

Report on the Review of the Monitoring, Evaluation and Learning Framework for the AusAID NGO Cooperation Program

March 2013

Executive Summary

This report outlines the review of the Monitoring, Evaluation and Learning Framework (MELF). The MELF was introduced in May 2012 to ensure satisfactory and consistent reporting by Australian non-government organisations (NGOs) funded under the AusAID NGO Cooperation Program (ANCP). The ANCP recognises the strengths that Australian NGOs bring to international development activities, and the MELF seeks to highlight these. AusAID undertook to review the MELF at the end of 2012 to assess how well it is meeting its objectives of providing accountability, measuring performance, delivering information on outcomes and offering opportunities for learning.

Three main pieces of work were undertaken to review the MELF. The first was an assessment, by an external consultant, of the effectiveness of a sample of reports completed by NGOs under the new framework. In the assessment, the consultant examined both the format of the templates, taking into consideration the intent of the questions asked, and the answers provided by the NGOs. Her finding was that **the reports provide a good summary of NGO achievements but that the templates would benefit from some editing and clarification**. A further recommendation was for ANCP Partner NGOs to provide additional information to communicate more fully the scale of their work.

The second part of the MELF Review was an appraisal of the indicators against AusAID strategic goals and outcomes which NGOs were asked to report on. There were 130 indicators, including headline indicators and associated indicators specific to ANCP funded activities. As the reporting template was developed later in the year, AusAID acknowledged that NGOs might struggle to collect the relevant data in the first reporting cycle, but agencies were encouraged to provide as much data as they could. **At the time that this review was undertaken, 35 out of 42 NGOs had been able to report against the indicators**. In reviewing the indicator section of the MELF reporting process, AusAID took into account NGO feedback and held consultations with AusAID thematic areas to ensure that the indicators were providing useful results to contribute to AusAID's broader reporting responsibilities. Based on the data provided by NGOs, the frequency of use, and the worth of the data for AusAID reporting purposes, AusAID is proposing to decrease the number of indicators which NGOs will be asked to report against.

The third piece of work undertaken in the MELF Review was the collection of formal written feedback from NGOs. ANCP NGOs were encouraged to talk about the challenges they faced, their positive experiences and their suggestions for improvement. Thirty-two NGOs responded. **While a substantial number found the change to a new reporting framework challenging, they also said that it had promoted improvements in their internal monitoring and evaluation systems**. The main challenges were found to be the requirement to retrofit data when reporting against the indicators, the use of Excel as the reporting format, and confusion over the definition of certain terms. NGOs requested that the templates be streamlined and accompanied by clearer guidelines. ANCP Partner NGOs also communicated that the templates did not provide enough scope for them to report in detail on program level activities. The request for more opportunities for learning and participation in development effectiveness discussions was also raised.

In addition to carrying out these three assessments, the MELF Review looked at transparency requirements and sensitivities in reporting. The MELF Reference Group, whose members include ANCP NGO representatives and ACFID DPC members, raised the issue of how to balance AusAID's commitment to transparency with NGO concerns about reporting sensitive information, particularly relating to child protection. This was also raised in the feedback forms. NGOs requested that AusAID make clear which information provided through the MELF reporting process is to be made public.

The MELF Review found that **the Monitoring, Evaluation and Learning Framework is a practical tool to provide standardised reporting by ANCP NGOs**. Analysis of the data from the 2011–12 performance reports indicates that, compared to the previous year, a more accurate picture of NGO results has been achieved. The discussions held with AusAID thematic areas have confirmed that the information supplied by NGOs in the reporting templates supports broader AusAID reporting requirements. However, **the review identified a need for increased opportunities for ANCP Partner NGOs to report their partnership achievements over and above the current level of reporting**.

The MELF has provided a good store of information to use in the proposed meta-evaluations and thematic reviews, which will promote further opportunities for collaboration and learning for AusAID and ANCP NGOs. The MELF can also be used to inform the development of an agency-wide effectiveness assessment methodology. The review found that **there was broad support for convening a new monitoring and evaluation group to monitor and refine the MELF** on an ongoing basis.

Finally, **the review highlighted areas for improvement in the form and content of the current reporting templates, as well as a need for clarity on which information will be made publicly available**. It should be noted that over the past year AusAID informed NGOs, through workshops, webinars and a telephone helpline, that the standardised reporting templates were developed with a view to moving to an online grants management system that will further streamline data collection and reporting.

In conclusion, **the review found that the Monitoring, Evaluation and Learning Framework provides a level of consistency in reporting by ANCP NGOs that supports greater accountability and performance coverage than existed previously**. The information provided by NGOs under the MELF was found to support AusAID reporting on outcomes. The MELF has provided some opportunities for shared learning so far, through the MELF Reference Group, and webinars and feedback forms. Based on the wealth of information provided under the MELF, it appears that the meta-evaluations and thematic reviews will bring about opportunities for more learning and interaction between AusAID and NGOs. Collaboration with ANCP Partner NGOs and the creation of a standing monitoring and evaluation group will provide opportunities for ongoing learning and highlight the distinctive contributions that NGOs make to Australia's aid program.

The MELF Review therefore makes the following recommendations.

That AusAID:

- Streamline the information collected, including revising the list of indicators and removing repetition in the reporting templates.
- Build on the efficiencies of streamlined reporting through the rollout of an online grants management system.
- Provide enhanced partnership reporting opportunities for ANCP Partner NGOs and engage Partners to suggest ways in which they can contribute more.
- Undertake, as soon as possible, a meta-evaluation of NGO evaluations with a common country, sectoral or thematic focus, in order to share learning on development effectiveness.
- Develop topics for future thematic reviews, based on information gathered through the MELF reporting process.
- Discuss further with the NGO sector the interpretation of the word 'advocacy'.

That ANCP NGOs:

- Agree to form a standing ANCP monitoring and evaluation consultative group, the basis of which will be defined in terms of reference co-drafted with AusAID. This group will contribute to demonstrating further the depth and quality of NGO work under the ANCP and the importance of NGOs as development partners.

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Introduction

The Monitoring, Evaluation and Learning Framework (MELF) was introduced in May 2012. The MELF was developed by AusAID, in consultation with ACFID and NGOs, to ensure consistency in reporting, to summarise NGO achievements in poverty reduction and to provide evidence of the effective use of funds under the AusAID NGO Cooperation Program (ANCP). The MELF does not replace the more complex monitoring and evaluation systems of the ANCP NGOs or their in-country partners.

Training sessions on the MELF reporting process were held for ANCP NGOs in Melbourne and Sydney in June 2012. Webinars were held to guide NGOs through the new reporting templates and to answer any queries. An ANCP telephone helpline was also set up, and NGO and Business Branch staff provided ongoing support to NGOs via telephone and email. NGOs have now submitted their Annual Development Plan for 2012–13 and Annual Performance Report for 2011–12 under the new framework.

As stated in the original AusAID NGO Cooperation Program Monitoring, Evaluation and Learning Framework document in May 2012:

The MELF is a new approach to ANCP assessment and reporting and needs to be tested and adjusted.

A review of the approach, principles and reporting mechanisms, including the indicators and other sections of the template, will be undertaken by AusAID and NGOs towards the end of 2012. This will be a review looking in particular at how well the MELF has met its objectives and what adjustment is required. Following this review, a revised MELF, strengthened through the joint experience of the agencies and AusAID, will be developed and implemented.

In line with this undertaking, AusAID developed terms of reference for the MELF Review, which set out the purpose of the review as follows:¹

While the MELF has not been through a full cycle, the review will consider if the MELF is on track to meet the objectives set out in the framework, including:

- 1. To what extent is there a level of accountability for AusAID funding of Australian NGOs in line with the objectives of ANCP and the broader aid program?*
- 2. To what extent is there sufficient information available on the overall performance of ANCP highlighting areas for improvement and further development?*
- 3. To what extent is there sufficient information available about the range and scope of ANCP funded work in meeting requirements under the Transparency Charter?*
- 4. To what extent is there additional information available about high-level outcomes achieved through ANCP, including reporting against AusAID's results framework as part of the Comprehensive Aid Policy Framework (CAP-F)?*
- 5. To what extent has there been an opportunity to share learning about development effectiveness for both AusAID and ANCP NGOs?*

This report outlines the steps undertaken in the review, the key findings of the review and the recommendations based on those findings.

¹ The complete MELF Review Terms of Reference can be found at Appendix 1.

Methodology

The MELF Review was undertaken between December 2012 and February 2013. NGOs provided formal written feedback on the framework and participated in two MELF Reference Group teleconferences. An external consultant, Dr Linda Kelly of Praxis Consultants, undertook an assessment of a sample of NGO reports and also participated in the reference group teleconferences. AusAID staff from the NGO and Business Branch and from seven thematic areas—Health, Education, Governance, WASH, Food Security and Rural Development, Climate Change and Environment, and Disability—contributed to the review.

A limitation to the scope of the review was the fact that AusAID had committed to reviewing the MELF before a full reporting cycle had been completed. Therefore, some of the findings of the review are based on information drawn from templates which were developed late in the reporting process, requiring NGOs to retrofit data to some extent. At the time that the review commenced, three large NGOs had not submitted their performance reports.

AusAID will be undertaking a meta-evaluation and beginning a thematic review in 2013, as required under the MELF. These two activities are not included in the review, again due to the commitment to begin the review at the end of 2012. To assess whether the MELF is meeting its objectives, the review considered the following points from the terms of reference:

1. *Determine if the framework is complete and up-to-date.*
 - a. *Are the terms of reference for biennial meta-evaluations and thematic reviews still relevant, taking into account feedback from the 2011 Thematic Review?*
 - b. *Does the MELF reflect any additional reporting requirements for ANCP Partnership NGOs post the Partnership Mid-term Review (MTR)?*
2. *Determine if the MELF meets AusAID's requirements for reporting on results and effectiveness.*
 - a. *Analyse quality of ANCP reporting to identify areas of strengths/weaknesses;*
 - b. *Review NGO use of Annex One indicators against the Australian Government's strategic goals and outcomes as per the results framework under the CAP-F;*
 - i. *Consider an appropriate process for updating the Annex One indicators; and*
 - c. *Review reporting templates, taking into account feedback received from NGOs via MELF workshops, ANCP hotline, webinar sessions, etc.*
 - i. *Are the templates fit for purpose to capture appropriate data from different aid management approaches, such as projects versus programs?*
3. *Identify evaluation topics from information provided by ANCP NGOs for the 2013 Meta-Evaluation and future thematic review topics.*
4. *Review methods of communication between AusAID and ANCP NGOs on MELF requirements and subsequent communications with Post and in-country partners:*
 - a. *Have they been adequate?*
5. *Consider data needs and information management from MELF in light of Transparency Charter requirements and NGO sensitivities.*

Three activities formed the main components of the MELF Review:

- An assessment of the effectiveness of completed reports from a representative sample of ANCP NGOs. This assessment evaluated the format of the reporting templates and the level of information provided by each NGO.
- Discussions with AusAID thematic areas on the relevance and utility of ANCP indicator data to AusAID's broader reporting requirements.
- The consideration of formal written feedback on the MELF, provided by ANCP NGOs.

These three components are summarised in the following pages.

Other documents referred to in the review included NGO responses to the 2011 ANCP Thematic Review, the AusAID Transparency Charter and the source document for the Monitoring, Evaluation and Learning Framework² which accompanied its rollout in May 2012.

In addition, the MELF Reference Group³, comprising ANCP NGO representatives and ACFID DPC members, was consulted to identify ways to improve the reporting process and to provide advice on the development of future monitoring, evaluation and learning opportunities.

The information drawn from these activities and consultations was used to consider whether the MELF objectives of accountability, performance, information, outcomes and learning have been met.

² This document can be found at Appendix 2.

³ MELF Reference Group members are listed at Appendix 3.

Summary of Effectiveness Assessment of a Sample of NGO Reports

An assessment of a sample of completed Annual Development Plans, Annual Performance Reports and Annex One indicators was undertaken by Dr Linda Kelly of Praxis Consultants.⁴ The six organisations in the sample represented the diversity of ANCP NGOs in size and approach. The intention of the assessment was to consider the effectiveness of the reporting process based on the information provided by the NGOs. Dr Kelly looked in detail at the questions asked in each section of each template and the answers provided by NGOs. The findings outlined in the report are summarised below.

Findings

The quality of NGO responses was found to be variable, as agencies interpreted questions differently. A degree of repetition was identified in the questions across the templates, which resulted in NGOs either copying and pasting information or providing information in one template but not the other. Dr Kelly concluded that clarification of the intent of some questions and editing and/or removal of others would improve the templates.

The reporting templates were assessed as allowing agencies to provide a detailed range of information on activities at project level while limiting the amount of information that could be provided at program level. They were seen to work best for smaller, project-orientated organisations. Dr Kelly found that the information provided by larger NGOs tended to be a summary and that there was limited scope within the templates for them to provide more sophisticated information about program approaches. She suggested that larger NGOs be required to provide additional information to communicate more fully the value and scope of their work.

Dr Kelly found that the sample of reports provided good quantitative data for AusAID reporting purposes and that collation and synthesis of the qualitative information they contained could inform policy development and contribute to learning.

Dr Kelly's assessment was that, while there is room for improvement in the design of the templates and the quality of information provided, the reports meet the need for a collated and efficient view of ANCP achievements.

Recommendations

Based on her assessment, Dr Kelly made the following recommendations:

1. *AusAID revisit both the ADPlan and performance reporting templates and clarify the purpose and utility of each question in the templates and explain this clearly and succinctly in accompanying notes.*
2. *Where appropriate, in order to improve efficiency, some questions ought to be eliminated, with particular attention to the executive summary sections or other areas where questions are duplicated.*

⁴ The complete report can be found at Appendix 4.

3. *Some consideration should be given to utilising existing work on development effectiveness, such as ACFID's Code of Conduct, to focus attention in the performance reporting on major and agreed areas of development effectiveness.*
4. *AusAID consider how to maximise opportunities for AusAID staff to actively engage with NGOs around issues of development quality and learning, drawing from the consolidated material available in the performance reports.*
5. *Partner NGOs should continue to complete the reporting template as for all ANCP funded NGOs. However, in addition, AusAID should remove the current section on Partner reporting in the template and replace it with a more considered and meaningful process which better captures the 'value add' of the Partner NGOs.*
6. *Towards this end, AusAID needs to clarify and communicate what information would be useful, and then work with the Partner agencies to develop creative and efficient processes to make that information available. This might include, for example, annual processes of briefing papers, research reports, workshop presentations or other ways in which information can be made accessible to AusAID and wider audiences.*

These recommendations have been taken into account in the framing of the final recommendations of the MELF Review, which can be found on pages 3 and 19.

Review of Annex One Indicators⁵

In addition to completing the ANCP annual performance report template, NGOs were asked to complete a second document, Annex One: Indicators against AusAID Strategic Goals and Outcomes, for each project. NGOs were involved in the development of the Annex One indicators, which included headline indicators, as stated in *Australia's Comprehensive Aid Policy Framework*, and lower level indicators relevant to ANCP funded activities. AusAID acknowledged that NGOs were being asked to retrofit data for the financial year 2011–12, but agencies were encouraged to provide as much information as possible.

Reporting

Thirty-five of the 42 ANCP NGOs who completed the performance report template also reported against the indicators in Annex One. Four NGOs were unable to collect the requested data for the year 2011–12 but have undertaken to do so for the next financial year. At the time that this review was undertaken, three larger NGOs had not submitted their completed Annex One templates, meaning that a complete picture of overall ANCP achievements is yet to be obtained from the data. However, preliminary analysis has shown that use of the Annex One indicators is more accurately reflecting ANCP results than in previous years. For example, the program reported in financial year 2010–11 that 160,000 people were provided with increased access to safe water, while the number for 2011–12 is already 320,000. This suggests that providing NGOs with a more formal structure to report against, including a standard set of indicators, yields a more accurate picture of results.

Feedback from ANCP NGOs

NGOs were welcome to provide further suggestions and feedback on the indicators during the reporting cycle. There were 130 indicators in the Annex One template. A further 26 were suggested by NGOs who found that their project objectives and outputs did not align with those in Annex One. Some NGOs felt that the indicators were too specific, while others found them not specific enough. Several NGOs had not previously provided baseline data, and many had not previously disaggregated data by age, gender or disability, and this caused some challenges. More clarity on the definitions used in Annex One was widely requested. Despite these challenges, NGOs reported that collating project information against indicators helped them to see where their organisation was having an impact.

Discussions with AusAID thematic areas

The NGO Performance and Quality Section of the NGO and Business Branch held discussions on the Annex One indicators with AusAID thematic areas during December 2012 and January 2013 as part of the MELF Review. The following thematic areas were consulted: Health, Education, Governance, WASH, Food Security and Rural Development, Climate Change and Environment, and Disability. As the objective of the Annex One indicators is to feed into AusAID's broader reporting requirements against the Australian Government's strategic goals and outcomes, these discussions were important in determining whether each indicator was contributing useful information. Indicators that were considered not useful for a thematic area were again reviewed by the NGO section to assess their contribution to the ANCP reporting system.

⁵ A more detailed report on the review of Annex One indicators, including the proposed changes, is at Appendix 5.

Next steps

A significant reduction in the number of indicators is proposed, based on the feedback received from NGOs, the consultations with thematic areas, and the removal of areas of repetition within the template. While the data collected against headline indicators contributes to the broader outcome of Australian aid, it is necessary to use lower level indicators to show the specific achievements of the ANCP. AusAID proposes that the total number of indicators in Annex One be reduced to around 70, to increase efficiencies. However, NGOs will be encouraged to continue to collect data against lower level indicators within their own monitoring and evaluation systems. A spreadsheet showing the proposed changes can be found at the end of Appendix 5. All ANCP NGOs will be invited to participate in an in-depth discussion on indicators before the next reporting round. Webinars will also be held to provide clarification and assistance to NGOs.

NGO Feedback on ANCP Reporting Cycle

Feedback forms were sent to ANCP NGOs asking them to comment on their experience of the reporting process⁶. NGOs were asked to give a numerical rating, with a justification for this rating. They were then asked to provide feedback on the top three challenges they faced during the reporting period, their positive experiences and any suggestions they might have for improving the process. They were also asked to identify other areas where AusAID might provide assistance and any gaps in the reporting process that they had identified. Thirty-two NGOs completed the form.

NGO rating of reporting cycle

The numerical ratings given were on a scale of 1 (low) to 4 (high). The ratings were spread as follows:

Rating of 2	Rating of 2.5	Rating of 3	Rating of 3.5	Rating of 4
12	5	13	1	1

Most NGOs commented that they supported the aim of improving planning and reporting. They also acknowledged that the first year of a change process is difficult and praised AusAID staff for their assistance. The main justifications given for low ratings were as follows:

- Increased level of scrutiny and level of detail required.
- The timing of the change process.
- Retrofitting data.
- Revision of templates by AusAID late in the process.
- Understanding the definition of terms such as 'beneficiary' and 'baseline'.
- Confusion over Annex One indicators.

These points were reiterated in the section relating to challenges experienced.

Challenges

The use of Excel for the reporting templates was universally commented on, mostly due to formatting issues. Agencies with earlier versions of Excel particularly struggled. The use of Excel provided consistency in reporting and allowed for much easier aggregation of data by AusAID, but it did impose limitations on the narrative sections of the performance report.

Reporting against a framework that was developed after programs had been planned and implemented was an issue for many NGOs. Some agencies did not have systems in place to collect information on indicators retrospectively, such as those relating to disability and urban/rural populations. NGOs reported that accessing and compiling the information required in the templates disrupted their operations and increased their workload in Australia and in the field. However, the requirement to collect this data was also noted by many NGOs as a positive step.

⁶ A copy of the feedback form can be found at Appendix 6.

Tracking beneficiaries, especially indirect beneficiaries, was a challenge for some agencies, again because they did not have the procedures in place already. There was some confusion over the definitions of 'indirect beneficiary', 'target' and 'baseline'.

There was confusion over how to report information that did not fit the indicators in Annex One. The point was also made that the indicators provide quantitative, rather than qualitative, data and that it is difficult to reflect how the achievements over the year contribute to the longer term process.

Increasing the level of scrutiny of ADPlans, and involving Desk and Post in the process, led to extra time being taken to approve ADPlans and development awareness raising proposals. This led to a delay in the release of funds. Some NGOs felt that the queries made by AusAID regarding clarification on ADPlan information should not be allowed to hold up the release of funds. It was also pointed out that the late release of funds has the further impact of placing strain on an NGO's capacity to acquit funds in the required period.

Agencies felt that there were mixed messages from different areas of AusAID (this referred to Desk and Post input to the ADPlan process), leading to a lack of clarity about who the reports were for. Some agencies were told to change the language they used, which led to confusion over whether the ADPlans were for AusAID or the general public. The involvement of Post in the ADPlan approval process was questioned. For example, a Partner NGO reported receiving queries from an AusAID Post during the ADPlan approval process on whether or not projects could be funded by AusAID because they did not align with a particular country strategy. Another agency commented that Post had vetoed proposals which had previously been approved. Two other Partner NGOs asked that the number of questions from Post be reduced to avoid agencies having to update and resubmit their ADPlan a number of times.

Positive experiences

A majority of NGOs provided feedback that the MELF reporting requirements contributed to them streamlining their internal monitoring and evaluation processes. Some agencies also commented that the MELF reporting process identified gaps in their own systems and that they will introduce more robust and rigorous monitoring and evaluation procedures as a result.

One Partner agency said that they appreciated the consultative approach taken by AusAID in the development of the MELF and recognised the considerable work involved in balancing the diverse views of the NGOs funded under the ANCP. Several NGOs mentioned that they valued the opportunity to work with other agencies in the development and review of the MELF and that doing so has created new relationships. One Partner commented that it brought NGOs together 'to whinge and collaborate and share' in a way that has not happened before.

NGOs said that it was helpful to see, in the Annex One template, the indicators used by other agencies. This showed agencies where they are having an impact and allowed analysis of the collective impact of agencies in a country or sector. It also allowed agencies to have discussions with in-country partners about other indicators that could be used to evaluate the impact of their work.

Several NGOs reported that, while they found the succinctness of the narrative sections of the templates a challenge, it forced them to be concise and to focus on providing essential information.

NGOs said that in summarising their objectives they were forced to look critically at the projects they were funding, and they felt this to be a positive experience.

The feedback provided by all NGOs was that the ANCP helpline and webinars were much appreciated and very helpful. All NGOs praised AusAID staff, particularly those in the NGO and Business Branch, for being pleasant, helpful and understanding and for their prompt response to queries.

Suggestions for improvement

The main theme emerging from the suggestions for improvement was that the reporting process could benefit from streamlining and clarification. NGOs asked for more training, more examples, clearer definitions and simpler technical notes. NGOs suggested that too much information was being requested and that there was a degree of duplication in the reporting templates. Agencies also provided a lot of feedback on the Annex One indicators. A common request was for any further changes to be communicated early, consistently and as widely as possible.

A more consistent approach to the assessment of ADPlans, including clearer messaging to AusAID country programs about their involvement and the level of feedback they should provide, would assist in facilitating the payment process. A longer term consideration might be to bring forward the date for the submission of ADPlans and to shorten the assessment period so that payments can be made earlier.

Gaps in information requested

NGOs identified the main gap in information requested as being quality and impact. Agencies felt that more opportunity should be provided for them to show the context and significance of activities. This fed into a second issue, which was specific to the eight ANCP Partner NGOs. ANCP Partner NGOs felt that the MELF reporting templates did not allow them to report on the breadth of their programs or to demonstrate outcomes at the program level.

Comments from the field

During a field trip to Bangladesh in late 2012, AusAID staff from the NGO Section visited four NGOs in Dhaka that were implementing ANCP projects. In discussions with in-country staff located within local offices of The Fred Hollows Foundation, Caritas, Oxfam and Baptist World Aid, the following feedback was received on the MELF.

In-country NGO staff found the new ANCP templates confusing at first and inflexible, although after receiving guidance from their Australia based counterparts, as well as from AusAID, they were able to complete the forms with greater ease. Some questioned why data fields did not capture indirect beneficiaries, as they felt this was missing an important aspect of their program—for example, a man receives cataract surgery and no longer needs children to support him and now the children can go to school. Others appreciated the need to report on results but thought the indicators appeared to be more focused on outputs than outcomes and underscored the importance of achieving a balance between quantitative and qualitative data. Some noted it was hard to distinguish primary and secondary DAC codes when a project is working in multiple sectors through an integrated program. They were keen to see how AusAID thematic areas manage this distinction.

One NGO thought the review of their ADPlans was intense and that AusAID's expectations in this latest round well exceeded the expectations from the year before. This NGO also noted that the ANCP reporting process required more resources than before, as there was much back and forth between them and their Australian counterpart and AusAID, which delayed funding approval and further delayed the complex and difficult Bangladesh government approval process that is required before projects can commence.

On the upside, NGOs did see great benefit in working closely with each other and AusAID Post to share lessons and experiences from their ANCP programs. One NGO offered to lead coordination among NGOs with ANCP programs in Bangladesh and has suggested starting up a country-level website. NGOs were also keen to contribute to blogs and provide links to their programs on the Civil Society portal and AusAID website. They all welcomed AusAID visits to their ANCP programs.

Addressing Transparency Requirements and Sensitivities in Reporting

The stronger focus on results outlined in *An Effective Aid Program for Australia*, together with the development of AusAID's Transparency Charter, has meant increased scrutiny for NGOs. Under the Transparency Charter, AusAID has committed to:

Publish detailed information on AusAID's work - our policies, plans, processes, and the results of Australian aid activities and our evaluations and research - on AusAID's website to explain where Australia's money is spent and its impact on reducing poverty.

During the MELF Review, ANCP NGOs expressed concerns about publishing certain information they provide in their reports. The main areas of concern relate to information on child protection, sensitive locations, fragile states, corruption and issues with partner governments. Agencies felt that this information should not be published, for safety and/or political reasons.

ANCP NGOs requested that AusAID clearly state which information is to be made public. This will not only assist in protecting vulnerable people and projects but also avoid political tensions. NGOs also reported confusion over who they were providing information for—that is, AusAID or the general public—and commented that guidelines would assist them to tailor the language they use in their reports for the intended audience.

In response to this feedback from NGOs, NGO and Business Branch staff confirmed during the MELF Review that individual ADPlans and performance reports are not currently published on the AusAID website. Aggregate data from ADPlans, including project names, descriptions and funding amounts are already available for public view, consistent with AusAID's commitments under the Transparency Charter. From the performance reports, project achievements, case studies and accompanying photos will be published. However, NGOs should be aware that ADPlans and performance reports can be requested at any time by members of the public, under the *Freedom of Information Act 1982*. In the event that the lives of beneficiaries or staff would be put at risk through the information provided by NGOs in their reports, a modified version of the reports can be submitted.

A further sensitivity raised by NGOs was AusAID's approach to the use of the word 'advocacy' in project descriptions. Larger agencies commented that advocacy in-country can take many forms, such as 'presenting evidence to local authorities on effective models of service delivery' and 'policy dialogue with a host government on issues of poverty alleviation'. NGOs commented that removing all references to advocacy in NGO project information which AusAID intends to publish on its website appears to be an overreaction. NGOs suggested that an agreed definition of program advocacy needs to be developed between AusAID and NGOs, and that clear guidance needs to be provided on how to report on this.

Key Findings

The increased focus on development effectiveness has led to the need to demonstrate a greater level of accountability for AusAID funding. The MELF has provided AusAID with consistent reporting across the range of ANCP NGOs. The data supplied by ANCP NGOs against the Annex One indicators, together with the financial and narrative information provided in the templates, strengthens AusAID reporting against high-level outcomes. For the first time, the material provided in the reports has been entered into a database and is available to be used in further analysis, reports and publications. This is one level of increased accountability.

A second level of accountability, measured against development effectiveness, will be demonstrated through the learning aspects of the MELF. The reporting process has provided a rich seam of information that can be mined for the meta-evaluations and thematic reviews, the findings from which will be used to inform learning for AusAID and ANCP NGOs. The terms of reference for each meta-evaluation and thematic review should be drawn up in consultation with ANCP NGOs. The findings from the MELF will also feed into the broader effectiveness assessment methodology that is currently being developed.

The effectiveness assessment report, the MELF Reference Group and the NGO feedback all identified that additional reporting is required by ANCP Partner NGOs to highlight partnership achievements. Partner NGOs should be engaged to suggest ways to do this.

The review highlighted the need for AusAID to provide ANCP NGOs with increased opportunities for learning and discussions on broader development effectiveness and engagement. The current MELF Reference Group proposed that terms of reference for a standing monitoring and evaluation group be developed. This group would enable learning, ongoing refinement to the MELF as needed, and engagement with the broader Civil Society Engagement Framework.

The MELF Review identified areas for improvement and further development in the reporting framework. The effectiveness assessment summary and the feedback received by NGOs identified challenges with the reporting format, repetition in the information requested in the templates and a need for clearer questions and technical notes. Consultations with thematic areas and NGOs identified a need to refine the Annex One indicators.

Although AusAID is required under the Transparency Charter to make information public, the MELF Review found that there are sensitivities within the ANCP reporting process that need to be taken into account. AusAID also needs to be more consistent in its messaging internally and to ANCP NGOs about the information they are required to provide under the MELF. This includes clearly indicating which information will be made public.

Recommendations

That AusAID:

- Streamline the information collected, including revising the list of indicators and removing repetition in the reporting templates.
- Build on the efficiencies of streamlined reporting through the rollout of an online grants management system.
- Provide enhanced partnership reporting opportunities for ANCP Partner NGOs and engage Partners to suggest ways in which they can contribute more.
- Undertake, as soon as possible, a meta-evaluation of NGO evaluations with a common country, sectoral or thematic focus, in order to share learning on development effectiveness.
- Develop topics for future thematic reviews, based on information gathered through the MELF reporting process.
- Discuss further with the NGO sector the interpretation of the word 'advocacy'.

That ANCP NGOs:

- Agree to form a standing ANCP monitoring and evaluation consultative group, the basis of which will be defined in terms of reference co-drafted with AusAID. This group will contribute to demonstrating further the depth and quality of NGO work under the ANCP and the importance of NGOs as development partners.

Conclusion

AusAID acknowledges the challenges faced in implementing a new reporting system and appreciates the ready participation of ANCP NGOs in the MELF Review.

The MELF Review found that the Monitoring, Evaluation and Learning Framework is an effective tool for the primary purpose of providing accountability for AusAID funding of Australian NGOs in line with the objectives of the ANCP. The MELF supports consistency in reporting across ANCP NGOs. The information provided through the MELF reporting process will be valuable in contributing to future learning for AusAID and NGOs.

The MELF will be refined, based on the recommendations of the review, to improve the efficiency and effectiveness of the reporting process for both AusAID and ANCP NGOs. Another review will be held at the end of 2014. In a broader sense, the findings from the MELF Review will be considered in the development of both the effectiveness assessment methodology, under the Civil Society Engagement Framework, and the Civil Society Organisation Monitoring and Evaluation Framework. Through the ANCP, the Australian Government supports NGOs in their activities to directly and tangibly alleviate poverty. Working with accredited NGOs continues to be integral to the delivery of the Australian aid program. The information gathered through the ANCP Monitoring, Evaluation and Learning Framework demonstrates the contribution of Australian NGOs to achieving the Australian Government's strategic goals.

Appendix 1

ANCP Monitoring, Evaluation and Learning Framework (MELF) Review

Terms of Reference

The ANCP Monitoring, Evaluation and Learning Framework (MELF) was developed in consultation with ACFID, ANCP NGOs and AusAID and released in May 2012. The MELF will provide the evidence base to demonstrate that ANCP is an effective use of funds and achieves results in poverty reduction. It has been primarily designed as a tool to ensure consistent reporting by Australian NGOs funded under ANCP.

The MELF draws from existing NGO reporting systems and streamlines reporting from ANCP NGOs to present a summary of achievements to AusAID in one format. The MELF does not replace the more complex monitoring and evaluation systems of the ANCP NGOs or their in-country partners.

Purpose of the MELF Review

While the MELF has not been through a full cycle, the review will consider if the MELF is on track to meet the objectives set out in the framework, including:

1. To what extent is there a level of accountability for AusAID funding of Australian NGOs in line with the objectives of ANCP and the broader aid program?
2. To what extent is there sufficient information available on the overall performance of ANCP highlighting areas for improvement and further development?
3. To what extent is there sufficient information available about the range and scope of ANCP funded work in meeting requirements under the Transparency Charter?
4. To what extent is there additional information available about high-level outcomes achieved through ANCP, including reporting against AusAID's results framework as part of the Comprehensive Aid Policy Framework (CAP-F)?
5. To what extent has there been an opportunity to share learning about development effectiveness for both AusAID and ANCP NGOs?

As a way to address whether the MELF is meeting its objectives, the review will also consider the following:

6. Determine if the framework is complete and up-to-date.
 - a. Are the terms of reference for biennial meta-evaluations and thematic reviews still relevant, taking into account feedback from the 2011 Thematic Review?
 - b. Does the MELF reflect any additional reporting requirements for ANCP Partnership NGOs post the Partnership Mid-term Review (MTR)?
7. Determine if the MELF meets AusAID's requirements for reporting on results and effectiveness.
 - a. Analyse quality of ANCP reporting to identify areas of strengths/weaknesses;
 - b. Review NGO use of Annex One indicators against the Australian Government's strategic goals and outcomes as per the results framework under the CAP-F;
 - i. Consider an appropriate process for updating the Annex One indicators; and
 - c. Review reporting templates, taking into account feedback received from NGOs via MELF workshops, ANCP hotline, webinar sessions, etc.
 - i. Are the templates fit for purpose to capture appropriate data from different aid management approaches, such as projects versus programs?
8. Identify evaluation topics from information provided by ANCP NGOs for the 2013 Meta-Evaluation and future thematic review topics.

9. Review methods of communication between AusAID and ANCP NGOs on MELF requirements and subsequent communications with Post and in-country partners:
 - a. Have they been adequate?
10. Consider data needs and information management from MELF in light of Transparency Charter requirements and NGO sensitivities.

Review Methodology

AusAID will reconvene the MELF Reference Group, comprising ANCP NGO representatives and ACFID DPC members, to:

- Identify ways to improve the quality of NGO reporting (e.g. training opportunities, knowledge sharing, online reporting systems, etc.);
- Identify ways to communicate the MELF with other agencies; and
- Advise on 'theme selection' in planning future meta-evaluations and thematic reviews.

This may take the form of developing a MELF Review Plan to formalise the framework.

AusAID will also:

- Provide ANCP NGOs with the opportunity to provide formal written feedback on their experience so far with the MELF;
- Undertake a random sampling of partner, full and base NGO reports to assess whether the level of information provided in ADPlans and Performance Reports was useful and if the MELF format restricted or enabled reporting by NGOs;
- Meet with AusAID Thematic Areas to discuss relevance and utility of ANCP data for use in Thematic Performance Assessment Frameworks (PAFs);
- Consider in-country feedback (e.g. NGO & Business Branch visit to Bangladesh in November 2012, which included meetings with Post, Caritas, Baptist World Aid, Fred Hollows and Oxfam); and
- Draft Terms of Reference for the MELF Reference Group.

Background

In 2012, the MELF was trialled for the submission of 2012–13 Annual Development Plans (ADPlans) and the 2011–12 Annual Performance Reports, including financial acquittals. Recently submitted in October and November 2012, ANCP Performance Reports will provide quantitative and qualitative information about the contribution being made by Australian NGOs to the aid program's strategic goals linked to the Comprehensive Aid Policy Framework (CAP-F).

At the same time, the ANCP Thematic Review *'How do ANCP activities engage with the poorest and most marginalised people'* was finalised, providing the opportunity for 'Learning' under the MELF. The thematic review enabled a more in-depth exploration of development effectiveness issues identified by AusAID and ANCP NGOs. Reflections on the process and a discussion of recommendations were held at the ACFID Council in October 2012.

In line with the MELF, a biennial meta-evaluation of completed ANCP evaluations over the past two years is proposed for the first half of 2013. The meta-evaluation will focus on examining and reporting on lessons learnt and overall quality and range of outcomes for ANCP. The focus will be determined in consultation between AusAID and ANCP NGOs.

Issues

Broader results context

Since the release of the MELF in May 2012, the CAP-F and Civil Society Engagement Framework (CSEF) were released. Results provided by ANCP NGOs link directly to reporting requirements under the CAP-F and tell a broader story of the program achievements with the introduction of the new Performance Report template.

Objective One of the CSEF relates to improved effectiveness and impact through the development of an *Effectiveness Assessment Methodology* and an *agency-wide CSO Monitoring and Evaluation Framework*. Findings from the MELF Review will inform the direction of both of these approaches.

ANCP process/template

AusAID decided to move the ANCP reporting templates from Word into an Excel format to improve in-house data management and to feed into a longer term online grants management system currently under development. While the template formats will remain in Excel, they will undergo a review based on NGO feedback and AusAID data analysis.

Deliverables

A draft report due by 31 January 2013 for consideration and discussion.

A final report due by end of March 2013 that addresses progress on MELF objectives and informs broader policies of AusAID: CAP-F and CSEF.

Appendix 2



Australian Government
AusAID

AusAID NGO Cooperation Program Monitoring, Evaluation and Learning Framework May 2012

Disclaimer:

This document outlines a proposed new monitoring evaluation and learning framework (MELF) for the AusAID NGO cooperation program (ANCP). AusAID and ANCP NGOs are moving ahead to trial this new framework with the intention to revise it in late 2012. Feedback from the trial will inform these revisions. It is expected that a finalised version will be available by the end of 2012.

It is noted that the trial MELF does not currently align with ANCP guidelines/guiding principles. These will be updated during 2012 as part of the process of redeveloping a consistent set of reporting and quality control processes across ANCP.

Introduction

The monitoring evaluation and learning framework for the ANCP has been developed following consultation with Australian NGOs and with AusAID over a five-month period during September 2011 to February 2012. The purpose of those consultations was to develop a framework which met the needs and expectations of different stakeholders.

The MELF has been primarily designed as a tool to ensure satisfactory and consistent monitoring and reporting by Australian NGOs funded under ANCP. As explained below the tool does not replace the more complex monitoring and evaluation systems of the Australian NGOs or their in country partners. The framework draws from those systems to present a summary of information primarily for AusAID purposes of accountability, learning, communication and overall improvement of the ANCP.

This document, which outlines the framework, and the accompanying reporting template, has been developed as trial documents for the ANCP reporting period 2011-12. In a spirit of commitment to learning and improvement both AusAID and the NGOs have committed to trialling this new process for the current year with the intention to develop and improve the process further based upon this experience.

Background

Established in 1974, the AusAID NGO Cooperation Program⁷ is a long-standing program providing grants for AusAID accredited Australian NGOs to undertake international development programs. In 2011/12 ANCP provided 43 AusAID accredited Australian NGOs with annual funding to implement their own development programs.

ANCP is a distinct program of engagement between AusAID and Australian NGOs that is designed to supplement the NGOs' own activities. The overall goal of ANCP is:

⁷ For full details about ANCP see <http://www.ausaid.gov.au/ngos/pages/anpc.aspx>

To subsidise Australian NGO community development activities which directly and tangibly alleviate poverty in developing countries.

Based on this broad objective, the program includes a diverse range of projects operating across many sectors in 50 or more countries across the world (although it is notable that in 2010/11, 56% of all projects were concentrated in 12 countries). Across the sectors, recent reports show that approximately 17% of ANCP funds were directed to agricultural /forestry /fisheries and other social infrastructure projects, 15% to health and family planning projects, 15% to civil society and governance projects, 10% to WASH, 10% to education, and 3% to banking and financial services. Funds are also used for design, monitoring and evaluation (DME), in-Australia development awareness raising and general administration of the program. The number of projects and range of sectors and countries varies from year to year due to the annual funding mechanism for this program.

In 2009/10 AusAID entered into strategic partnership agreements with five NGOs: World Vision Australia, Oxfam Australia, Plan International Australia, Caritas Australia and ChildFund Australia. Three additional organisations CARE Australia, CBM Australia and TEAR Australia have since negotiated multi-year partnership agreements. In 2010/11 \$69 million in funding was provided to 42 accredited Australian NGOs, this included additional support to the then seven Partner NGOs. Notably, Partner NGOs received approximately 67% of ANCP funds in 2010/11.

HIGHLIGHTED SECTION TO BE REMOVED

In recognition of the importance of ANCP, a framework for monitoring, evaluation and learning (MELF) of the program has been developed and is outlined in this document. The MELF will align to the Australian Government's strategic goals⁸ in order to demonstrate how effectively ANCP is delivering on the Australian aid program's fundamental purpose of helping people overcome poverty. These strategic goals are:

- Saving lives;
- Promoting opportunities for all;
- Sustainable economic development;
- Effective governance; and
- Humanitarian and disaster response.

The new MELF will provide the evidence base to demonstrate that ANCP is an effective use of funds and achieves results in poverty reduction.

Framework purpose and approach

As noted, the MELF was developed through consultation between AusAID and Australian NGOs, drawing upon previous experience in assessment and reporting of AusAID funded NGO projects and programs.

The MELF serves multiple purposes for AusAID and NGOs and has to balance this against the need to keep formal reporting streamlined and efficient. The MELF is therefore guided by several principles.

- The MELF will establish common monitoring and evaluation processes for ANCP agencies, including indicators and data sets to capture results, whilst also recognising existing NGO monitoring, evaluation and learning systems, and utilising information available through these systems.

² An Effective Aid Program for Australia: Making a real difference-Delivering real results:

<http://www.ausaid.gov.au/Publications/Documents/AidReview-Response/effective-aid-program-for-australia.pdf>

- The MELF will utilise the existing quality control and aid effectiveness mechanisms (that is AusAID accreditation and ACFID Code of Conduct) to which Australian NGOs are already subject, avoiding duplication of these existing processes.
- The MELF will streamline the formal reporting requirements for both NGOs and AusAID in order to increase development effectiveness through policy and program engagement.
- In line with good quality monitoring and evaluation practice, the MELF will balance the multiple purposes with particular attention to accountability and learning to stakeholders and beneficiaries.
- The MELF will also recognise the diversity of Australian NGOs and develop a broad system of monitoring, evaluation and learning which can accommodate and value that diversity.

The MELF has several objectives, including:

1. To provide accountability of AusAID funding to Australian NGOs in line with the objectives of ANCP.
2. To provide information about overall program performance of ANCP programs highlighting areas for improvement and further development;
3. To provide information about the range and scope of ANCP funded work in-line with the AusAID's Transparency Charter⁹, and other external audiences;
4. To provide information about high-level outcomes achieved through the funding provided under ANCP, including reporting against AusAID's results framework;
5. To provide an opportunity to share learning about development effectiveness for both AusAID and Australian NGOs.

In order to meet these objectives the MELF will utilise a range of data collection mechanisms. As far as possible these will rely upon information drawn from existing NGO systems and procedures (e.g. information already compiled for accreditation). But in some areas some additional information will be sought.

Existing ANGO quality assurance mechanisms

The underlying strategy for the ANCP program includes recognition by AusAID of the need for Australian aid to be targeted in many ways, including directly to poor communities and to civil society partners and organisations. ANCP is recognised as an efficient way to maximise impact in this area through funding to professional Australian NGOs who have existing and long-term programs and relationships with communities and civil society partners in developing countries.

Australian NGOs funded through ANCP are subject to strict eligibility and quality control processes. These existing processes minimise risk and maximise the development effectiveness of ANCP.

AusAID Accreditation for Australian NGOs

In order to receive AusAID funding under ANCP, Australian NGOs are required to be accredited by AusAID. The accreditation process is a rigorous assessment of NGO systems and management, undertaken every five years. Its specific intention is to provide assurance to the Australian Government and public that when AusAID funds these NGOs it is funding professional, well-managed, community-based organisations capable of delivering good development outcomes.¹⁰

⁹ For full details on AusAID's Transparency Charter see <http://www.ausaid.gov.au/about/pages/transparency.aspx>

¹⁰ For full details about the AusAID accreditation process see <http://www.ausaid.gov.au/ngos/pages/accreditation.aspx>

Accreditation acts as a front-end risk management process and ensures the accountable use of funding with minimal activity overview by AusAID. As a risk management strategy, accreditation covers the NGOs entire program as reflected in its recognised development expenditure (RDE) and is not limited to AusAID-funded activities.

Accreditation specifically examines the monitoring and evaluation systems of NGOs and ensures that these systems are adequate for the purposes of accountability and program management.

Australian Council for International Development Code of Conduct

In addition to accreditation, Australian NGOs funded through ANCP are also signatories to the ACFID Code of Conduct¹¹. The Code aims to enhance standards of operation throughout the Australian NGO community. It is a voluntary, self-regulatory industry code, focused upon the financial and accountability systems of NGOs. In addition the recently revised Code has been expanded to establish far-reaching standards for development effectiveness.

Taken together, the AusAID accreditation for Australian NGOs and the ACFID Code of Conduct self-assessment, provide rigorous quality control of NGO systems and a strong indication of the development effectiveness of the NGO work. This is an important component of AusAID's risk management process for funding the work of these Australian NGOs.

This is very important starting point for the MELF and is a critical precondition of the approach taken by the MELF. As a result of these two processes, AusAID already has detailed assurance that NGOs funded under ANCP have good quality monitoring and evaluation systems in place which are collecting and reporting against outcome data. AusAID can also be assured that the systems and processes operating within the NGOs are working towards increased development effectiveness. Rather than needing to collect detailed performance information AusAID is thus able to streamline performance reporting and complement that summary of information with more in-depth information in selected areas.

Data collection processes

NGO performance report

Once a year¹² each ANCP NGO will be asked to produce a performance report, that will provide a summary of the work funded through ANCP for the previous twelve months¹³. It will include a financial acquittal of the funds expended for that period as well as a narrative report on the NGO ANCP program and its performance.

This report serves a number of purposes including accountability of ANCP funds; a summary of NGOs' progress including achievements and outcomes; and information about challenges. It will provide qualitative and quantitative information about the contribution being made by Australian NGOs to the AusAID strategic goals.

This report provides AusAID with the opportunity to synthesise and in some cases, aggregate information about ANCP projects and programs in any given year, across the various sectors, themes and locations of operation. It enables Australian NGOs to present a summary of achievements to AusAID in one format and

¹¹ For full details see <http://www.acfid.asn.au/code-of-conduct>

¹² This annual performance report will replace the current six month and final performance/financial reports for ANCP (i.e. April performance report and September acquittal reporting). The proposed plan of activities, the *ANCP ADPlan*, will still be required. A revised *ANCP ADPlan* template is provided in a separate document.

¹³ In recognition of the long time that ANCP has operated it will be useful to also consider cumulative impact. Where possible, NGOs will be asked to comment on this as far as they are able.

enables both AusAID and Australian NGOs to demonstrate the combined outcomes of ANCP on an annual basis to key stakeholders¹⁴.

For the purpose of this report Australian NGOs are not expected to develop new monitoring systems but rather to adapt the information that is available through their current systems and through the reporting from their partners. It is not expected that the template would substitute for the complex processes of negotiating and developing with communities and in-country partners' appropriate indicators and monitoring approaches. Rather the information from the template draws from those existing systems into a simple format which enables the aggregation discussed above. As the liaison between partners and communities Australian NGOs are in the best position to interpret the data that is made available and communicated to AusAID through the performance reporting template.

Meta-Evaluation of NGO Evaluations

Evaluation is defined quite broadly within AusAID¹⁵, but differs from monitoring in particular because it serves to examine the worth or value of a particular project or program approach rather than simply measure its progress against objectives. The ANCP accreditation guidelines require that all NGOs undertake evaluation of projects and programs¹⁶. ANCP provides for up to 10% of funds to be allocated to design, monitoring and evaluation (DME) of ANCP activities. AusAID guidelines for standards and requirements for evaluation are attached at Annex A¹⁷.

These ongoing evaluative activities that are undertaken as part of ANCP requirements provide a useful source of existing data to complement the annual performance report. In order to provide additional information for the MELF objectives of accountability, outcome information, and learning, the NGO evaluations will be utilised as an additional data source. At a minimum it is expected that all ANCP activities will be evaluated at least once every three years. This will be to a standard commensurate with the scope and financial commitment of the particular activity and may be undertaken through other agency assessment programs such as reviews, thematic evaluations, and so on. The intention is to regularly capture the more in-depth and detailed assessments undertaken by the NGOs to complement the summary data presented in the performance report.

This range of evaluative reports will provide insight into the way in which individual NGOs are assessing their strategies and approaches, learning from their experience and demonstrating change and development of their approach. Evaluations funded through ANCP provide an opportunity for NGOs to share learning and outcome information with AusAID, other NGOs and other interested stakeholders.

It is recognised that while this is based upon existing NGO processes it will require the NGOs to plan in advance their program of review and enquiry as far as possible in order to ensure that ANCP programs or projects are reviewed on a regular basis and that this documentation is able to be made available to AusAID.

¹⁴ A template for the *Annual ANCP Performance Report* is provided in a separate document, along with *Annex One: Indicators Against AusAID Strategic Goals and Outcomes*.

¹⁵ The new 2012 AusAID Performance Management and Evaluation Policy describes evaluation as: *"the systematic and objective assessment of an on-going or completed project, program or policy, its design, implementation, and results [in relation to specified evaluation criteria]... An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors. Evaluation also refers to the process of determining the worth or significance of an activity, policy or program."*

http://www.aisaid.gov.au/makediff/ode/Documents/performance_policy.pdf

¹⁶ See the AusAID NGO Accreditation Guidance Manual, November 2011, page 40.

¹⁷ AusAID is revising our Evaluation Policy which is likely to be release in mid-2012.

To make the most effective use of this range of evaluation material, a meta-evaluation of completed NGO ANCP evaluations for the past two years will be undertaken on a biennial basis. The focus of this meta-evaluation will be to examine and report on lessons learned and overall quality and range of outcomes for ANCP. It is also expected to provide ongoing comment and insight into the strategy of ANCP itself. At a minimum, the outcomes of the meta-evaluation will serve as a basis for discussion between AusAID and Australian NGOs about the direction and management of ANCP, as well as point to opportunities for learning and communication of new insights. Detailed terms of reference for the meta-evaluation can be found at Annex B.

It is noted that, at times, other sections of AusAID are interested in reviewing particular NGO activities for their own specific purposes. Where possible, the meta-evaluation will be utilised to align with these other evaluative or review processes to streamline the demands upon Australian NGOs and maximise the opportunity for harmonisation across AusAID sections. The timetable for the meta-evaluation will be negotiated in advance as far as possible to ensure adequate AusAID resources are available for the task.

Thematic review

As noted, ANCP covers a diverse range of programs operating in many sectors with important learning outcomes. While meta-evaluation of existing evaluation reports will contribute considerable overall learning, focusing upon a particular theme or sector of NGO work allows for more detailed and in-depth examination of that work.

The assessment process under ANCP offers the opportunity to identify and share some of this learning. This serves the MELF objective of demonstrating outcomes as well as facilitating learning. To facilitate this learning, every two years a thematic review will be undertaken of ANCP funded programs. Combined with facilitated discussion and reporting, the purpose of these reviews will be to develop a more in-depth exploration of development effectiveness issues between AusAID and Australian NGOs.

The focus of the biennial thematic review (undertaken on the alternate year to the meta-evaluation) will be determined by AusAID in consultation with Australian NGOs. At a minimum the ANCP funded work of ten Australian NGOs will be explored in each thematic review. The methodological approach for the thematic reviews can be found at Annex C.

Analysis of data

The analysis of the data collected through the systems described above will be undertaken according to purpose, i.e. data will be extracted and utilised for the following reasons:

1. To present a summary of financial accountability as required under AusAID systems of ANCP funds.
2. To present a summary of the range and spread of ANCP projects and the people who benefit from those projects as required under the AusAID results framework.
3. To contribute to the annual sector report on civil society engagement and annual results framework required under AusAID systems¹⁸.
4. To provide opportunity for cross learning between NGOs and AusAID, in particular about how to undertake effective development work with civil society.

¹⁸ This is where information about broader AusAID performance with civil society and NGOs will be reported. It will provide the balance of accountability from AusAID and assessment of the agency quality in managing and working with NGOs and civil society.

5. To respond to ad hoc requests from within AusAID, by other parts of the Australian Government and from other sources for current information about ANCP funding, such as location, sector, funding amount, project type and length, and examples of NGO achievements.

Information from consolidated performance reports, meta-evaluations and thematic reviews will be provided to ANCP funded Australian NGOs both individually and through the ACFID executive committee. The same information would also be provided to relevant sections of AusAID for further analysis, in particular the Office of Development Effectiveness, country programs, and relevant sectoral areas.

Where NGOs have additional significant information or experience from ANCP funded work which they want to share with AusAID, AusAID will be happy to receive this additional information and utilise it as far as possible within the consolidation analysis and reporting processes.

ANCP Partner NGOs

As noted earlier there are eight ANCP NGOs which have entered into partnership agreements who receive additional funding through ANCP. Of these eight Partner NGOs, five are due for a mid-term review (MTR). The newer Partner NGOs will also be involved in the MTR process in establishing a base line for their agencies.

The monitoring, evaluation and learning for these Partner NGOs will follow the same approach as for ANCP as a whole, as outlined above, with additional program level and outcome reporting based on the five ANCP partnership objectives. This will include the following:

to be determined following the mid-term review of Partner NGO agencies

HIGHLIGHTED SECTION TO BE REMOVED

Timelines

It is recognised that the MELF will be introduced through a transition stage as ANCP NGOs, particularly smaller agencies, review their current data collection systems and information available from those systems. However, given the value of trialling the performance reporting template, all ANCP agencies will be asked to provide their annual report for 2011/12 in this format (due 30 September 2012).

Given this is a trial exercise AusAID will work with the NGOs in consolidation of the data checking their approach and interpretation of the reporting template.

Review

The MELF is a new approach to ANCP assessment and reporting and needs to be tested and adjusted.

A review of the approach, principles and reporting mechanisms, including the indicators and other sections of the template, will be undertaken by AusAID and NGOs towards the end of 2012. This will be a review looking in particular at how well the MELF has met its objectives and what adjustment is required. Following this review, a revised MELF, strengthened through the joint experience of the agencies and AusAID, will be developed and implemented.

Further revisions should be undertaken as required.

Annex A – AusAID Evaluation Guidelines¹⁹

Accreditation Requirements

Under accreditation ANCP funded agencies are expected to have “adequate monitoring, reporting and evaluation systems.”

The AusAID NGO Accreditation Guidance Manual provides the following guidance:

- Requirements for ANCP evaluation:

“The NGO is expected to have established systems that enable it to track the progress and determine the effectiveness of the work of its partners and programs overseas. It must have systems that:

- Provide regular project/program progress information.
- Collect sufficient information to enable the NGO to analyse project progress and make appropriate decisions.
- Collect sufficient information to enable the NGO to make assessments of project outcomes and impacts.

The NGO is expected to have developed its own monitoring and reporting tools and not rely on the ANCP reporting tools as its main form of monitoring. While useful for AusAID as a donor, those reports do not capture the depth of monitoring that is expected of an accredited NGO. Evaluation exercises for NGOs seeking base accreditation may be smaller and more limited than those for NGOs seeking full accreditation, but they must still demonstrate impartiality and the ability to produce a qualified assessment of project outcomes.”

DAC Criteria

In addition, AusAID require all evaluations to give attention to the OECD Development Assistance Committee (DAC) criteria for quality evaluations. That is to consider the project/program relevance, effectiveness, efficiency, impact and sustainability²⁰. For interventions with a significant humanitarian component, these criteria are varied slightly: relevance/appropriateness, connectedness, coverage, efficiency, effectiveness, and impact²¹.

Additional MELF requirements

For the purpose of the MELF, Australian NGOs are required to undertake evaluation of projects or programs funded under ANCP at least once every three years of that activity. Where projects or programs run for a shorter time the evaluation should be undertaken at the completion of the activity. Where the project or program runs beyond three years, further evaluation should be undertaken on a regular basis.

¹⁹ Currently AusAID does not have formal evaluation guidelines which apply to NGO projects and programs. Until these are developed the following information will guide the evaluation process for ANCP.

²⁰ See the following for further explanation of these terms

http://www.oecd.org/document/22/0,2340,en_2649_34435_2086550_1_1_1_1,00.html

²¹ http://www.alnap.org/pool/files/eha_2006.pdf

It is recognised that evaluations will be commensurate with the size of the project. That is, given the maximum of 10% to be spent on Design, Monitoring and Evaluation (DME) for any particular project/program, the evaluation costs will not exceed the funding available under this arrangement. The evaluation should examine the project or program in light of its original intention. For example, it would be more likely to have participatory evaluations for many NGO projects/programs or evaluations that draw from partner and other stakeholder experience.

Beyond this, evaluations can draw from a range of approaches and methodologies. They can be conducted internally or externally as appropriate. They can be undertaken formatively or summatively. These are considerations for the NGO to decide.

Each NGO will be required to outline their planned/scheduled evaluations on an annual basis. The details of the methodologies and approaches to these evaluations will not be required in advance.

The MELF requires that evaluations are documented in some form (again this may be a creative process as appropriate for the particular project/program) and this documentation made available to AusAID. Such documentation may be a summary of findings and learning and may be different to internal or partner or community focused reporting. This documentation will be available publically as required under the AusAID commitment to transparency and all reporting should be prepared with this in mind.

The purpose of evaluation under the MELF

The primary purpose of the documentation however is for learning and for common analysis and exploration of outcomes across ANCP agencies. For this reason evaluation reports will be utilised mainly as part of a synthesis of information, primarily during the biennial meta-evaluation.

Annex B – Meta-Evaluation

Purpose

The MELF proposes a meta-evaluation of ANCP funded evaluations every second year. The primary purpose of the meta-evaluation will be to bring together information about outcomes (both expected and unexpected), evaluation approaches and about challenges arising from ANCP funded work. It will provide the detailed information that will assist AusAID and NGOs to explore the nature and shape of ANCP as a whole and make decisions about how to extend and improve the program.

The meta-evaluation may also draw from other NGO evaluations where these are relevant to the theme or area of investigation. In this way it will serve to provide learning about development effectiveness for AusAID and NGOs.

Scope

The meta-evaluation scope will be determined by the available NGO evaluative reports. The analysis lens utilised in the meta-evaluation include attention to the ANCP objectives and the AusAID strategic goals. In addition, it is expected that the meta-evaluation for any year will as far as possible serve multiple ends, matching interest from other areas of AusAID (in order to avoid duplication of processes) or taking into account other major aid and development milestones and events (for example there may be some merit in a meta-evaluation that includes attention to civil society contribution to MDGs in 2015).

As far as possible, a timetable of any additional focus areas will be drawn up in 2012.

Management and Resourcing

The meta-evaluation will be managed by AusAID together with a reference group made up of ANCP NGOs. This reference group should remain broad and representative of the whole of ANCP. The meta-evaluation is intended to promote learning and understanding of outcomes for all ANCP NGOs not just those contributing evaluation reports for that particular year.

The reference group and AusAID will be responsible for development of a specific Terms of Reference (TOR) for the meta-evaluation, giving attention to assessment against ANCP objectives and AusAID strategic goals as well as any additional focus areas for the evaluation for that year. Specific reporting requirements, including document and learning events to emerge from the evaluation should also be specified in the TOR.

Analysis and Dissemination

Following reports and any associated learning events and document exploration AusAID and ANCP NGOs will utilise the formal systems of Committee for Development Cooperation (CDC)²², to explore any implications for ANCP funding, management and focus. This should provide a regular opportunity to contribute to improved effectiveness and increased outcomes for ANCP work.

²² Terms of reference for the CDC can be found at http://www.ausaid.gov.au/ngos/pages/cdc_tor.aspx

Annex C – Biennial ANCP Thematic Review²³

Background

As a collaborative learning exercise with the NGO sector, AusAID will undertake a Biennial Thematic Review of the AusAID NGO Cooperation Program (ANCP). It is proposed that each alternate year a thematic issue of contemporary mutual interest to the sector and to AusAID will be identified for exploration through this review process. This annual exercise will contribute to development sector learning and practice and to AusAID's new approach to understanding the performance and achievements of the ANCP.

Purpose

The *purpose* the Annual ANCP Thematic Review process is to inform and improve development practice based on the experiences of NGOs and their ANCP activities and of AusAID's experiences in managing ANCP.

Principles and Approach

The review will elicit lessons learnt from practice. The review will inform AusAID's understanding of the general performance of the ANCP in regards to the review theme, but it will not rate the performance or quality of individual NGOs or their ANCP activities. It is not a performance evaluation.

The methodology is based upon principles of shared learning and collaboration between AusAID and NGOs (including ACFID and its Development Practice Committee (DPC)). The formation of an NGO Reference Group is a critical element of the approach for these reviews. It is anticipated that a dynamic partnership between AusAID, ACFID/DPC and participating NGOs will be established, with active participation and engagement throughout the process by all partners. This active collaboration will be an important contribution to the analysis of evidence throughout the review, to optimise shared learning and improve practice.

Theme and Analytical Framework

It is proposed that a theme of mutual development interest to AusAID and the NGO sector be chosen in consultation with ACFID/DPC for the Biennial ANCP Thematic Review.

Selection Process

A purposive sampling process will be employed.

It is anticipated that a minimum of 10 NGOs will be involved; offering 1-3 ANCP projects each (depending on scale and other factors). The selection will ensure that an appropriate mix of project type (including length of implementation, sector, and scale); geographic spread (including fragile states) and cross-cutting issues (such as gender, disability, and environment) are represented.

All NGOs will be able to participate in the reflection and learning process which follows the in-depth research of a smaller number of agencies.

²³ The proposed approach to the thematic reviews is based upon the current draft methodology that was developed for the thematic review undertaken in 2010/11. This will be revised once that review is finalised in early 2012.

Methods of Inquiry

The Thematic Review of the ANCP will be conducted over a number of stages which aim to affirm the collaborative approach described above. Not all of the steps will occur sequentially and the precise timing for the review will be agreed during the discussions on the methodology during stage 1.

Stage 1: Initial Consultations

Consultations take place between AusAID, ACFID and the DPC about the biennial theme; the review timing and the methodology.

Stage 2: Literature Review

The literature review will broadly scan current literature and related practice from other international donors, Australian and international NGOs and development agencies in order to contextualise the review. Further literature reviews may be undertaken to specifically seek more detailed or additional information from other sources to test, verify or counter the review findings.

Stage 3: Selection of participating NGOs and ANCP projects

As outlined above, accredited Australian NGOs will be invited to participate in the review as part of a Reference Group and to recommend ANCP projects for in-depth review. Once the final selection of the projects is made, AusAID and the participating NGOs will be asked to provide documentation for the subsequent stages of the review. This will be subject to the TOR and timelines which will have to be negotiated for each review at the beginning of the process.

The participating NGOs will remain engaged with the review at various stages as outlined below.

Stage 4: In-Depth Review of ANCP Projects

This stage of the review might involve all or some of the following:

4.1 ANCP Desk Assessment

This will involve a review of a range of ANCP related reports and documents relating to each ANCP project. This information will be provided by both the NGOs and AusAID and could include:

- Current and previous project documentation.
- Current and previous evaluation reports.
- Annual Development Plan (ADPlan) reports.
- Any internal reports or other information that NGOs wish to offer (not necessarily restricted to project documentation).
- Consultation with NGO and AusAID staff if required to clarify documents.

4.2 Semi-Structured Interviews

In-depth, semi-structured interviews will be conducted with the NGO program managers (and other staff if appropriate) responsible for the projects being reviewed. These interviews will use an *“appreciative inquiry approach”* to explore success and challenges, links with broader organisational values, policies and strategies, addressing issues within the analytical framework identified above. Interviews may also be conducted with AusAID staff. This process may be further complemented by a joint workshop of the Reference Group to discuss and test preliminary findings and learning.

4.3 Field based inquiry

Subject to approval by AusAID and at an agreed time²⁴, it is proposed that field visits may also take place. The key purpose of field visits is to ensure that the views of partners and communities are included in the overall analysis and that they also benefit from shared learning opportunities. This will typically involve in-country workshops and/or discussion groups with partner NGOs, CBOs and communities, visits to partner offices and participating communities. Semi-structured interviews and focus groups may also be conducted with NGO partner staff, CBOs, community members and other stakeholders.

The details of the approach to field based enquiry have not yet been developed or approved. It is expected however that fieldwork would likely include a mix of Australian and locally engaged consultants, an AusAID representative and could extend to peers from NGOs/local NGOs and CBOs.

Participating NGOs will be closely consulted and involved in shaping this stage of the review.

Stage 5: Shared Learning Event/s

The details of this stage will be determined in consultation with AusAID and the NGOs as the review progresses. The primary objective of the shared learning event/s is to present and discuss findings of the review including discussion of the in-depth case studies to NGOs, their partner where possible, AusAID staff, other stakeholders and development actors as appropriate. The shared learning event will provide an opportunity to discuss, reflect, contest and validate within the broader context of the NGO sector.

It is expected that the NGOs in the Reference Group, who contributed to the case studies, would take an active role in this event.

Validity

Ensuring validity is important in any qualitative study, and particularly so when attempting to make general statements based on the in-depth analysis of a small number of case studies. The rigour and validity for this review will be provided in a number of ways:

- The review, while a collaboration between AusAID and NGOs, will be led and conducted by independent consultants.

²⁴ The in-country component of the review process requires further consideration with AusAID and may be undertaken at a later stage utilising in-country expertise.

- Findings will be triangulated and cross-checked by accessing multiple sources of data – project documents, thematic reports, AusAID information on ANCP, Australian NGO information, interviews, literature and practice of other development organisations.
- In-depth case studies exploring development, organisational and management issues (and the links between them).
- Progressive analysis and cross-checking involving key stakeholders.
- Feedback to key stakeholders via a shared learning event to validate preliminary findings and collect further data.

Analysis and Reporting

The key findings of the analysis will be made available to the broader NGO community throughout the review for comment and reflection. Where feasible, preliminary findings will be provided to stakeholders as appropriate throughout the review process.

The specific details of the analysis and reporting will be determined as the review progresses.

A final report will be prepared after the shared learning event and presented to AusAID and to ACFID/DPC at a date to be agreed. It is also proposed that case studies developed during the review be more broadly disseminated and utilised for reporting, learning and communications purposes.

Appendix 3

ANCP MELF Reference Group

ABM

ACFID DPC

ActionAid

AusAID NGO and Business Branch

Baptist World Aid

Habitat for Humanity

IWDA

Dr Linda Kelly (Praxis Consultants)

Marie Stopes International Australia

Nusa Tenggara Association

Oxfam Australia

Save the Children

WaterAid

World Vision Australia

Appendix 4

ANCP Monitoring Evaluation and Learning Framework Review

Effectiveness Assessment of a Sample of NGO Reports

February 2013

Introduction

As part of the review of the ANCP Monitoring, Evaluation and Learning Framework (MELF), an assessment was undertaken of a sample of reports from NGOs. This included Oxfam Australia, Plan International Australia, Quaker Service Australia, ActionAid, Fred Hollows Foundation and Reledev Australia Ltd.

This sample represents a range of the diversity of ANCP NGO size and approaches. Both Oxfam and Plan are relatively large Australian NGOs. The smaller organisations include a faith based organisation, a specialist organisation, an NGO with a particular focus on advocacy and finally an NGO which works through an entrepreneurial, business model. At the same time, the sample was small, (six organisations out of the total of 43). Further, there was no verification or checking of the assessments made by the reviewer; the review was a simple desk assessment of the available documents. A more complete process would have some independent verification of information provided against actual projects or programs of the organisations.

Nevertheless, the assessment was an opportunity to consider the application of the performance template reporting by the ANGOs, with a view to contributing to ongoing improvement and development of the process.

The intention of the assessment was to consider the effectiveness of the MELF performance reporting process from the perspective of the answers provided by NGOs against the various sections in the annual performance report template, ADPlan and Annex One templates²⁵. The review of a sample of six NGO reports suggests that the ANCP MELF performance reports serve the purpose of drawing together a good summary of NGO information. There are areas for improvement, as outlined below, and also potential for wider use of the information collected, but the reports meet the need for a collated and efficient view of ANCP program achievements.

This report outlines the detailed findings from that assessment together with the recommendations for further action.

Findings

ADPlan Template and Performance Report Template

The performance report template allows for a consistent overview of a very diverse range of NGOs. Its strength is in providing a detailed range of information around activities at the project level. At

²⁵ Attention was given to the NGOs' ADPlans for 2012-13 as well as their performance reporting through the performance template for the financial year 2011-12.

the level of outputs and activities, and some outcomes, the template allows for aggregation of activity information across countries, sectors, and various foci.

In addition, the performance reporting template provides rich information around lessons learned, some aspects of cross-cutting issues, in particular gender and disability, and some information which may be of value around NGO funding trends, especially in relationship to funding from AusAID.

The performance template works best for smaller project-orientated organisations. For those organisations it is possible to get a reasonably comprehensive overview of the work funded under ANCP. Those organisations with a single overall focus and very concrete and tangible outputs and outcomes, such as the Fred Hollows Foundation, were much more able to communicate both their intended program and their performance to date through the qualitative information required by the templates.

Larger organisations, with more diverse and wide-ranging programs, were able to provide considerable detail, but the overall summaries of those programs and the accompanying list of achievements and challenges tended to be much more generalised. For agencies such as Oxfam, Plan International, and ActionAid, who work in program approaches across multiple locations, the presentation of their work as a series of projects is undoubtedly useful for AusAID accountability purposes but limits the understanding of the more sophisticated program approaches in these types of organisations. While there are program summaries also attached, the agencies have understandably focused on supplying the detail about projects which they have to report against, and therefore the more sophisticated communication about the program approach tends to get lost.

In addition, the information provided about the ANCP programs by the larger agencies tends to repeat information available in other documents, including the partnership agreements. However, because of the limited space, the information is heavily summarised and generally does not provide much useful communication about the programs, particularly if the reader is not familiar with that additional information.

This seems to be a missed opportunity for communication of the more sophisticated development AusAID can achieve through the ANCP. Further attention is given to this issue in discussion about reporting by ANCP partner NGOs below.

The ADPlan Template

Executive Summary Section

For the sample NGOs there seems to be some confusion about how to describe their ANCP program; either because the program is very large and there is insufficient space to describe the program in detail, or because they confuse description of the program with a description of their organisation. Therefore, it is unclear how easily information in this first section will be collated across agencies or compared between agencies. Even as a summary description of the agency work, the responses vary in usefulness.

The section on cross-cutting issues in the program should be an opportunity for agencies to highlight their particular niche or particular value-add. Unfortunately, most of the NGOs in this sample simply repeat information about their policies on cross-cutting issues. Greater clarity about the intention of this question might be useful.

The section on design, monitoring and evaluation is not well answered by most of the NGOs in the sample. Information around design, monitoring and evaluation systems is generally quite extensively covered in accreditation and the template does not explain clearly what *additional* information is desired for this summary of ANCP work and why it is required.

The section on key challenges, risks and sustainability is generally not well answered. None of the six agencies gives a comprehensive overview of all three areas, although some respond to some sections very well (for example the Fred Hollows Foundation provides a comprehensive and sensible response to the approach to sustainability and Quaker Service Australia provides a good review of the key risks). A number of the responses refer to risks related to the ANCP reporting and accountability process rather than those risks related to programming. NGOs with larger programs tend to summarise information and do not provide enough detail to demonstrate their understanding of risk and sustainability. In some cases the answers from smaller agencies suggest that they have a limited understanding of risk and sustainability in development settings (although this could be an unfair assessment, given the limited detail provided). This is an area that should be well investigated and tested during accreditation, and it is not clear what value it adds in this report.

The quantitative information provided around beneficiaries appears to be consistently addressed and should be useful in terms of easy aggregation for AusAID accountability purposes. However, it will be important over time to encourage greater disaggregation by all agencies in order for the information to be most useful. It would also be useful to explore with NGOs their interpretation of direct and indirect beneficiaries and how this is applied consistently between organisations, particularly for projects within the same sectors.

Program budget summary and total funding to NGO sections

The quantitative data in this section seems to be relevant and useful. Just considering the small sample provided, the information points to some possible trends in the AusAID NGO funding relationship. This may be useful data to collect regularly as a basis for describing how ANCP interacts with wider AusAID and other funding.

Project summary table

This information seems to provide a simple and accessible picture of the range of NGO work for any given agency across location, sector and size.

Program and project summaries

For the small agencies, as discussed above, these project summaries provide a reasonable picture of project intentions and expected outcomes. For the larger agencies, especially at program level, the summaries are limited communications about the intended work of the NGOs.

The Performance Report Template

Executive summary

The first section, on overall achievements, is better handled by the small niche agencies that are able to point to specific achievements for a small number of projects. For the larger agencies the information provided is very general and not easy to use. Agencies have tended to resort to quantitative information to quickly demonstrate their overall achievement.

The question around major changes is interpreted differently by agencies. Some of the NGOs report that their programs have had no change (which would indicate a fairly narrow understanding of development). Others talk about overall program changes such as exchange rate fluctuations. There is less information about specific changes in program and project activities across all locations. Some more detail around the intention of this question would make it easier for agencies to provide more targeted information.

The lessons learnt section provides a range of interesting information from different agencies. Some of the lessons are very specific, while others are quite broad and complex. There is good information here but it would be difficult to collate in a simple way to make the range of information accessible to others. It may be valuable to give some thought about how to structure this information in order to build a useful and accessible bank of lessons learned over time.

Achievements over the last 12 months

Having provided details about achievements on the previous page, most of the NGOs seem to provide very general answers to this question about achievements of the last 12 months. The exception is the question about Australian identity where people have taken some care in their answers. It may be that there needs to be some better explanation about why there are two sections on achievements or the two sections ought to be collapsed into one.

Cross-cutting issues

The intention of this section was to have agencies describe additional achievements that were relevant to important AusAID cross-cutting areas (the explanation attached to the section notes that it is meant to provide 'additional information for AusAID to understand the added value of NGOs and those with specialist expertise'). However, none of the NGOs seem to have entirely understood this intention.

The Fred Hollows Foundation did take advantage of this section to identify their particular work in the area of disability. ActionAid used this section to provide information around their focus on women's rights and empowerment. Generally, however, the agencies listed their child protection policy and other relevant policies as though this section was a check on the policy compliance.

Beneficiary numbers

This quantitative information about beneficiaries will be useful for communicating the overall scope and impact of ANCP, but, as noted before, there needs to be some encouragement for agencies to improve the disaggregation of the data. It was not possible to compare data from year to year for this review, but it will be important for data to be compared in this way over time, and therefore the accuracy of the data needs to be considered.

As noted above, there needs to be exploration with the NGOs about definitions of direct and indirect beneficiaries.

Partnership NGO reporting

This section seems to be of limited value. It does provide a space for the partnership agencies to mention their wider work, but none of the agencies were able to provide enough detail to be useful.

Program budget and financial acquittals

This section seems clear and provides a useful and accessible way to understand NGO activity and spending.

Individual program and project summaries

For the small agencies these summaries provide a good package of information. For the larger agencies it is a lot of work which only summarises their programs. However, having all the information reported in this standardised way does provide a comparable set of information that covers all the activities which are funded under ANCP. For the purposes of providing an aggregated and concise description of ANCP, divided by sectors, countries, programs and foci, this is clearly a useful and important section in the template.

The self-assessment ratings seem to be highly variable. While AusAID intended that these ratings should be an opportunity for internal NGO reflection about the achievement of outcomes, the matching of ratings to the information provided suggests that different organisations valued different aspects of their achievements. The larger agencies involved in more complex and programmatic work tended to be more critical of their achievements, generally rating their projects lower. Smaller, more focused agencies chose higher ratings.

Case study information

The case studies attached to the performance reports clearly meet the AusAID need for descriptive and personalised stories. They do not seem to meet the additional intention to provide a more analytic and programmatic understanding of NGO work. It might be useful for AusAID to clarify its needs here. If the need is for human interest stories to illustrate the aid program work, then the case studies can be focused solely in this direction.

List of evaluations

The lists of evaluations are generally impressive and appear promising. AusAID should, as soon as possible, begin the process around the meta-evaluation in order to assess the value of this material and the learning which can be drawn from it. Undertaking the meta-evaluation will be a further step in completing a full cycle of the MELF.

Overall, it appears that some sections of both templates are repetitive and in some areas it is not clear to the NGOs why AusAID needs the information.

It is therefore recommended that:

- 1. AusAID revisit both the ADPlan and performance reporting templates and clarify the purpose and utility of each question in the templates and explain this clearly and succinctly in accompanying notes.***
- 2. Where appropriate, in order to improve efficiency, some questions ought to be eliminated, with particular attention paid to the executive summary sections or other areas where questions are duplicated.***

Quality of NGO Responses

All of the six NGOs completed both ADPlan and performance report templates as required. Each organisation provided appropriate answers as directed, although one NGO chose to leave a number of the summary sections in the performance report blank (in contrast to their more extensive and

better quality answers in their Annual Development Plan). The other five organisations provided answers within each of the boxes as required. All the organisations appear to have attempted to provide the quantitative figures, case studies and list of evaluations as required.

It was clear that the example provided in the AusAID guidance was of considerable influence in the way people approached completion of both templates, and generally agencies sought to interpret that example based upon their experience. This was both good and bad. The example assisted with a consistent approach from NGOs; however, agencies seem to limit their responses to those which were similar to ideas presented in the example.

The quality and detail of the information provided varies. Mostly the sample of NGOs tried to address all questions and provide detailed information. But some questions were left blank, and others were only answered in part; for example, the section in the ADPlan template about 'key challenges, risks and sustainability' had different answers from every NGO. Some focused on risk, others on sustainability and others just talked about challenges.

Smaller organisations generally provide information more clearly (because their programs or projects are smaller and more contained) but there seems to be some level of confusion about whether they are describing their organisation or the particular programs funded through ANCP alone. Clearly for some smaller organisations, with much of their funding coming from AusAID, it is quite difficult for them to distinguish between the two. But in a number of the responses for small agencies, and even some of the larger ones, a lot of space is wasted 'advertising' their organisation.

There also seems to be a tendency to provide very positive reporting about programs in general. This is understandable, given these are NGO reports to a donor. However, it raises some questions about the value of the qualitative information being provided.

As discussed in the MELF, the performance reporting template was designed to provide an efficient way of collating information across a diverse range of NGOs at a high level of accountability. It was not designed to provide in-depth information around program and project quality. These elements are covered in accreditation and further explored through the proposed meta-evaluation and thematic reviews.

At the same time, it is important that the performance report is utilised for an ongoing dialogue between AusAID and NGOs about development effectiveness, in particular for those areas which are challenging and those areas where NGOs are learning important lessons. There are indications throughout the sample of reports that suggest understanding of development quality varies between organisations. For example, sustainability is approached quite differently by the NGOs and participation is included as a central feature in some reports, while apparently not considered by other agencies. This may of course be about the ways NGOs have described and written about their projects and may not be representative of the development quality of the various projects; however, it might be useful to consider standardising some of the questions to focus on important areas and features of effective development, drawing from agreed principles. It is therefore recommended that:

- 3. Some consideration should be given to utilising existing work on development effectiveness, such as ACFID's Code of Conduct, to focus attention in the performance reporting on major and agreed areas of development effectiveness.**

At the same time, the performance reporting template can only serve as the *starting point* for ongoing dialogue between AusAID and the NGOs about development quality. It is therefore recommended that:

- 4. AusAID consider how to maximise opportunities for AusAID staff to actively engage with NGOs around issues of development quality and learning, drawing from the consolidated material available in the performance reports.**

Partner NGOs

It is clear from the sample that it is useful to have the partner NGOs utilise the performance reporting template because this provides an efficient way to bring together all the activities funded through ANCP. While it is clearly time consuming for partner NGOs to provide this level of detail, the performance reporting template does provide a way to demonstrate the depth and spread of the work undertaken by these agencies.

However, as noted above, the performance reporting template does not do justice to programmatic approaches or large-scale agency development strategies. In addition, the section included for partnership agencies provides little meaningful information and does not capture the additional value or effectiveness of the partner NGOs. It is therefore recommended that:

- 5. Partner NGOs should continue to complete the reporting template as for all ANCP funded NGOs. However, in addition, AusAID should remove the current section on partner reporting in the template and replace it with a more considered and meaningful process which better captures the 'value add' of the partner NGOs.**
- 6. Towards this end, AusAID needs to clarify and communicate what information would be useful, and then work with the partner agencies to develop creative and efficient processes to make that information available. This might include, for example, annual processes of briefing papers, research reports, workshop presentations or other ways in which information can be made accessible to AusAID and wider audiences.**

Emerging Trends and Issues

While it is not possible to draw any conclusions from the small sample of the 43 ANCP NGOs, the information provided suggests that there are some possible trends which might be considered across the whole sample of NGOs.

For example, the quantitative data suggests that some agencies are receiving considerable funding from a number of sources within AusAID. Collecting this sort of information over time would show how consistent such interaction is for different NGOs and therefore which agencies may be the more valuable long-term partners for AusAID. There might also be possible implications from this information, where ANCP funding consistently interacts with other AusAID funding areas, for more efficient approaches to reporting and monitoring. In addition, the overall patterns of AusAID and NGO financial interaction, and how these are changing over time, may be something that is of interest to both AusAID and the NGO sector.

Another trend which might emerge from the data is the concentration of ANCP money into particular countries and/or particular sectors. While this information has always been generally available, the MELF reporting will make it more possible to cross-reference sectors, countries and NGOs. In turn, this will provide a useful way of collating lessons learned in those locations or sectors and/or identifying areas where further research and evaluation might be valuable for both AusAID and the NGOs.

The qualitative data will require collation to identify any possible trends or shared experiences. This sort of collation could provide some useful summary documents that might identify, for example, common challenges, lessons learned, risks, vulnerable groups, etc. In turn, such summary documents might provide a useful informed base for policy and program discussion between AusAID (both at Post and in sectoral and thematic areas in Canberra) and groups of NGOs²⁶.

The data entered in Annex One providing information against indicators was also reviewed. It was clear that NGOs sought to follow the requirements and make data available as far as they were able. However, the sample was too small to draw any clear conclusions. A separate paper explores the Annex One Indicators in greater detail.

Conclusions

Overall, the review of the sample of six NGO reports suggests that the templates serve the purpose of drawing together a summary of information.

The templates can be improved through editing and removal of some questions, better clarification of the intent of some of the questions, and careful communication of the data that is collected through those questions.

For the larger NGOs, including the partnership NGOs, the qualitative data that is able to be summarised into the available space probably under represents the quality and depth of their programs. In response to this, the partnership NGOs (initially) should be required to present additional information alongside information they present in the templates in order to fully communicate the value and scope of their work.

With improvements such as these, the information clearly has a lot of potential. The quantitative data lends itself to simple aggregation and identification of possible trends. Good quality collation and synthesis of the qualitative data could likewise form a useful basis for policy and program discussion between AusAID and the NGOs. The lists of evaluations suggest there is potentially a lot of evaluative material which can be utilised for learning and better understanding of the quality of development effectiveness of NGO work.

Dr Linda Kelly, Praxis Consultants

²⁶ AusAID is currently developing an interim data collection tool to produce such quantitative analysis and a longer term online data management system is in production which will increase the efficiency, consistency and accuracy of future data collection and analysis.

Appendix 5

Analysis on the use of the Annex One list of indicators

Background

In May 2012 the Monitoring, Evaluation and Learning Framework (MELF) was launched. AusAID committed to review the Annual Development Plan (ADPlan) and the Performance Report templates, including the Annex One list of indicators used by ANCP NGOs for the 2012-13 and 2011-12 reporting periods, respectively. The list of indicators attached to the Performance Report template in Annex One was an attempt to streamline the reporting of the broad range of ANCP achievements through use of quantitative indicators. These indicators allow AusAID to communicate in a quick and simple way ANCP achievements and to support the more in-depth analysis from the qualitative information provided by NGOs.

The quantitative data against the indicators provided by ANCP NGOs on their 2011-12 development activities has already been used for upcoming Senate Estimates, internal briefs and will be used for publications and information put up on the AusAID website.

Consultation with AusAID thematic areas

The NGO section of NGO & Business Branch consulted with the following thematic areas during December 2012 and January 2013: Health, Education, Governance, WASH, Food Security and Rural Development, Climate Change and Environment, Disability. The consultation process served to raise awareness of the ANCP program and assisted in the ongoing overall integration of ANCP in AusAID reporting systems.

Each thematic area in AusAID is in the process of finalising its Performance Assessment Framework (PAF). An integral part of this review process was consultation with each area to ensure that the indicators proposed in Annex One would provide useful results data and contribute to those areas' reporting responsibilities. Indicators that were considered not useful for a thematic area were again reviewed by the NGO section and classified in how they contributed to the ANCP reporting system, which is discussed in greater detail on page 2.

Analysis

The indicators contained in Annex One were used by ANCP NGOs in their last Performance Report on their 2011-12 ANCP development activities.

Even though it is the first year of implementation, we appreciate that most of the NGOs have used these indicators (35 out of 42). Only four (4) NGOs chose not to use Annex One for their 2011-12 reporting but have indicated they will do so for next year's reporting. Three (3) NGOs are yet to submit their indicator data. As these three NGOs represent over one third of ANCP funding, the delay in receiving this data currently skews the ANCP findings and makes it difficult to undertake analysis, which makes it difficult for AusAID to communicate ANCP achievements. We look forward to receiving this data soon to have a more complete picture of ANCP results.

To date and for indicators that were used to report to Cabinet last year²⁷, the aggregation of the results by indicator has been found to reflect more accurately ANCP results. For example, the program reported in financial year 2010-11 that 160,000 people were provided with increased access to safe water while the number for 2011-12 is already 320,000²⁸. This shows that with regard to this list of indicators there is an improvement in reporting WASH data compared with last year's data. The NGOs are reporting quantitative information in a more consistent and structured manner.

While AusAID recognises that further guidance and clarification is needed with regard to the way the indicators are defined, it appears that a good attempt to provide accurate numbers against the entire range of projects was made.

Key statistics on indicators

- **35 NGOs used the Annex One** indicators covering 305 projects;
- **Almost all of the indicators (116 out of 130)** were used;
 - o 14 indicators (or 11%) were never used;
- **26 new indicators** were **proposed** from 9 different NGOs;
 - o 13 new indicators proposed by 1 NGO;
- Out of the 305 projects covered in Annex One;
 - o 127 projects (or **42%**) have **baseline numbers** for the "total Actuals".
 - o 206 projects (or **68%**) have **target numbers** for the "total Actuals".
 - o 161 projects (or **53%**) have **no disaggregation provided** and
 - o 144 projects (or **47%**) have **at least one level of disaggregation**.

This tells us that it will be important to review the constraints in providing baseline, target, and disaggregated data at the next face-to face meetings and webinar sessions.

Proposed changes to the list

As noted above, we held consultations with most of AusAID's thematic areas to assess the list of indicators in Annex One to determine if each indicator in the list is contributing to an overall strategic goal of Australian Aid.

The proposed changes to the list are based on several criteria, such as the numbers reported by NGOs, the frequency of use and also the usefulness of the information for AusAID purposes (for ANCP and/or AusAID's thematic areas). There is the preference for NGOs to ultimately report on AusAID's headline indicators where they can; it has been found that some NGOs are reporting on indicators that lead up to a head indicator, but not the head indicator itself.

While we are recommending that the total number of indicators in Annex One is reduced to increase efficiencies in how and what NGOs report, this means that NGOs are free to continue reporting on certain indicators in the qualitative sections of the Performance report that may not be captured in Annex One.

²⁷ The ANCP contribution to the core indicators for the financial year 2010-11 and prior to MELF were based on the information contained in the reports submitted by NGOs to the ANCP team.

²⁸ Attribution to the ANCP based on the funding is still to be applied.

Summary of changes

	Initial number of indicators	Indicators removed	New proposition	Proposed rewording	Undecided indicator	Untouched indicators
1. Saving Lives	31	18	2	2	3	8
2. Promoting Opportunities for All	63	34	8	12	0	20
3. Sustainable Economic Development	15	8	4	3	0	4
4. Effective Governance	11	9	4	1	0	1
5. Humanitarian and disaster response	4	1	0	1	0	2
6. ANCP	2	0	0	2	0	0
7. Involving the Australian Community	4	1	0	2	0	0
Total	130	71	18	23	3	35

[View proposed changes in full \(XLS\)](#)

Appendix 6

NGO Feedback on ANCP Reporting Cycle – linked to the Monitoring, Evaluation and Learning Framework (MELF).

This form is to give ANCP NGOs the opportunity to provide any final feedback on the trial of new reporting requirements under the MELF. Throughout this reporting period ANCP NGOs have provided substantial comments on the reporting templates. AusAID will use this information to inform the MELF Review to ensure we are collecting relevant, useful and appropriate information.

Please send any feedback to anpc@ausaid.gov.au by **31 January 2013**.

NGO Name:	
Contact and Position Title:	
How do you rate the overall process? (please circle)	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">1 (low)</div> <div style="text-align: center;">2</div> <div style="text-align: center;">3</div> <div style="text-align: center;">4 (high)</div> </div>
Please briefly explain the rating you have given?	
As an agency what were the top three (3) challenges this reporting cycle?	1. 2. 3.
What were the positive experiences you had during this process?	
What are your top three (3) suggestions of improving this process?	1. 2. 3.
Are there other areas AusAID can assist? (e.g. webinar sessions; helpdesk facilities etc.)	
Please identify any gaps in the information requested by AusAID in the reporting templates.	
Any other comments?	