation. DGTTF can therefore be regarded as a means through which additional funds are mobilized for the innovation the fund supports as well as, potentially, to scale up the innovation.

New standards for 2008

- 11. DGTTF management has already responded to the funding and innovation/catalytic issues by announcing clearer and more stringent standards for innovation and specifying its intention to fully fund projects that score highly in terms of innovation and catalytic potential.** All 2008 projects that received excellent or very good scores (49 percent of the total number of applications) from the Policy Advisors have been approved by the Allocation Commission for full funding; projects with these scores make up \$13.4 million out of the \$16 million available for CO projects.

Sharing experiences

- 12. A more effective sharing of experiences would raise the quality of projects.** Only 15 percent of those responding to the staff survey said there was significant sharing of their experiences with other COs, while only 12 percent said they benefited from such experiences. Few CO staff contacted in the country studies reported that they had learned of experiences from other COs that might have helped them to identify opportunities in their own countries. Hardly any CO staff interviewed during the country studies mentioned the Oslo Governance Centre (OGC) as a source of information, ideas or analysis of governance issues, even though OGC runs training courses for CO staff and OGC's reports are available online. Many staff told the team that OGC could play a stronger role in assembling, analysing and disseminating DGTTF-funded project experience. In response to this need, the Democratic Governance Group (DGG) work plan for 2008 has allocated global resources to ensure a more systematic codification and sharing of lessons and knowledge.
- 13. The knowledge management problems are exacerbated by a failure to systematically evaluate individual DGTTF projects.** The APRs were not designed as evaluation documents, even though they do request evaluative data from project managers; instead, they are mainly reports on progress to date. Moreover, the APRs lack objectivity since they are prepared by the project officers. In some cases the data are misleading. For example, despite the data noted above (point #8) on 'performance below target', APRs report that 83 percent of project outcomes were achieved. Somewhat illogically, APRs also report that 54 percent of outputs were achieved. The APRs show that although over 90 percent of the APRs report that the projects were catalytic, only one quarter actually attracted more funds for additional activities. Even this information on lessons learned, which the team found to be useful, is not very accessible to other CO staff. Furthermore, such evaluations as are undertaken by Policy Advisors do not seem to have been widely shared. CO staff could use part of the DGTTF budget for the project to carry out evaluations of their projects, but they almost never do.

Support from regional Policy Advisors

14. Staff in COs said they would like more support from regional Policy Advisors to identify, prepare and implement DGTTF projects. Staff in COs tend to be well informed about their countries' governance problems, but many lack the experience needed to identify potentially innovative interventions that might make a difference. Many would also appreciate help in preparing projects, monitoring their implementation and addressing issues arising during implementation. There is a general perception on the part of CO staff that the regional Policy Advisors do not have enough time to provide the many COs they are asked to serve with all the help needed.

Flexible timing for applications

15. Some staff in COs and some of those who responded to the survey feel that DGTTF should have greater flexibility to respond to opportunities when they arise and not only in accordance with the current fixed schedule. The evaluation team was given a number of examples of opportunities that the COs were unable to respond to because of the fixed schedule for applications for DGTTF funding. Such instances often followed the election of more reform-minded governments.

DGTTF as a source of 'market' information

16. DGTTF can be a very useful device for measuring changing demand for various aspects of democratic governance globally and regionally. From 2004 to 2008 applications for national, regional and local governance projects have been more numerous than for any other type; the number of applications in this area also has risen most sharply over the past year, and this growth is common to all regions. The second largest governance area is justice. The demand for projects in civil engagement has been on a rising trend. In 2007 there were very few applications for women's empowerment and elections projects.

Efficiency

17. Staff in COs, Regional Bureaux and at UNDP NY in general support the current selection process. Few in the COs complained about the Allocation Commission in New York selecting the projects to be funded by DGTTF. Some did complain about the timing of the requests for expressions of interest (EOIs), coming as they do at the end of the year, which is a busy time administratively for all concerned.

18. There were, however, many CO complaints about the administrative burden of DGTTF projects. Most of those contacted in the country studies complained about having to prepare a full Project Document (ProDoc), a Mid-Term Report, and an APR at the end of the year for such small projects. At the same time, however, the evaluation team found misconceptions about the true extent of the current administrative requirements. For example, many were not aware of the fact that they need not prepare a full ProDoc if the DGTTF project is linked to an existing project—although it should be added that linking to another project could dilute the innovative nature of the DGTTF project. Moreover, the various documents can be prepared online and the documentary requirements are much less extensive than used to be the case. It should be added that some staff in Country Offices agreed that all this documentation is important and necessary and understand that many of the documentary requirements are those of UNDP, not unique to DGTTF.

Recommendations

A total of 17 distinct recommendations based on the evaluation are summarized below. Each is numbered individually and grouped by relevant sub-heading.

Improving the DGTTF mechanism

- 1. Two-year projects should be permitted.** Permitting two-year projects would result in more projects being completed and give more time to carry out the consultations needed to get the projects under way. One-year projects may be most appropriate in many cases and should be permitted as well, although some are likely to spill over into a second year. Since the team found no evidence that COs thought the upper limit of \$300,000 too low, this limit should not be changed. However, consideration should be given to raising the maximum at a later stage once the experience of the first wave of two-year projects has been evaluated.
- 2. Approved projects should in general be fully funded, unless consultations between regional and New York Policy Advisors and CO staff result in the reduction in the size of the project on technical grounds.** Agreeing to fund half of what is requested by the CO makes little sense. The principle of full funding has already been agreed to by the Allocation Commission and implemented for 2008. Greater competition for DGTTF funds should raise the quality of proposals. Steps should be taken by regional and New York Policy Advisors and the Regional Bureaux to counter the current practice of inflating the size of requests, a practice that derives from a selection process that has tended to cut projects in half so that more COs can receive at least some funding.
- 3. It follows from the introduction of two-year, fully funded projects that multi-year funding should be discussed with DGTTF donors.** Multi-year funding would give DGTTF management and the Allocation Commission more confidence to approve two-year projects. The team has discussed multi-year funding with some of the donors, who do not object to this in principle.
- 4. Donors should be encouraged to provide their funds to DGTTF without earmarking.** Earmarking reduces the demand/need-driven characteristic of the fund. For example, earmarking by service line and country forces funding into a specific service line. That may be inappropriately restrictive when the real need for an innovative project with catalytic potential in that country is for a project more properly categorized and administered under a different service line. Moreover, earmarking by service line tends to distort choices in favour of that service line, thereby weakening the fund as a source of 'market' information.

The majority of funding to date, 84 percent over the life of DGTTF, has been provided unearmarked. Removing restrictions on the remaining share would further increase its flexibility.

- 5. The quality of projects would be improved if more expert advice were available to the COs, in particular from regional policy staff.** The principal job of the regional policy staff, led by the proposed Practice Team Leaders, should be to work with CO staff to identify key issues, prepare proposals to address the issues, and be available to assist in addressing any implementation problems. It has been proposed that some DGTTF funding be allocated to the Regional Service Centres

in 2008 to provide a flexible mechanism for regional Policy Advisors to respond to emerging needs in democratic governance from COs.

6. **The selection process should in general remain as it is now.** Neither the staff survey nor the country studies found much evidence that the selection process itself should be changed. There were objections to the **application** of the process: the tendency to reduce the size of projects so that almost all applicants receive some funding and the lack of rigor in selecting truly innovative projects. But these problems are being addressed under the 2008 guidelines. All participants in the selection process appreciate the need for full funding and the emphasis on innovation. The selection should continue to be made by the New York–based Allocation Commission consisting of the Policy Advisors, Regional Bureaux and Bureau for Development Policy (BDP) management. The regional Policy Advisors should have no role in the selection process; for them to do so would represent a conflict of interest since they should have already been involved in helping the CO staff to identify key issues and potentially innovative projects.
7. **However, consideration should be given to one of the following timing changes: two calls for EOIs each year, a single call in the middle of the year, or one of those options plus having some funding unallocated so that emerging opportunities can be responded quickly to at any time during the year.** Currently, the call for EOIs comes at a particularly busy time of the year. Two calls is probably not the best option because the Allocation Commission would have to be assembled twice, thereby increasing its administrative burden. The simplest option would be to have a single call in the middle of the year: this would reduce the end-of-year pressure on staff and likely improve the quality of proposals. Continuing to have a single call would probably be most convenient especially if the proposal to allocate some flexible funding to the Regional Service Centres is implemented.
8. **Encouragement should be given to CO staff, and the regional Policy Advisors who support them, to involve the governance institutions that might be responsible for the implementation of the project in the identification and early preparation of the project.** Many of the more successful projects reviewed by the team in the country studies were characterized by discussion between the CO and the governance institution concerned, usually some part of the government itself, months before the EOI was prepared. This practice enhances ownership, reduces the risk of implementation problems and facilitates a more rapid start of the project. The Allocation Commission might consider encouraging such steps by giving higher ratings to projects with early counterpart involvement. However, COs should not be penalized if they can make the case that early involvement with government might discourage innovation.
9. **Every project should be independently evaluated one to two years after it has been completed.** If a local consultant were hired, an evaluation would cost \$5,000 to \$10,000 (plus the administrative cost) and take one to two weeks. The focus of the evaluation would be on whether the project was successfully innovative enough that it could (or should) be scaled up with government and/or donor funding. Although the CO and Practice Team Leaders (PTLs) should have direct

“Earlier involvement of clients in the project process may not only increase ownership but also speed up the process between the preparation of an EOI and the implementation of the project.”

responsibility for commissioning the evaluation, the New York Policy Advisors and Regional Bureau staff would take responsibility for these evaluations and together with OGC be responsible for analyzing them and disseminating the results.

10. **The APRs should be redesigned to provide more useful information and to have more of that information pre-coded to facilitate analysis.** An APR should be regarded as a 'project completion report'. It should contain largely factual and easy to code data. The team's coding of information from the APRs for this evaluation could provide a guide.
11. **Practice Management, Policy Advisors and Regional Bureaux should continue to stress the importance of DGTTF only funding innovative projects that might be catalytic in terms of being scaled up by governance institutions with or without donor support.** The best way to do this is to include examples of successful projects in the DGTTF guidelines, as was the case with the 2008 guidelines. Every encouragement should be given to COs to use DGTTF to push the frontier of democratic governance in the country concerned, using UNDP's good relations with government and civil society to move into politically sensitive territory where the chances of success may be low but the returns in terms of improved democratic governance could be very high.
12. **Practice Management and Policy Advisors should clarify for CO staff the meaning of 'outcomes' for the innovative projects intended for DGTTF funding and replace 'outcome' with 'result'.** The team's analysis of the APRs found confusion between 'outputs' and 'outcomes'. More projects were reported to have successfully achieved their outcomes than their outputs. Although this is logically possible, it is more likely that outputs are achieved but outcomes not, since the former are largely within the control of the project while the latter are not.



UNDP The Philippines

Groundbreaking of the City Health Expansion Building and launch of the "Text Mo, Kalusugan Mo" ("SMS your state of health") project which provides the telecommunications framework for citizen feedback on health concerns, with Science City of Munoz Mayor Nestor Alvarez (8th from left). Citizens Actions and Local Leadership to Achieve MDGs in 2015 (Call 2015) project. The Philippines, 2007.

The evaluation team recommends that the term ‘result’ be used instead of ‘outcome’ to define what happens after the project has been completed. A good result in terms of DGTTF’s objectives would be a new policy adopted by the government or a new programme based on the DGTTF project that has a good chance of bringing about a breakthrough in democratic governance.

Improving strategic positioning

13. It will continue to be important to balance the demand-driven aspects of DGTTF, characterized by Country Offices responding to unique local democratic governance needs and opportunities, with BDP’s need to promote, and be held accountable for, the democratic governance policy themes agreed as part of the UNDP Strategic Plan 2008–2011. DGTTF has an obligation to reflect

the multi-year funding framework (MYFF) and the Strategic Plan priorities agreed with the Executive Board in the selection and allocation process, since the management will be held accountable by the donors for using their funds to promote the agreed policy objectives. However, under the new guidelines—where the over-riding objective for DGTTF is to test innovative approaches, with a high proportion of the scoring in the selection process for innovation and catalytic potential—COs are unlikely to be significantly constrained by having to fit the proposed project into service lines or results areas, or even a cross-cutting theme. The most important requirement is, instead, that the proposed project be truly innovative.

“There should be a feedback mechanism among lessons learned through DGTTF innovations, ‘full’ UNDP projects with democratic governance objectives, and the themes promoted by BDP globally and regionally.”

14. As part of the dialogue within UNDP and with donors, BDP should use lessons learned from DGTTF projects to identify kinds of activities that work best in addressing difficult democratic governance issues. The shifting pattern of demand for DGTTF funding and the evaluations of the activities that have been most successfully innovative should be used to inform discussions about the kinds of activities UNDP can best support and promote. It is worth noting that the evaluation team’s analysis of the project files and country studies found extensive variations by region in both of these areas.

15. DGTTF should be used to position UNDP as a supporter of innovation in its member countries. DGTTF should be used to demonstrate to governments, civil society and donors that UNDP is an innovator in democratic governance, willing and able to test innovations that might result in breakthrough in seemingly intractable democratic governance problems. Using DGTTF, COs should take advantage of UNDP’s good relations with government and perceived neutrality to test innovative approaches to particularly politically sensitive issues that other donors are less well positioned to address because of their perceived lack of impartiality. COs should be prepared to take what might be perceived to be short-term risks in their relationships with governments in order to reduce the longer term risks associated with a failure to improve democratic governance. Improving the quality of advice and support given to CO staff through Practice Team Leaders and their staff and a more systematic mining of DGTTF experience will enhance UNDP’s role as a successful innovator. Through the analysis of the impact of DGTTF projects, UNDP can position itself as the prime agency in the

post-Paris Declaration era¹ that continues to use small projects to test new approaches to difficult democratic governance issues. These approaches could then become incorporated into national programmes, with the approaches providing the basis for budget support benchmarks.

Improving communications strategy and outputs

- 16. Much more proactive assembly, analysis and dissemination of DGTTF project experience are very important.** This recommendation follows from complaints from some donors (about weak reporting of results) and some staff (that experiences have not been shared). The proposed evaluations of each project would provide the basis for the reporting and sharing of experiences. OGC should have principal responsibility for this knowledge management activity, working closely with New York policy and RB staff. Funds in the 2008 budget have been set aside for the Regional Service Centres to work on knowledge codification of DGTTF projects. The OGC Fellowship could be positioned to focus on DGTTF experience. More user-friendly Web sites should be set up to disseminate experiences of successful innovation as well as those with which there have been problems. Better use should be made of existing knowledge management networks for dissemination and exchange. It is recommended that hard copies of the DGTTF Annual Report be distributed to and within the COs, with enough copies to be distributed to locally based donors and local governance institutions. The Democratic Governance Network could be used to invite stories from the field; perhaps prizes could be offered for the top three stories each year.
- 17. Donors would give even greater support to DGTTF if more of the projects were truly innovative, creating opportunities for scaling up and making breakthroughs in democratic governance, and if there was more reporting to the donors of the success of such projects.** This recommendation links strategic positioning with the communications strategy. The donors contacted by the team said that although the Annual Reports have improved over time, there is still not enough information available about the effectiveness of the projects that their funding is supporting. In some cases parliamentary oversight committees in donor nations have complained about the lack of such information. These donors continue to believe, however, that DGTTF has an important role to play in testing innovative approaches to democratic governance issues, thus taking advantage of UNDP's good relations with government and its perceived neutrality. Consideration should be given to making the evaluation reports available online. DGTTF Annual Reports could include more case material on successfully innovative projects in addition to providing summaries of all projects, as it does now.

¹ Endorsed in March 2005, the Paris Declaration on Aid Effectiveness aims to increase harmonization, alignment and managing of aid with a set of monitorable actions and indicators. It was signed by 100 government ministers, heads of agencies and other officials from around the world.



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