



ANCP Cambodia Cluster
Evaluation Report
June 2005

Document:	Cambodia Cluster Evaluation Report
Version:	3.0
Program:	ANCP
Client:	AusAID
Task Manager:	Frank Thompson
Consultants:	Jo Thomson & Paul Crawford
Date:	June 2005

The contents of this report are the property of the Australian Agency for International Development (AusAID).

It is permissible to copy and use any of the material in this report provided that appropriate acknowledgement of the source is made. Further information is available from:

Ellen Shipley

Director
Community Programs Section
AusAID
GPO Box 887
Canberra ACT 2601
Australia
www.ausaid.gov.au
Tel: +61 2 6206 4000
Fax: +61 2 6206 4880

© AusAID 2006

ACKNOWLEDGEMENTS

The evaluation team appreciates the contribution of a wide range of stakeholders to this first ANCP cluster evaluation.

The Development Practice Advisory Committee (DPAC) of the Australian Council for International Development (ACFID) supported the evaluation and encouraged the involvement of the ANGO sector.

Australian NGO staff were open and constructive in their approach to this evaluation, and furnished the evaluation team with all relevant activity documentation.

Cambodian NGO staff provided additional insights into the sampled activities and facilitated field visits.

AusAID staff at the Cambodia post provided in-country logistics and language translation.

AusAID staff in Canberra provided technical advice and general direction in the development of the evaluation methodology and the preparation of this report.

EXECUTIVE SUMMARY

Background

The AusAID NGO Cooperation Program (ANCP) recognises community support for Australian non government organisations (NGO) by subsidising AusAID accredited agencies for activities that alleviate poverty in developing countries. The ANCP is administered by AusAID's Community Programs Section (CPS), and in 2005-6 will provide around \$27.6 million in funding to NGOs.

CPS is developing a suite of methods to assess the performance of Accredited NGOs. Cluster evaluations are one of these methods.

AusAID has conducted four reviews of NGO activities since 2000. The methodologies and sampling criteria have differed, limiting the value of comparison. The Vietnam and Southern Africa NGO Cluster Evaluations and Quality Assessment Group Rapid Review found between sixty and ninety per cent of NGO activities to be satisfactory or above.

Aim of the Evaluation

The ANCP Cambodia Cluster Evaluation assessed a sample of six ANCP activities, all from Full Accredited agencies and representing a variety of sectors.

The goal of this evaluation was to improve performance measurement of the ANCP through generating primary data on individual NGO activities and by developing a methodology for future evaluations to enable longitudinal data analysis.

The evaluation methodology that was developed acknowledged the complexity of issues surrounding performance measurement of international aid activities¹. To accommodate the complexity, the evaluation team adopted a 'systems perspective' on NGO performance—acknowledging the influence of a multitude of factors through three dimensions of performance:

- **Implementation integrity:** the performance of individual activities in terms of relevance, efficiency, effectiveness and sustainability;
- **Organisational context:** the influence of unique organisational structures and processes on activity performance;
- **Geopolitical context:** the influence of wider geopolitical factors on activity performance.

Summary of Findings

Overall, the Cambodia Cluster Evaluation found performance of all sampled activities to be satisfactory and above, with one example of best practice². These findings largely support the activity self-ratings provided to AusAID by the agencies.

Positive development impact to beneficiaries and communities was demonstrated in all activities through a range of evidence such as improved food security, increased household income, more consistent attendance by children at school and effective engagement of community members, including women, in village development groups or similar.

The six sampled activities are relevant to their development contexts and generally represent good use of AusAID funds. All activities are implemented in a professional manner although, in some cases, monitoring and evaluation (M&E) and risk planning/management can be improved. M&E processes were generally of high

¹ Problems with definition have been identified in previous AusAID documents, for example, 'a consideration of...impact of activities is vital but it remains difficult to measure. There will not be any progress of this issue until definitions and methods are agreed between AusAID and NGOs'.

² Assessment based on the AusAID NGO Quality Ratings Guide: best practice (5), fully satisfactory(4), satisfactory overall (3), marginally satisfactory (2), weak (1) as per NGOPI.

quality although not all NGOs displayed equal commitment to accountability and promotion of learning.

Each activity is on track with evidence of achievement of the desired outcomes. A range of environmental risks may reduce progress or sustainability. The majority of activities appeared likely to foster sustainable outcomes. All activities are positively exploiting the unique attributes of the ANCP and are all contributing to poverty reduction in line with its aims.

In general, the evaluation team found evidence that the relationships within and between activity stakeholders were high quality and engagement strategies tended to be long-term. Agencies showed evidence of learning and adaptation over the term of engagement and tended to operate in high risk situations, or in situations where funding may have been difficult to secure from other sources. The quality of staff and volunteers was observed to be an important strength. However, the extent to which agencies work together was found to be an area of weakness.

The Cambodia Cluster Evaluation identified contextual analysis in terms of field level understanding of the target NGOs to be of a high quality, owing to their long-term engagement. A strong poverty focus among activities was evident noting for example, that one NGO has an innovative system for engaging the poorest stakeholders in activities. While gender analysis was prioritised by agencies, some activities faced difficulties in overcoming low representation of women.

The average funding level of sampled activities was \$118,000 with the lowest cost activity being \$32,371 and the highest being \$239,597. Despite the innovative nature of activities suggesting potentially higher outcome risk, the overall financial risk to the Commonwealth was low compared to the impact as demonstrated by agencies and described in this report.

Implications for the ANCP

This evaluation concurs with the 2003 ADPlan Review conducted by CPS which found the ANCP to be an innovative, high impact, low cost program that is well regarded by both Australia and in-country NGOs.

The ANCP program as a funding mechanism has unique properties. It allows NGOs to prioritise the sectoral focus of their activities within the ANCP's relatively broad objectives. This characteristic in particular facilitates the commitment of NGOs to establish long-term, development partnerships which increases the likelihood of sustainable outcomes. The ANCP allows NGOs a degree of flexibility within its objectives and administrative requirements, to manage activities in a dynamic and challenging environment. While the current administration requires annual planning, the nature of the ANCP allows NGOs to utilise ANCP funds within multi-year activities promoting a more strategic approach. As AusAID funds are matched (3:1) by NGOs and are often used to contribute to larger programs, in terms of broader impact the ANCP represents good value-for-money for the Commonwealth.

The findings of this evaluation demonstrate how the unique properties of the ANCP facilitated a range of successful activity approaches producing positive development outcomes.

LIST OF RECOMMENDATIONS

1. NGOs should investigate strategies for increasing in-country collaboration in a manner that enables information sharing to improve development outcomes23
2. NGOs should broaden their M&E approach to encompass both compliance and reflection & learning.23
3. NGOs should review approach to risk analysis, risk planning and risk mitigation methods and tools and strengthen this element of project design and management.23
4. AusAID should consider revising the ADPlan format to increase clarity between multiple activities and to foster improved risk analysis.23
5. AusAID should move to a three year ADPlan cycle23
6. Future cluster evaluations should establish a standard set of documents required for the Desk Assessment process27
7. AusAID and the NGO sector through ACFID, should establish definitions of terminology for concepts such as impact, quality, performance etc.27
8. Future cluster evaluations should confirm expectations with stakeholders of depth of research of activities and ADPlans i.e. objectives level or outputs level27
9. Review the AusAID QAF and incorporate key elements of the STEEP framework and the ACFID NGO Effectiveness Framework to create one refined analytical framework for future NGO cluster evaluations27
10. Tighten the focus of the Cluster Evaluation Question Guide with specific reference to stakeholders' perspectives on impact and how it will be measured.27
11. In collaboration with DPAC, investigate the use of the Question Guide for use in sector specific evaluations27

TABLE OF CONTENTS

Acknowledgements.....	ii
Executive Summary	iii
List of Recommendations	v
Table of Contents.....	vi
List of Tables	viii
List of Acronyms	ix
1. Introduction	1
1.1 Document Purpose	1
1.2 Background	1
1.3 Significance of the ANCP	1
1.4 Scope of Work	2
2. Methodology	3
2.1 Conceptual Framework.....	3
2.2 Sampling.....	4
2.3 Methods of Inquiry	5
2.4 Feedback and Analysis.....	6
3. Findings	7
3.1 Activity Implementation Integrity	7
3.2 Organisational Context	12
3.3 Geopolitical context	18
3.4 Ratings of agency performance.....	21
3.5 Comparative findings with previous AusAID NGO evaluations.....	22
4. Review of Methodology	24
4.1 Review of Evaluation Objectives.	24
4.2 Review of the Scope.....	24
4.3 Review of the Methodology	25
4.4 Limitations Encountered	26

Appendix 1 : Assessment of ALWS Activity	28
Appendix 2 : Assessment of ARC Activity	36
Appendix 3 : Assessment of Caritas Activity	43
Appendix 4 : Assessment of CUFA Activity	50
Appendix 5 : Assessment of NCCA Activity	56
Appendix 6 : Assessment of WVA Activity	62
Appendix 7 : Evaluation Terms of Reference	69
Appendix 8 : Aims of the ANCP	74
Appendix 9 : AusAID NGO Quality Assessment Framework	78
Appendix 10 : ACFID NGO Effectiveness Framework	84
Appendix 11 : STEEP Analytical Framework	85
Appendix 12 : Evaluation Question Guide	88
Appendix 13 : Desk Assessments.....	91

LIST OF TABLES

Table 1: Sampled ANGOs and their CNGO partners.....	4
Table 2: Overview of sampled activities.....	5
Table 3: Ratings against AusAID QAF Attributes.....	21
Table 4: Comparison of QAF ratings.....	22

LIST OF ACRONYMS

ACFID	Australian Council for International Development
ARC	Australian Red Cross
ADPlan	Annual Development Plan
AGD	Affinity Group for Development
ALWS	Australian Lutheran World Service
ANCP	AusAID-NGO Cooperation Program
ANGO	Australian Non Government Organisation
ARC	Australian Red Cross
AusAID	Australian Agency for International Development
Caritas Int	Caritas International
CBO	Community-based Organisation
CCSF	Cambodia Community Savings Foundation
CNGO	Cambodian Non Government Organisation
CODEC	Cooperation for Development of Cambodia
CPS	Community Programs Section
CRC	Cambodia Red Cross
CUFA	Credit Union Foundation of Australia
CWS	Church World Service
CWSC	Church World Service Cambodia
Dol	Diffusion of Innovation
IFRC	International Federation of Red Cross
LWF	Lutheran World Federation
LWS	Lutheran World Service
M&E	Monitoring & Evaluation
MAG	Mine Action Group – a private sector de-mining enterprise
MSF	Medecins Sans Frontieres
NCCA	National Council of Churches Australia
NGO	Non-government Organisation
ORE	Operational Review and Evaluation
PLWHA	People living with HIV/AIDS
PRA	Participatory Rural Appraisal
QAF	AusAID NGO Quality Assurance Framework
QAG	Quality Assessment Group
VDC	Village development committees
WVA	World Vision Australia
WVC	World Vision Cambodia
WVI	World Vision International

1. INTRODUCTION

1.1 Document Purpose

This document reports the findings of the first cluster evaluation of the AusAID NGO Cooperation Program (ANCP), conducted in Cambodia in June 2005. This document also reviews the methodology employed, with a view to enhancing future ANCP cluster evaluations.

Findings for each of six sampled non government organisations (NGO) are provided in stand-alone appendices (Appendices 1 – 6). A synthesis of the overall findings, and the implications for the ANCP, is presented in Section 3. Findings should not be extrapolated to determine a particular agency's overall performance; or the performance of the whole ANCP.

1.2 Background

The ANCP recognises community support for Australian NGOs by subsidising accredited agencies that alleviate poverty in developing countries. The ANCP is administered by AusAID's Community Programs Section (CPS), and in 2005-6 will provide around \$27.6 million in funding to NGOs.

ANCP partners are funded annually based on Annual Development Plans (ADPlans) through which agencies must demonstrate that activities alleviate poverty, address an identified need, have sustainable outcomes and represent value for money. Funding is based on a 3:1 formula in which the Commonwealth provides three dollars for every dollar raised from the Australian community. The ANCP is designed to fund diverse activities and to encourage continuous improvement in the quality of NGO programs.

CPS is currently developing a suite of methods to assess the performance of accredited NGOs for reporting to Parliament and to taxpayers³. Cluster evaluations are one method within the proposed suite of methods. It is anticipated that future cluster evaluations using a similar methodology, will build on the findings of this evaluation to enable a rich appreciation of ANCP performance, and the challenges faced by accredited NGOs. Such an approach will identify trends rather than states—it will not measure “how full the glass of [NGO performance] is, but whether the level is rising or falling”⁴.

1.3 Significance of the ANCP

The findings of this cluster evaluation support the findings of the 2003 ADPlan Review that reported the ANCP to be an innovative, high impact, low cost program that is well regarded by both Australian NGOs (ANGO) and their in-country NGO partners.

The ANCP program, as a funding mechanism, has unique properties that allow NGOs to prioritise their activities within the ANCP's relatively broad objectives. This enables NGOs to establish long-term development partnerships that increase the likelihood of sustainable outcomes. While the program is administered on an annual planning cycle, the nature of the ANCP allows NGOs to implement multi-year activities. AusAID's financial exposure with the ANCP is low, owing to the relatively small amounts of funding expended by individual activities. In several cases, AusAID funds are matched with other sources of funding to further increase the impact of the ANCP, and its value-for-money.

The evaluation team observed that the unique properties of the ANCP facilitated a range of successful approaches that in some cases may have been difficult to fund through less flexible mechanisms—for instance, World Vision Australia's (WVA) child

³ This is in line with the 1998 ANAO audit of AusAID's funding of NGOs that recommended AusAID: i) work with NGOs to improve the standard of performance information available; and ii) develop performance measures, aggregating activity level information as appropriate, sufficient to assess overall NGO scheme performance and the efficiency of AusAID administration.

⁴ Eckersley, R. (2004) *Well and Good: morality, meaning and happiness*, Text Publishing, Melbourne, pg 106.

safe tourism activity; and the National Council for Churches Australia (NCCA) de-mining activity. The WVA activity piloted an approach that has made significant progress in its own right, but has also paved the way for a larger child safe tourism program under an AusAID Cooperation Agreement. The NCCA activity was previously funded by another agency but was threatened by donor fatigue. The continuation of de-mining of agricultural land made possible by ANCP support has been an important pre-cursor for integrated rural development activities implemented by NCCA's partner, Christian World Service Cambodia (CWS-C). In both cases the ANCP funding mechanism and the NGO's vision allowed positive impact on the lives of beneficiaries.

All sampled agencies use ANCP funding as part of an ongoing program, rather than for discrete one-year activities. The importance of time flexibility in implementing community development activities is well documented. This flexibility, for example, enabled the Australian Lutheran World Service (ALWS) activity to implement its 'village graduation' strategy that empowers communities to develop at a pace appropriate to their context. This open-ended approach is likely to have been difficult to fund through other time-bound or project-based funding mechanisms⁵.

The cost of the ANCP to AusAID is relatively small, and as such, the overall financial risk to the Commonwealth is low compared to the impact of the program, as described in this report. The average funding level of sampled activities in this evaluation was \$118,000; with the lowest cost activity being \$32,371 (NCCA) and the highest being \$239,597 (ALWS).

1.4 Scope of Work

The goal of this ANCP cluster evaluation was to improve performance measurement of the ANCP through generating primary data on individual NGO activities and by developing a methodology for future evaluations and to enable longitudinal data analysis.

The objectives of this evaluation were⁶:

- To assess activity implementation integrity of sampled ANCP activities
- To collate and assess evidence of the impact of sampled ANCP activities
- To assess the contribution of sampled activities to the ANCP objectives
- To review NGO self-assessments of sampled ANCP activities in light of data generated by the evaluation
- To develop a replicable methodology for future ANCP cluster evaluations

The evaluation was led by an AusAID Task Manager from CPS (primary report author). AusAID's Operational Review and Evaluation (ORE) Section acted in an advisory capacity. The Australian Council for International Development (ACFID) nominated an NGO representative for the evaluation team with a background in monitoring and evaluation (M&E), but with no formal links to any of the sampled NGOs. AusAID appointed an independent M&E specialist. Throughout the in-country phase (three weeks from 29 May, 2005), one locally engaged staff member from the AusAID Post was assigned to the evaluation team.

⁵ The evaluation team recommends later in this report that AusAID consider moving to a three year ADPlan cycle.

⁶ These objectives are reviewed in Chapter 4.

2. METHODOLOGY

2.1 Conceptual Framework

Lessons learned from previous AusAID NGO evaluations⁷ informed the development of this methodology, but the exclusive focus on the ANCP required an original approach.

The evaluation methodology that was developed acknowledges the complexity of issues surrounding performance measurement of international aid activities⁸. These issues include lack of agreement on absolute measures of performance, and the difficulty of attributing change to individual activities in complex environments. With cluster evaluations these evaluation complexities are compounded by the difficulty of accommodating diverse agency structures, contexts, objectives and stages of implementation.

To accommodate the complexity, the evaluation team adopted a 'systems perspective' on NGO performance—acknowledging the influence of a multitude of factors through three dimensions of performance:

- **Implementation integrity:** the performance of individual activities in terms of relevance, efficiency, effectiveness and sustainability;
- **Organisational context:** the influence of unique organisational structures and processes on activity performance;
- **Geopolitical context:** the influence of wider geopolitical factors on activity performance.

The evaluation team investigated these three dimensions of performance using three established analytical frameworks:

- AusAID's NGO Quality Assessment Framework (QAF)
- ACFID's NGO Effectiveness Framework⁹
- STEEP Framework¹⁰

AusAID's NGO Quality Assessment Framework (QAF) was used to make judgements about the performance of individual activities. This framework rates activity integrity against four attributes:

- **Relevance:** the extent to which activity objectives and designs are appropriate;
- **Efficiency:** the extent to which activities have been managed in a professional manner;
- **Effectiveness:** evidence that the activity is likely to achieve the desired results;
- **Sustainability:** evidence that the activity is likely to foster sustainable outcomes.

Relevant sections of ACFID's NGO Effectiveness Framework were used to explore organisational processes believed to have a direct impact on activity quality:

- High quality relationships;
- Long-term engagement;
- Learning and adaptation;
- Working together;

⁷ The Evaluation of Government funded NGO activities in Vietnam 2000, Evaluation of Australian Government funded NGO activities in Africa 2000, AusAID ADPlan Review 2003.

⁸ Problems with definition have been identified in previous AusAID documents, for example, 'a consideration of...impact of activities is vital but it remains difficult to measure. There will not be any progress of this issue until definitions and methods are agreed between AusAID and NGOs'.

⁹ 2004 NGO Effectiveness Framework, Developed by ACFID

¹⁰ Grant, D. (1999). Foresight and Innovation, The General Electric Company (available at <http://www.atse.org.au/publications/reports/foresight1.htm>)

- Risk taking;
- Quality of staff and volunteers.

The geopolitical context of each sampled activity was explored using the 'STEEP' framework. This framework has been used to categorise drivers and inhibitors of change by considering the influence of five domains:

- **Socio-cultural**
- **Technical,**
- **Economic,**
- **Ecological**
- **Political.**

Each of the above analytical frameworks is further elaborated in Appendices 10 – 12. The evaluation team was of the view that using the three frameworks ensured that the process of analysing activity performance was transparent and comprehensive, and helped to address some of the long-standing problems associated with incorporating activity context in NGO performance evaluation.

2.2 Sampling

A three-stage purposive sampling process was carried out to select the cluster of six activities to be evaluated.

The first stage of sampling involved country selection. Cambodia was selected based on the following criteria:

- Sufficient number of ANCP activities from which a reasonable sample could be drawn;
- A range of NGOs represented;
- The AusAID post willing and able to support the cluster evaluation.

The second stage of sampling involved selection of the agencies for evaluation through consultation with ACFID. Only Full Accredited agencies' activities were selected. The Australian NGOs (ANGO) sampled and their Cambodian partners (CNGO) are presented in Table 1.

ANGO	CNGO
Australian Lutheran World Service (ALWS)	Lutheran World Service – Cambodia (LWS-C)
Australian Red Cross (ARC)	Cambodia Red Cross (CRC)
World Vision Australia (WVA)	World Vision Cambodia (WVC)
Caritas Australia/Australian Catholic Relief (ACR)	Cooperation for Relief of Cambodia (CODEC)
National Council of Churches Australia (NCCA)	Christian World Service – Cambodia (CWS-C)
Credit Union Foundation Australia (CUFA)	Cambodia Community Savings Federation (CCSF)

Table 1: Sampled ANGOs and their CNGO partners

The third stage of sampling involved selection of the individual activities to be evaluated. Where partner agencies implement more than one ANCP-funded activity in Cambodia, the selection was made by AusAID with input from the ANGO.

Table 2 below provides a brief overview of the sampled activities. More details, including evaluation findings by ANGO, are presented in Appendices 1 – 6.

ANGO	Activity name and funding allocation	Target area	Synopsis
ALWS	Integrated Rural Development through Empowerment Program \$239,597	Kampong Speu Province, Oral District, one district, seventy villages	Activity is focussed on poverty alleviation through facilitation of income generation using community credit and broader rural development strategies
ARC	Mobilising Community Support for PLWHA (People Living With HIV/AIDS) \$133,000	Kampot province, five districts	Primarily focussed on HIV interventions, but integrated in the sector and includes capacity-building of institutions, individuals, communities, and beneficiaries as well as technical assistance. Objectives include stigma and discrimination reduction, and care and support
Caritas	Kompong Thom Community Development Program \$165,000	Six provinces, thirteen districts	Integrated and grass-roots focussed rural development. Objectives involve poverty alleviation and community development.
NCCA	Integrated Humanitarian Mine Action Project \$32,371	Kompong Thom Province, six districts	Integrated mine action to reduce/prevent deaths and injuries caused by landmines and unexploded ordinance to enable Cambodians to use their land without fear of death or injury.
CUFA	Credit Union Development \$40,000	Six districts of Battambang Province	Credit union development and savings bank replication that extends outreach to saver members and economic security to active borrowers. Technical knowledge and skill training for Field Coordinators and Field Officers
WVA	Non-Formal Education – Child Safe Tourism Activity	Nation-wide focussing on tourist areas	Pilot activity on reducing child sex tourism in many centres nationwide. Sets up Child Safe Tourism Commissions with the Ministry of Tourism (MoT). Trains at-risk children as well as teachers, village Chiefs, MoT staff and business owners in prevention of sexual exploitation of children. Advocacy.

Table 2: Overview of sampled activities

For each NGO sampled, the following stakeholders were interviewed:

- ANGO program staff (e.g. Program Director, Desk Officer);
- CNGO program staff (e.g. Country Director, Program Director);
- Activity implementation team members (e.g. Activity Manager, technical/field staff);
- Activity beneficiaries, community representatives etc.

2.3 Methods of Inquiry

The broad methodology employed was qualitative. The particular methods of inquiry included:

- Document reviews;

- Key informant interviews;
- Focus group discussions.

These three methods of inquiry were implemented over four broad evaluation stages:

- Orientation;
- ANGO inquiry;
- CNGO inquiry;
- Field inquiry.

Orientation involved a desk review of all relevant documentation furnished by the ANGOs including ADPlans, activity design documents, reports and other documents deemed relevant. The evaluation team consolidated the salient issues from these documents to gain an overview of the sampled activities and to orient the evaluation team to the broad issues for consideration.

ANGO inquiry involved key informant interviews with a total of eleven ANGO program staff from the six agencies. The focus of these interviews was on strategic issues such as the coherence of the sampled activity within broader strategic plans.

CNGO inquiry involved key informant interviews with a total of fifteen CNGO program staff, mostly based in Phnom Penh. The focus of these interviews was on tactical issues such as needs identification, context analysis, monitoring and evaluation etc.

Field inquiry involved a mix of key informant interviews and focus group discussions as appropriate to the context. A distinction was made between interviews with implementation team members and interviews with beneficiaries (direct and ultimate). The focus of these interviews was on operational issues and formal and informal evidence of change in beneficiary lives.

To inform the inquiry at all stages of the evaluation, a question guide was developed based on the three analytical frameworks outlined in Section 2.1. The evaluation team was of the view that grounding the question guide in established frameworks helped to minimise the likelihood of omitting important lines of inquiry. Further, it was expected that a structured approach to the question guide would ensure future cluster evaluations using the same methodology would capture consistent data, thereby facilitating trend analysis.

The process of developing the question guide involved consultations with AusAID's Organisational Review and Evaluation (ORE) Section and ACFID. The emphasis of questioning was context-driven. Interviews with implementation team members focussed on operational matters relating specifically to activity management and activity impact, whereas interviews with the CNGO management and ANGO staff focussed more on tactical and strategic matters. In all cases, the evaluation team members took extensive individual notes during the interviews that were consolidated at the end of each day. The question guide is attached in Appendix 12.

2.4 Feedback and Analysis

At the conclusion of the three-week in-country stage of the evaluation, observations and preliminary findings were fed back to CNGO leadership. The evaluation team raised issues requiring clarification and CNGO staff provided points of correction. A similar feedback process was conducted with ANGO stakeholders through a series of telephone conferences following the evaluation team's return to Australia.

The evaluation team then carried out content analysis of activity documents and interview transcripts in order to identify common themes and exceptions in both the intra-agency and inter-agency responses. The data collated from this process was presented as draft agency-specific findings and draft overall findings. These were then reviewed by stakeholders¹¹ to ensure fairness and accuracy of reporting.

¹¹ Review findings involved the following six steps: i) draft agency-specific findings reviewed by relevant AusAID staff or advisors; ii) draft agency-specific findings provided to agencies; iii) broad findings presented to DPAC; iv) draft

3. FINDINGS

This chapter synthesises the overall findings of the cluster evaluation. First, activities are assessed against AusAID's NGO Quality Assessment Framework. Second, the organisational context of activities is examined using ACFID's NGO Effectiveness Framework. Third, the geopolitical context of activities is reviewed using the STEEP Framework. This overall synthesis of the cluster evaluation findings is amplified in Appendices 1 – 6, where agency-specific findings are presented.

As noted in Section 2.1, the monitoring and evaluation of international aid is made difficult by the complexity of measurement and attribution. The evaluation team was of the view that interpreting individual activity performance from a wider perspective of organisational and geopolitical context was a position of integrity.

3.1 Activity Implementation Integrity

This section reports findings concerning the performance of individual activities using the four attributes of AusAID's NGO Quality Assessment Framework: relevance, efficiency, effectiveness and sustainability¹².

In general, the six sampled activities were found to be at least satisfactory. In some cases there was evidence of high quality performance. All activities were relevant in their respective development contexts. Implementation was generally carried out in a professional manner. While each of the sampled activities was at a different stage in its lifecycle, there was evidence of reasonable progress towards achievement of stated objectives. The majority of activities appeared likely to foster sustainable outcomes. All activities were contributing to poverty reduction in line with the aims of the ANCP. A range of significant risks to activity performance were identified. Weaknesses included monitoring and evaluation (including internal feedback of performance information), and documentation of risk management strategies.

3.1.1 Relevance: the activity has appropriate objectives and design

Three themes were identified concerning the relevance of activity objectives and designs:

- Most activity designs were developed within broader program strategies.
- A relationship appeared to exist between the responsiveness of implementing agencies to changing circumstances and the appropriateness of activity designs. Most agencies implemented participatory design techniques to ensure relevance to beneficiaries.
- Activity designs generally incorporated strategies to address gender equity and the inclusion of marginalised groups but these strategies had mixed success.

Each activity was situated within a particular sector, and there was mostly alignment with the particular ANGO or CNGO strategy. Depending on the structure of the international NGO, this alignment was informed by country, regional, global or donor strategies. For most of the agencies evaluated, this need for alignment did not appear to pose any major challenges since there was broad consensus at all levels concerning program priorities. For example, the Australian Red Cross's (ARC) activity is coherent within the Federation's strong commitment to tackling HIV/AIDS within the Asia Region. The Caritas activity is aligned with Caritas Australia's (known in Cambodia as Australian Catholic Relief—ACR) strategy for Cambodia, but is increasingly informed by the development of Caritas Cambodia's county program strategy. It is also influenced by the emerging capacity and strategy of their CNGO partner, CODEC.

The two main exceptions found in terms of strategic coherence were CUFA and NCCA. CUFA has no country strategy owing to its narrow mandate concerned with

report circulated to AusAID stakeholders; v) the draft report provided to agencies; vi) the final report presented to AusAID, the stakeholder agencies and ACFID.

¹² For details on this framework see Appendix 12

building the capacity of credit unions in the Asia Pacific region. Further, their activity was initiated in response to a need identified by CARE Cambodia. Nevertheless, the activity remains relevant in terms of providing financial services for the rural poor¹³. In the case of NCCA, annual funds for de-mining are provided to CWS-C who is wholly responsible for developing and articulating a rural development strategy within which de-mining sits. CWS-C in turn engages the Mines Advisory Group (MAG), a highly regarded international de-mining agency in Cambodia. Hence, within this structure, CWS-C is central to ensuring the relevance of ANCP funds. The evaluation team was satisfied that target area selection in recently resettled conflict areas was appropriate, and formed part of a longer-term rural development strategy for those areas.

The use of participatory techniques appeared to be an important way for agencies to ensure the relevance of their activity designs. In most cases, the ANGO relies on the CNGO partner to ensure activity design relevance through participatory processes. For example, WVA supported WVC to carry out needs analysis and design for their Child Safe Tourism activity, which was informed by research involving the Ministry of Tourism. The successful piloting of their approach is now being incorporated into WVA's upcoming AusAID Cooperation Agreement. ARC's activity is informed by ongoing participatory data collection carried out by staff and volunteers. Caritas' partner, the Cooperation for Development of Cambodia (CODEC), conducts Participatory Rural Appraisals (PRA) at village level on a regular basis to identify the poorest households and to assess the needs of villagers. Similarly, the ALWS activity employs an innovative annual participatory M&E and planning process at village level to identify the poorest households, and to prioritise activities. However, an interesting theoretical tension exists between ALWS' program approach and pure participative theory. That is, while they engage in bottom-up processes for annual activity planning, they do so within a broader established model for rural development—arguably a top-down approach. The agency is cognisant of this theoretical tension, and actively engages in debate to mitigate the associated risks. Further, the model itself has evolved in Cambodia through iterations of an action-learning approach. To some extent, this tension is a common feature of NGOs that are members of a larger international federated structure within which global mandates and strategic plans need to be reconciled with diverse local development issues.

All activity designs articulated a commitment to addressing gender equity issues, and several defined strategies for targeting of marginalised groups. For example, ALWS' activity has installed democratic processes within Village Development Committees (VDC) to promote the active involvement of women in decision making. They also have a deliberate strategy to engage with ethnic minority groups, and a participatory process for identifying the twenty poorest households in each target village. The WVA activity is particularly meritorious concerning marginalised groups with its focus on exploited children, especially girls.

However, the evaluation team observed mixed success among sampled agencies with the gender equity and minority group inclusion strategies. For example, CUFA's activity defined a target of 50% engagement of women but reported difficulties in actually achieving this target. The exception to this was Caritas/CODEC, who successfully mobilised 70% female membership among village affinity groups otherwise referred to as Affinity Groups for Development (AGDs).

3.1.2 Efficiency: The activity is implemented in a professional manner

The evaluation team were satisfied that, in general, activities were professionally implemented¹⁴. Four general themes were found to be central to the professionalism of activity implementation:

- The quality of NGO staff

¹³ N.B. It was difficult for the team to make a definitive assessment of design appropriateness, owing to an on-going technical debate within the micro-finance sector concerning the merit of different approaches to micro-finance.

¹⁴ This finding aligns with the findings of NGO accreditation processes to which all the sampled agencies have complied.

- The quality of general management and administration
- The scope of M&E systems
- The extent of risk identification and management

Section 33.2.7 discusses in detail the subject of staff/volunteer quality. For the purposes of this section, it is sufficient to note that the evaluation team observed evidence of high quality staff and volunteers. Arguably, the commitment of personnel at ‘the coalface’ is central to ensuring professional implementation.

Similarly, while a detailed audit of agency management and administrative processes was beyond the scope of this evaluation, the evaluation team formed the view that the timeliness of progress and the level of staff coordination at activity level were generally indicative of satisfactory management and administrative processes. This supports the findings of the AusAID accreditation process.

The importance of rigorous M&E processes is increasingly acknowledged as being fundamental to professional implementation. M&E is broadly concerned with ensuring accountability and promoting learning. While all agencies were found to adequately comply with AusAID’s reporting requirements, accountability to broader stakeholders was less consistent. Also, there was some variability in the extent to which M&E systems were deployed to promote agency-wide learning (the issue of learning within sampled agencies is the subject of Section 33.2.3).

Arguably, the most comprehensive M&E processes were implemented within the ALWS activity. Both formal and informal communication mechanisms enabled reflection and feedback at all levels. Australia-based staff were kept abreast of activity-related detail and provided critical feedback to CNGO management. This was reported to be greatly appreciated by LWS staff in Cambodia, and appeared to foster a culture of reflection and learning. Formal reporting processes implemented on an annual cycle enabled accountability and learning at the activity level. Further, an elaborate participatory M&E process was installed at village level which, in addition to informing debate about activity impact, enabled capacity building of beneficiaries.

The M&E work of Caritas Australia staff based in Cambodia was also observed to have been central to the emergence of a culture of reflection and learning. However, in contrast to the LWS activity, this involved building the M&E capacity of their local NGO partner, CODEC. Caritas has a comprehensive and systematic approach to fostering and monitoring CODEC’s capacity development.

In contrast to both ALWS and Caritas, NCCA was found to adopt a relatively ‘hands-off’ approach to activity M&E. This was reported to be made possible by the long-term nature of their partnership with CWS in Cambodia, and the emergence of a ‘trust-based relationship’. While the evaluation team observed strong informal communication and effective implementation, the duty of accountability is a matter for NCCA to examine more closely—probably as part of their upcoming accreditation process.

A fourth M&E scenario was observed within the WVA activity. In this case, while WVA have established detailed M&E strategies as part of their standard policy and practice, these strategies were not being implemented within the sampled activity. The apparent breakdown of the established system was reported to be a function of staffing problems that were addressed shortly before this evaluation. Nevertheless, the evaluation team found the activity to be implemented in a professional manner, owing to the intimate knowledge of WVC Project Officer, and his ability to engage with government staff and decision-makers.

An area for further investigation noted among the sampled activities was the limited use of formal or structured approaches to tracking the prevalence and consequence of risks. While most activity logframes identified design risks or assumptions, these were rarely translated into systematic risk management strategies. Most agencies’ documents lacked formal use of risk typologies and detailed risk management plans. AusAID’s requirement for brevity in ADPlan documents may be a contributing factor. Given the inherent riskiness of the operating environment, failure to apply some

rational framework to identify and manage risks leaves activity performance vulnerable.

3.1.3 Effectiveness: the activity is likely to achieve desired results

As noted in Section 2.1, the challenges of measurement and attribution in determining the performance of activities are widely acknowledged. In the case of the ANCP, these challenges are further compounded by AusAID's administrative requirement for brevity, and consequently, the broad nature of activity documentation. In some cases, a single ADPlan is required to report activities in multiple countries, at different stages of implementation. Unsurprisingly, objectives tend to be broad—and hence make precise judgements about activity performance difficult.

To accommodate this situation, the evaluation team endeavoured to develop an appreciation for each sampled activity's purpose and objectives by reviewing all available documentation, and through extensive interviews with ANGO and CNGO staff before proceeding to the field. Interviews with implementation team staff and beneficiaries were then focussed on gathering formal and informal evidence of changes fostered in people's lives as a result of the sampled activity.

In general, the evaluation team was satisfied that all the sampled activities were on track to foster the desired results—recognising that activities are all at different stages in their implementation cycle.

The main issue of concern to the evaluation team was the apparent variability in formal reporting systems to enable informed judgements about progress. This relates to the issue of M&E capacity discussed in Section 3.1.2. One example of where formal reporting systems were in place was the Caritas activity. In this case, the implementing partner, CODEC, was able to articulate formal reporting processes to ACR; and could describe how information was used to guide implementation planning.

However, more widespread was reliance on informal communication systems. Activity implementation staff in all activities demonstrated strong tacit knowledge of the performance of activities—including areas of weakness or risk. The perceptions of staff concerning activity effectiveness were generally corroborated in interviews with beneficiaries. All beneficiaries interviewed demonstrated adequate knowledge of the purpose of activities, and were able to articulate progress that had been made.

For example, evidence that ARC's activity is having an impact was largely anecdotal, rather than documented, but the activity was clearly creating change in the area visited by the evaluation team. The perspectives of the CRC management team were aligned with those of activity implementation staff, and further, were corroborated in interviews with beneficiaries. The evaluation team was satisfied that the activity was contributing to improved quality of life among persons living with HIV/AIDS (PLWHA). In particular, there was evidence of reduced discrimination towards PLWHA and increased awareness of HIV/AIDS among village and commune leaders.



Mrs X is a member of self-help group for persons living with HIV/AIDS (PLWHA), established and supported by the ARC activity in Kampot Province. Her husband, a taxi-driver working in Phnom Penh, returned home with a persistent illness—suspected malaria. After two years of sickness the village leader recommended blood tests and referred the family to Red Cross Volunteers (RCV). Blood tests showed both Mrs X and her husband to be HIV positive. RCVs worked with neighbours to combat stigma. Now Mrs X is a member of a self-help group that grows mushrooms for sale in the market. She is also now an active RCV, working to support other people diagnosed with HIV and to combat community stigma.

Evidence that the ALWS activity was on track was derived from both formal reporting and informal or tacit knowledge. The evaluation team observed that the Village

Development Committee (VDC) visited could clearly articulate the objectives of the activity, and demonstrated a range of outputs delivered by the activity to date.



Mrs X is the mother of three children living in a village within the ALWS activity target area. Her husband left when the youngest child (pictured) was three months old. She was identified as one of the 'poorest households' in the village through the participatory process installed by LWS and was also elected for a three year term as the Treasurer of the Village Development Committee (one of three female VDC members out of seven). She is proud that she can contribute to village development, even though hers is one of the poorest households.

The technical focus of the NCCA de-mining activity (subcontracted to MAG) makes assessment of progress straightforward—literally the area of land cleared. The progress of mines clearance is reported through formal mechanisms by MAG, however, the community development impact of the de-mining activity is embedded within a broader rural development strategy implemented by CWS-C with the support of other donors. Although evaluation of the CWS-C rural development program was beyond the scope of this evaluation, there was substantial informal evidence of impact reported by project staff and beneficiaries.



Mrs X is a 'Locality De-miner' working for MAG within the NCCA activity. Her family were attacked by the Khmer Rouge in 1987 because her father was a government soldier. Their house was burned down. Later, her father and brother were both killed by landmines. After marrying, her husband was gathering vines in the jungle and was killed by a landmine. Understandably, she has very strong feelings about landmines. She joined MAG in 2004 where she received one month of theoretical training and two weeks of practical training in mines clearance. She wants to see all landmines removed from Cambodia as soon as possible.

3.1.4 Sustainability: the activity is likely to have sustainable outcomes

All sampled activities were at different stages of maturity; none were complete. The impracticality of judging the sustainability of activities before they have been completed is acknowledged¹⁵. The evaluation team accommodated this reality by identifying and assessing strategies and mechanisms that were incorporated into activities to promote sustainability. Predictably, different issues concerned with sustainability were identified:

- The maturity of the activity;
- The nature of the intervention and the problem that it aims to address with beneficiaries;
- The extent to which activity outcomes are dependent on beneficiaries vis-à-vis the implementation team.

Assessment of the sustainability of strategies employed was most ambiguous for activities that were relatively 'young'. For example, the WVA activity was a pilot activity implemented primarily to test the efficacy of an approach to promoting child-safe tourism. Nonetheless, the strategy employed was found to be appropriate to the task. In this case, the sustainability strategy involved engaging the government at all levels; seeking the support of tourism operators; and developing local mechanisms for child awareness in areas known to be popular with tourists. Arguably, the strongest indication of sustainability in this activity was the successful establishment of Child Safe Tourism Commissions. These institutions appear to be independent of WV and hence are likely to be sustainable.

¹⁵ See Kilby 2004.

The nature of the development problem targeted by activities was found to be a factor in assessing its sustainability. For example, the ARC activity, in mitigating the impact of HIV/AIDS provided some material support to PLWHA. This could be criticised as being 'unsustainable' or has having a welfare/relief orientation. However, it was evident to the evaluation team that the CRC management and activity staff had grappled with this complexity, and were able to articulate a defence. In this case, the immediate humanitarian needs of PLWHA were met through material support provided by CRC, but other activity components worked towards more long-term sustainable outcomes—such as the engagement of local authorities in fundraising to support of PLWHA, and establishment of PLWHA self-help groups.

In contrast to the ARC activity, the benefits of the NCCA de-mining activity were found to be fundamentally sustainable—the removal of mines marks the end of the problem. Nevertheless, a further strategy to promote sustainability involved the engagement and training of 'locality de-miners'—an approach that involves the recruitment, training and equipping of local people to work with MAG as de-miners.

A further element identified to affect the sustainability of activities was the extent to which the strategy was dependent on the engagement and capacity of beneficiaries vis-à-vis the implementation team. For example, whereas the removal of land mines in the NCCA activity was wholly within the control of the implementation team, the community development interventions implemented within the ALWS activity were dependent on the Village Development Committees (VDCs). In this case, sustainability was a function of the extent to which the VDC was empowered as the 'owners' of village development. In the area visited by the evaluation team, there was evidence of this ownership.

Arguably, the greatest risk to sustainability occurred where activities were dependent on external financial resources. For example, while the Caritas activity appeared to have been successful in building general local capacity, the long-term viability of savings and loans groups was uncertain due to their dependence on periodic cash injections from Caritas. Similarly, the CUFA activity faces significant risks to sustainability arising from the need for capital injections to support credit union operations until sufficient savings capital can be accrued.

3.2 Organisational Context

This section identifies constraints and enablers in the organisational environment of sampled activities. The 'NGO qualities' section of ACFID's NGO Effectiveness Framework was used for this analysis because it identifies a range of areas agreed by the ANGO sector as being central to activity quality. These NGO qualities include:

- High quality relationships;
- Long-term engagement;
- Organisational learning;
- Adaptation;
- Working together;
- Risk taking;
- Quality of staff and volunteers.

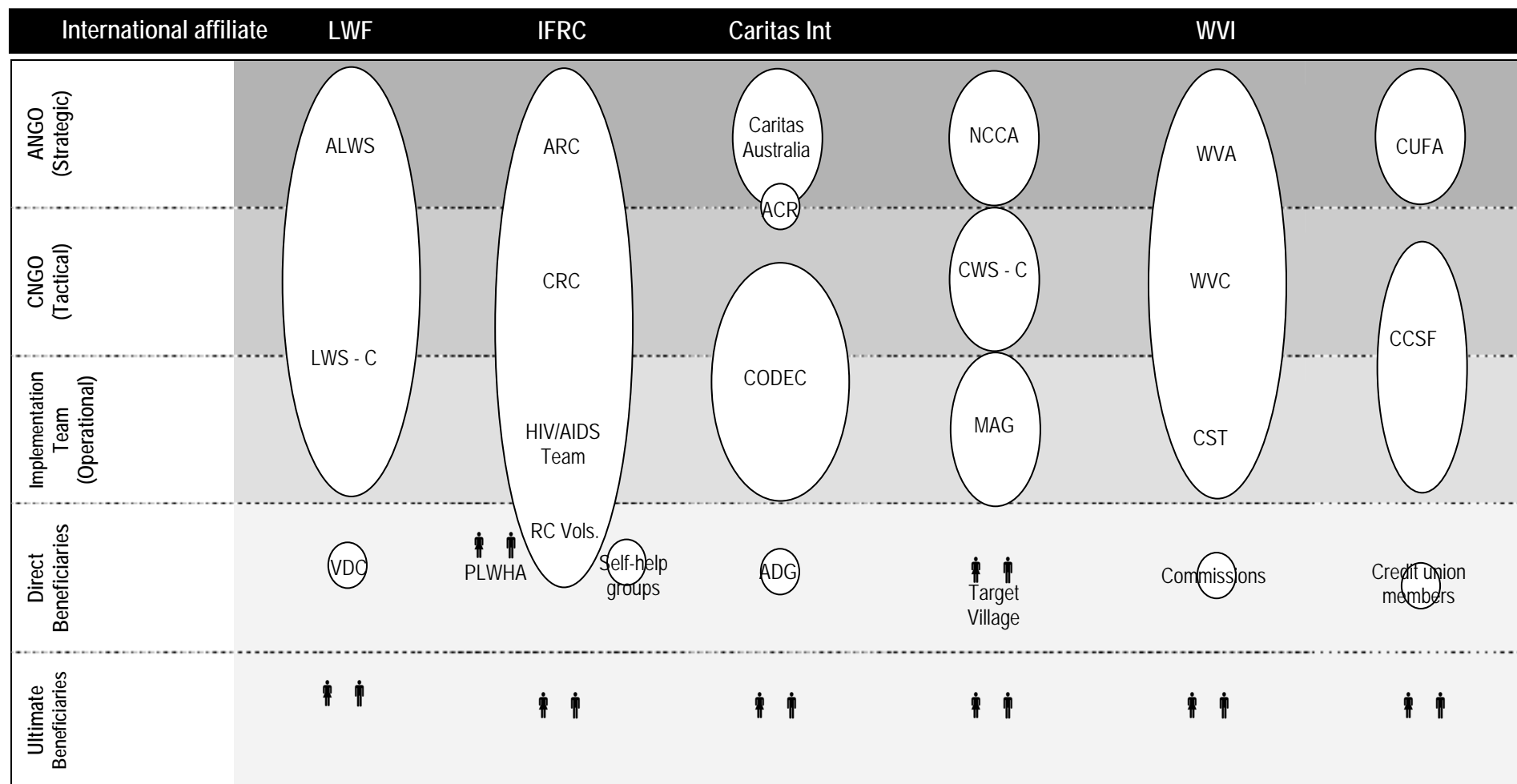
In general, the evaluation team found evidence that the relationships within and between activity stakeholders were high quality and engagement strategies tended to be long-term. Agencies showed evidence of learning and adaptation over the term of engagement and tended to operate in high risk situations, or in situations where funding may have been difficult to secure from other sources. The quality of staff and volunteers was observed to be an important strength. However, the extent to which agencies work together was found to be an area of weakness. Each of these NGO qualities is discussed in turn.

3.2.1 High quality relationships

High quality relationships are believed by the ANGO sector to be an important ingredient for building local capacity and self-reliance among implementing partners, and to ensure the effectiveness of activities.

The evaluation team observed that the nature of relationships between ANGOs and CNGOs was influenced by a diverse range of administrative structures. A representation of these structures is presented in Figure 1.

Figure 1: Diverse administrative structures among the sampled activities



The 'y' axis in Figure 1 describes the hierarchies that underpin the working relationships:

- ANGO international affiliate organisation;
- ANGO partner (activity strategic management);
- CNGO partner (activity tactical management);
- Implementation team (activity operational management);
- Direct beneficiaries;
- Ultimate beneficiaries.

The structural arrangements represented in Figure 1 define the basic framework within which relationships have developed. In some cases (e.g. ALWS, ARC and WVA) ANGO and CNGO relationships pre-existed the sampled activity as a function of the larger federated structure of those agencies. In other cases (e.g. Caritas Australia, NCCA and CUFA), activities were implemented through partnerships with otherwise unrelated organisations. Where multiple entities are involved in implementation there is the possibility of synergies arising from different technical skills and institutional strengths; however, there is also the likelihood of greater administrative complexity and inefficiency.

A further element that was observed to influence the quality of relationships was the nature of the interaction between the implementing agency and the direct beneficiaries, and the extent to which direct beneficiaries were organised within an entity or institution. There was some evidence to suggest that where beneficiaries were organised through pre-existing institutions (e.g. the ALWS activity works with Village Development Committees) this was more likely to be sustainable than where groups were organised specifically for the purposes of the activity (e.g. the ARC activity works with Self-help Groups for PLWHA; the Caritas Australia works a local NGO).

Beyond the subtlety of administrative structures, the evaluation team noted that relationships between ANGOs and their partners were consistently strong. All ANGOs were committed to building the capacity and self-reliance of local entities where appropriate. This commitment was evident in both rhetoric and documentation. In several cases, CNGO partners expressed deep appreciation for critical feedback, dialogue and training received from their ANGO partners. The only exception noted was the NCCA – CWS-C relationship where it was argued that CWS-C was a sufficiently strong organisation in its own right, and hence was less dependent on NCCA¹⁶. Moreover, capacity building of MAG, as a subcontractor to this partnership, was unwarranted, owing to the specialist technical nature of their de-mining work.

3.2.2 Long-term Engagement

The ANGO sector has identified that long term engagement contributes to effective aid delivery and promotes sustainability, particularly in complex development contexts.

The evaluation team found that the sampled agencies and their partners have been engaged in Cambodia for substantial periods, and have tended to maintain focus in selected geographic locations, concentrating in particular sectors. CUFA, the only exception, has only recently engaged in Cambodia at the request of CARE International, but aim to continue with their local partner for the foreseeable future.

Long-term engagement has enabled agencies to develop in-depth understanding of activity environments and stakeholders. In turn, this has facilitated an evolution of activities and implementation approaches in step with changing beneficiary circumstances. This was evidenced in the high level of relevance of activities, as discussed in Section 3.1.1.

Long-term engagement has been accompanied by extensive capacity building of partners and of local staff. Where appropriate, there has been nationalisation of in-country agency staff. A spin-off benefit of long-term engagement is that some agencies use activity progress data for educating their Australian constituency. For example, ALWS has used their ANCP activity as a platform for development education in Lutheran schools in Australia, and has hosted field visits by these schools to Cambodia. This aligns with the spirit of the ANCP.

¹⁶ N.B. NCCA reported that the relationship with CWS-C was an exception within their broader portfolio of implementing partnerships.

The evaluation team found that, despite the long-term engagement, there was no evidence of agencies becoming 'comfortable' or complacent. Activities were dynamic and exit/graduation strategies were in place where they were warranted by design.

3.2.3 Learning

Learning and reflection is widely acknowledged to be a key mechanism for continuous improvement and effectiveness.

While a general commitment to learning was evident in agency documentation and rhetoric, the evaluation team noted diversity in the extent to which this commitment was borne out in practice. As noted in Section 3.1.2, the evaluation team formed the view that organisational learning was a function of an agency's M&E capacity, and its broader organisational culture.

Sampled agencies were located along a continuum between M&E processes predominantly for compliance with donor requirements; and M&E processes predominantly for reflection and learning. It was evident that where the predominant focus was oriented towards the latter, an organisational culture that valued reflection and organisational learning was apparent. Interestingly, these organisations still adequately complied with donor and other stakeholder requirements.

The best example of reflection and learning was identified within the ALWS activity. Reflection was practiced and documented at all levels: from household/village, implementation team, CNGO management, ANGO support office. The outcomes of reflection were also communicated between all levels, resulting in responsiveness to activity issues.

Arguably the weakest example of reflection and learning was the NCCA activity; however, this finding should be considered in the light of the technically specialised nature of demining, and the relatively small amount of resources invested. Hence, in this situation, a predominant M&E focus on compliance may have been appropriate. Nevertheless, the activity was implemented effectively and there was evidence that reflection and learning were incorporated within CWS and NCCA's overall approach to development.

Reflective practice was clearly undertaken within WVA's activity, however this practice was largely a solitary endeavour carried out by the WVC Project Officer. Data collected formally was largely compliance focussed. This situation suggested a breakdown in internal communications within the activity since a gap in knowledge, learning and agency response existed. This was a significant constraint, but was acknowledged to be a function of staff performance issues with a previous WVA Project Officer, and the relatively recent appointment of a replacement.

The evaluation also identified that learning practices are more easily facilitated within certain organisational structures. That is, the smaller agencies with close partnerships appeared to foster closer relationships and better reflective practices and learning through their M&E than the larger ones. The larger, more corporate entities appeared to be more compliance focussed in their M&E strategies. However, the example of ALWS indicates that large organisations can be reflexive, benefiting from a global structure, while maintaining the manoeuvrability of a small agency.

3.2.4 Adaptation

The ANGO sector has identified that an ability to adapt and be responsive to dynamic development contexts is necessary for effective aid.

The evaluation team observed evidence that sampled agencies had been responsive to changing circumstances and new knowledge throughout their long-term engagement, and had adapted accordingly. This was most evident in the history of each agency, most of which had commenced Cambodian operations with post-conflict relief programs. There was also evidence of more subtle adaptations in implementation approach within the sampled activities, particularly in agencies that demonstrated a culture of reflection and learning, as discussed in Section 3.2.3.

One overt example of adaptation by agencies has been the nationalisation of activity staff. For example, Caritas reduced in-country staff from around twenty in the early stages of their involvement in Cambodia to the current two national staff. Similarly, ARC has progressively

reduced their expatriate staff to one management advisor, currently scheduled to phase out within the next six months.

3.2.5 Working Together

The ANGO sector has agreed that collaboration between NGOs is an important contributor to effectiveness. However, the evaluation team found that although there were cases of strong collaboration *within* activities (e.g. WVC has collaborated effectively with government departments), collaboration *between* activities was less prevalent.

The benefits of NGO collaboration are clear in terms of sharing skills and lessons, and the emergence of synergies. However, there are also opportunity costs associated with taking time away from activity implementation to develop these linkages. Nonetheless, the sector has identified collaboration as a dimension of NGO effectiveness and argues that its benefits outweigh the costs.

The evaluation team found no examples of proactive collaboration between NGOs in terms of activity implementation. There was some general collaboration at the CNGO level. For example WV is a member of an alliance of child focused agencies and LWS is an active member of the Cambodian NGO forum, the Cooperation Committee for Cambodia. CRC refers PLWHA to MSF for ARV treatment. CUFA and CARE have had a mutual interest in CCSF.

Nonetheless, there is likely to be merit in agencies exploring opportunities for more in-depth collaboration at the activity level. For example, ALWS and Caritas are both implementing activities in integrated rural development, and are likely to benefit from cross-fertilisation of ideas.

3.2.6 Risk Taking

The ability and willingness of NGOs to take risks has been argued to foster innovation and responsiveness, thereby ensuring more effective aid. As noted in Section 1.3, the unique characteristics of the ANCP create opportunities for NGOs to take these risks. The evaluation team identified risks deriving from two main sources:

- Working in situations where activity outcomes are uncertain;
- Working in areas where activity stakeholders are physically exposed to risks.

Risks concerned with the uncertainty of activity outcomes may arise from a range of socio-cultural, technical, economic, ecological and political factors. To some extent, these risks are a function of the ambiguity and 'open systems' nature of development assistance. These factors are discussed in Section 3.3 with reference to the geopolitical context of activities.

Risks concerned with the physical safety of activity staff, partners and beneficiaries arise in areas otherwise poorly served by official development assistance, and tending to lack basic infrastructure, services or political/administrative stability. For example, staff in the ALWS activity have been exposed to health risks and injury associated with the remote areas in which they work, and secondly, the advocacy work that they are engaged in, which has attracted threats.

As noted in Section 3.1.2, the evaluation team identified formal risk identification and risk management strategies as an area for further development among the sampled agencies.

3.2.7 Quality of Staff and Volunteers

The ANGO sector have identified that the quality of people employed is one element that contributes to effectiveness.

The evaluation team observed what appeared to be a correlation between the quality of implementation staff and the apparent effectiveness of activities. This relationship is unsurprising given their proximity to beneficiaries, and the influence that they exert on the cultural appropriateness and technical feasibility of activities.

One example of where the quality of staff was observed to be an important factor in activity effectiveness was the WVA activity. In this case, the project officer responsible had developed relationships with significant government and tourism industry partners, thereby furthering the advocacy agenda of the activity. He detailed to the evaluation team how child

sex tourism was not only abhorrent at the individual level, but was destructive of Cambodian culture. Thus he identified his motivation toward activity objectives at multiple levels.

Examples of high quality staff were observed within all sampled activities. The success of the ARC activity has arguably been built on the work of volunteers who assist PLWHA. This was illustrated by the fact that they frequently work up to forty hours per week when only subsidised to work for five hours per week. While the evaluation team raised concerns about the welfare of these volunteers, no problems were reported. Similarly, the MAG locality de-miners demonstrated strong motivation for the NCCA activity, and accordingly, were afforded status and respect by fellow villagers. CUFA reported that the success of their activity to date has largely been attributable to the high quality of CCSF management. Indeed this was observed by the evaluation team in the form of rigorous but appropriate management systems and procedures for credit union administration. Caritas in-country staff (ACR) have implemented a successful long-term strategy to build the capacity of local NGOs. This involved providing seed funding to a number of NGOs, observing their process and outcomes, and then continuing to fund and provide capacity building for the most successful organisations. The high quality of their partner, CODEC, is evidence of the success of this strategy.

All sampled agencies reported that they provided staff development opportunities. The activity manager for ALWS reported that they have a policy of providing targeted training for poorly performing staff, rather than dismissing them. While this was considered developmentally sound, it is possible that this approach could impose a performance risk on the activity.

3.3 Geopolitical context

This section describes the impact of the geopolitical environment on activities. Geopolitical factors affect the broad context within which activity implementation takes place, and hence may have direct or indirect influence on activity performance. In this evaluation, the STEEP¹⁷ framework was used to systematically examine the geopolitical environment. Each domain of the STEEP framework is discussed in turn with reference to general issues noted to affect sampled agencies and activities.

3.3.1 Socio-cultural factors

Socio-cultural or 'human' factors were found to interact with activities. Significant socio-cultural constraints identified by the evaluation team included:

- Disempowerment giving rise to de-motivation;
- Resistance to change;
- Poorly developed technical skills.

The legacy of conflict in Cambodia includes trauma, large-scale loss of skills and literacy, breakdown of social systems, disempowerment involving loss of hope and motivation, and a culture of suspicion and distrust. These factors were particularly prevalent immediately post-conflict but continue to affect the nation and the target activities to varying degrees.

Many of the life stories told to the evaluation team by beneficiaries involved loss of loved ones, injury or other significant trauma. Unsurprisingly, disempowerment and de-motivation were reported by some agency staff as presenting significant challenges to activity performance. Nevertheless, the history of conflict and trauma was also a source of motivation for some individuals—for example MAG locality de-miners working within the NCCA activity reported being motivated by their personal exposure to land mine injuring in the community.

A culture of resistance to change may be considered a general inhibitor to activity performance. Although, in some cases a shift in public attitude toward changes promoted by activities was also reported. For example, attitudes towards both the WVA activity advocating against child sex tourism, and the ARC working with PLWHA were found to become more positive over time. Nevertheless, several activity staff identified resistance to change and suspicion as significant constraints. Staff with the Caritas and ALWS activities,

¹⁷ See Appendix 11 for details of the STEEP framework.

for example, identified this as being particularly significant in the early stages of implementation. LWS-C staff reported that, despite the seemingly obvious benefits, prioritising rural feeder roads to a target village required persistent advocacy work.

The issue of skill shortages is widely acknowledged as an important development challenge for Cambodia. This issue is borne out in the capacity of partners and beneficiaries to engage in some project activities where a minimum level of literacy or technical skill is required—for example participation in village banking activities.

3.3.2 Technical factors

Technical factors are concerned with the quality resources available, and how this interacts with activity performance. Two main technical constraints were identified by the evaluation team:

- Human resource quality;
- Technology, infrastructure and services quality.

Low literacy and skills shortages within the general population are pervasive, owing in part to Cambodia's past conflict (as discussed in Section 3.3.1). Some agencies identified recruitment of skilled staff as an ongoing problem. For example, CUFA's partner (CCSF) has struggled to recruit skilled people to work in savings bank management positions that are vital to activity performance.

The issue of staff skill was managed by agencies in various ways. ARC, for example, has funded a fulltime expatriate advisor position for several years to build management capacity and technical skill within CRC. The success of this approach was evidenced by the fact that the position was being phased out at the time of this evaluation. Further, the large pool of Red Cross volunteers has served as the agency's recruitment pool, with many senior managers within CRC having previously been volunteers. In contrast, Caritas Australia has maintained a skeleton of long-term staff in Cambodia (ACR) with demonstrated capacity, who are responsible for building the capacity of local NGO staff. ALWS held the view that they were able to attract and retain qualified staff owing to their long-term engagement in Cambodia, and their strong reputation for supporting and training local staff.

Beyond the human resource quality constraint, underdeveloped technologies, infrastructure and services were reported to variously affect activity performance. For example, weak Information Communication Technology (ICT) infrastructure impeded activity communication between LWS staff in remote locations. Poor road infrastructure rendered some project areas inaccessible to CWS/MAG in wet periods, and increased the cost of vehicle maintenance. Nascent law enforcement and judicial systems struggled to deliver the threat of prosecution of child sex offenders as advocated by the WVA activity.

3.3.3 Economic Factors

Whereas the technical domain of the STEEP framework is concerned with the quality or adequacy of resources, the *economic domain* is concerned with the quantity or sufficiency of resources necessary for activity impact. To some extent, Cambodia's status as one of the poorest countries in the world ensures that economic resource limitations are pervasive. Nevertheless, the evaluation team identified a hierarchy of economic constraints directly or indirectly affecting activity performance:

- Budgetary and resource limitations faced by agencies;
- resource limitations faced by beneficiary households that preclude full engagement/ participation/ adoption of innovations;
- resource limitations faced by the different layers of government that create a disabling environment for significant and sustainable change.

All the sampled agencies identified constraints associated with insufficient resources. For example, the prevalence of HIV/AIDS and increasing incidence of HIV infection placed significant strain on ARC resources, necessitating a reduction in the geographic area covered. The WVA activity was significantly under-resourced, as evidenced by the fact that it was implemented largely by a single officer, despite the broad scope and potential influence of the activity.

Beyond the resource limitations faced by agencies, the resource limitations faced by beneficiaries were found to affect activity performance. The difficulty of engaging the poorest households is a universal challenge because they are often alienated by the need to focus on livelihood-seeking. A number of agencies identified constraints created by this issue. Both the Caritas and ALWS activities developed strategies to enable the poorest households to be identified and supported such that they could participate in activities. But both agencies acknowledged the difficulty of actually identifying and engaging the lowest socio-economic strata. The conflict between beneficiary livelihood-seeking and activity objectives was most stark with the WVA activity. In this case pervasive poverty confines children who are the beneficiaries of the child-safe tourism activity to being dependent on high-risk behaviours for survival. The difficulties of this situation are compounded by Cambodia's booming tourism and growing international business sectors.

Beyond the resource limits of agencies and beneficiaries is the broad issue of economic constraints faced by the Government of Cambodia. Where activities are required to engage with or partner with government departments, these limits can significantly constrain activity performance. For example, the WVA activity is constrained because the Ministry of Tourism (MoT) does not have the funds to pay tourist police to operate after midnight, nor to independently conduct the Commissions set up within the activity. This situation is further compounded by the underdeveloped legal and judicial system noted in Section 3.3.2.

3.3.4 Ecological Factors

The environmental domain of the STEEP framework is concerned with natural resource externalities that impact on activity success.

Significant environmental constraints to activities include weather extremes and poor environmental management. The drought/flood cycle in Cambodia has had varied impacts on the sampled activities. NCCA's mine clearance has had to stop frequently when rain has made de-mining impossible. Flooding rain is a particular constraint for the activities that are implemented in rural areas or across multiple sites since vehicular access by activity staff is sometimes impossible. Conversely, long dry periods negatively impact on rural subsistence households, and compete with agricultural enterprises or integrated farming practices promoted by agencies such as ALWS and Caritas. In the case of the ARC activity, self-help groups for PLWHA were affected when chicken raising enterprises were devastated by bird flu.

Poor environmental management practices and a lack of understanding of environmental issues also pose a challenge to agencies seeking to foster sustainable development. In cases where agencies work to improve environmental management practices, these practices may result in reduced agricultural productivity or household livelihood, thereby posing a dilemma. For example, advocating against illegal charcoal production is in opposition to the only source of income for many rural households in Cambodia. Similarly, the Caritas activity has advocated for controlled fishing to preserve fish stocks in rivers, however, this principle has at times proved unconvincing in the face of immediate hunger.

3.3.5 Political Factors

The political domain is concerned with political and institutional externalities that impact on activities.

Development activities are inherently political because they impact on power relations. Predictably, diverse factors within the political/relational environments of activities impacted on progress. The most prevalent constraints identified by stakeholders arose from corruption and from the influence of political opinion on activities.

Corruption impacted activities at a number of levels. WVA assert that an unknown number of both public and private sector power holders profit from the child sex industry. These vested interests compound the difficulties of the activity because of their high-level influence and secrecy.

Similarly, the apparently corrupt land concessions made by the GoC to overseas interests have created constraints to progress in the ALWS activity. The GoC has provided a 90 year lease to a Chinese company for the purposes of a golf development on land that ethnic minorities consider their own. This concession has restricted villager access to

farming/grazing areas and timber and water resources. While ALWS continues to persuade villagers to use advocacy as their method of influencing this development, some villagers are contemplating direct protest action in the face of lack of GoC response to their advocacy. Threats made against ALWS staff over their involvement in this issue are a significant concern.

Political opinion of ARC and WVA activities has changed from constraining to enabling. For example, when WVA's activity commenced, political support was not forthcoming owing to perceptions that the activity may impact negatively on tourism. However, political attitudes, including those of some key national figures, have changed to being supportive. This change is attributable in part to the work by WVC along with the implementation of international initiatives including the US 'TIER' initiative.

ARC's activity faced similar constraints early in the intervention arising from discrimination against PLWHA and from apathy toward the cause. International press, the Global Fund, and CRC's actions have increased understanding and now attract support from local leaders. Stakeholder PLWHA informed the evaluation team that discrimination has decreased and that public acknowledgement of their illness by leaders has reduced stigma noticeably. It is also likely that the patronage of the President's wife and support of the Provincial Governor has assisted with this paradigm shift. Both WVA and ARC note that the positive change in political opinion toward their activities has created a less constraining and, at times, an enabling political environment.

Underdeveloped legislation and legal infrastructure is also a significant constraint identified by a number of agencies. For example, WVA's activity was constrained by lack of legislation and laws pertaining to tourism operators and CUFA's activity is exposed to high risk because no legislation covering credit unions exists in Cambodia. This means that ownership of assets is ambiguous and contributes to difficulties in attracting investors and donors. ALWS partner staff are not supported by adequate legal protection in the face of threats recently made against them. These threats have allegedly been made by supporters of a land concession from the GoC to a multinational company as discussed in Section 3.1.5. This concern for lack of protection for activity staff is made highly relevant in the face of the shooting death of a CWS activity director in 2004.

This section has highlighted a number of constraining and enabling factors, categorised by STEEP domains. It is clear that activity constraints in this environment significantly outweigh enablers, and that is likely to impact progress. Next, the organisational contexts of the target activities are investigated.

3.4 Ratings of agency performance

Ratings¹⁸ were developed through consideration of activity findings individually by the three evaluation team members and then through discussion and moderation of scoring.

First, each team member rated the activities at the indicator level of the AusAID QAF. Ratings within each attribute were then averaged to give an overall rating for that attribute. Those ratings are reported in Table 3.

Agency	ALWS	ARC	CARITAS	NCCA	CUFA	WVA
QAF Attribute						
Relevance	4	4	4	3.5	3.5	3.5
Efficiency	5	3	3.5	3	3	3
Effectiveness	4	3.5	4	4	3	3.5
Sustainability	4.5	4	4	4	3	3

Table 3: Ratings against AusAID QAF Attributes

¹⁸ Assessment based on the AusAID NGO Quality Ratings Guide: best practice (5), fully satisfactory(4), satisfactory overall (3), marginally satisfactory (2), weak (1) as per NGOPI.

The findings of this cluster evaluation largely support the activity self-ratings provided to AusAID by agencies. A number of points need to be made in relation to this comparison.

Agencies are required to rate each of the objectives of their activity against the statement: 'to what extent have the major development objectives as described in the original ADPlan proposed for this financial year been achieved to date'. This statement best compares to the QAF indicator: 'progress in achieving objectives', which falls under the third activity attribute – Effectiveness: 'project is likely to achieve desired results'. Thus, this evaluation can best compare the self-ratings score from agencies to the scores given by the evaluation team to that attribute.

Agencies rate each of their activity objectives, and the rating reported in Table 4 is the mean of those ratings. Agencies provide two reports against their ADPlans per year. In April they provide a progress report that only requires a rating out of five against the NGO Quality Ratings Guide. In October they provide an end of financial year report that requires a full narrative report as well as a rating against this Guide. Timing required that the findings from this evaluation are compared to April 2005 reports.

Issues related to this scoring system are discussed in Chapter 4.

Agency	Agencies' own rating April 05	Cluster evaluation rating of Attribute 3
ALWS	3.5	4
ARC	4	3.5
CARITAS	3	4
NCCA	5	4
CUFA	3.7	3
WVA	3.3	3.5

Table 4: Comparison of QAF ratings

The comparison in Table 4 demonstrates that agencies have generally rated themselves within the range of ratings given by the evaluation team except in the case of NCCA. This demonstrates that no attempts have been made to rate activities that are failing to meet objectives in an inaccurate manner.

The findings of this evaluation were also compared with target agency self-reports provided for the 2003-04 final reports. Given the significant time lag since July 2004, no definitive comments could be made. Nevertheless, the evaluation team considered that those reports were likely to have been largely accurate. This consideration was based on observation of current progress and lack of any evidence that would invalidate those claims.

3.5 Comparative findings with previous AusAID NGO evaluations

AusAID has conducted four reviews of NGO activities since 2000. The methodologies and sampling criteria have differed, limiting the value of comparison however some macro-level synthesis is useful. In addition, a review of performance measurement of the ANCP was conducted by Kilby¹⁹ in 2004. He identified the need for longitudinal data collection to enable trend analysis.

The Vietnam and Southern Africa NGO cluster evaluations conducted in 2000, involved all Full Accredited NGOs and activities funded from the ANCP and country windows. The findings of the two evaluations differed significantly. The Vietnam evaluation reviewed nine projects, finding approximately 90 per cent of activities as satisfactory or above with one example of best practice. Of the seven projects reviewed by the Southern Africa evaluation, three or four were rated as satisfactory or above depending on which assessment criteria were used. The findings of the Southern Africa evaluation were contested by the NGO sector. The Cambodia Cluster evaluation reviewed only ANCP activities of Full Accredited

¹⁹ Kilby, P, Options Paper, Revision of Performance Criteria for the ANCP Program, Sept 2004.

agencies. It found 100 per cent of activities to be satisfactory or above with one example of best practice.

The 2002 QAG rapid desk review of NGO programs found that 70 per cent of Full Accredited and 60 per cent of Base Accredited agency activities were rated as satisfactory or above. Kilby noted points of contestability with the QAG review.

The QAG review also found that NGOs were deficient in key areas which are generally considered to be key strengths of NGOs namely: social and contextual analysis; impact on poverty and gender equity; and the monitoring of social change processes. The Cambodia Cluster Evaluation differed from the QAG findings on these points. Firstly it identified contextual analysis in terms of field level understanding of the target NGOs to be of a high quality, owing to their long-term engagement. Secondly, it identified a strong poverty focus among activities noting for example, that one NGO has an innovative system for engaging the poorest stakeholders in activities. This evaluation also found that gender analysis was prioritised by agencies. For instance, one NGO fostered a high proportional representation of women in activities, and two NGOs identified a gender focus but faced difficulties in overcoming low representation of women. It found that most M&E processes were of high quality although not all NGOs displayed equal commitment to accountability and promotion of learning.

The 2003 ANCP ADPlan Review assessed the adequacy and accuracy of information contained in agency ADPlans, Performance Reports and Acquittals against activities in the field to ensure accuracy and reliability of reporting. It found that the current reporting mechanisms for Full Accredited agencies are adequate to ensure the integrity of AusAID's risk management approach to NGO Programs. The Cambodia Cluster Evaluation concurred with the 2003 ADPlan Review's findings that the ANCP is an innovative, high impact, low cost funding mechanism.

RECOMMENDATIONS RELATED TO FINDINGS

1. NGOs should investigate strategies for increasing in-country collaboration in a manner that enables information sharing to improve development outcomes
2. NGOs should broaden their M&E approach to encompass both compliance and reflection & learning.
3. NGOs should review approach to risk analysis, risk planning and risk mitigation methods and tools and strengthen this element of project design and management.
4. AusAID should consider revising the ADPlan format to increase clarity between multiple activities and to foster improved risk analysis.
5. AusAID should move to a three year ADPlan cycle

4. REVIEW OF METHODOLOGY

In the interests of reflection and the development of an optimal TOR for future ANCP cluster evaluations; this chapter reviews the TOR for this evaluation including its objectives, scope and methodology.

4.1 Review of Evaluation Objectives.

The objectives were achievable and relevant. Their achievement will make a contribution to AusAID's performance information and to its endeavour to develop a suite of performance measurement approaches. The dynamic nature and complexity of issues surrounding international aid work ensured that the definition of terms such as 'impact', 'quality' and 'performance' are in constant flux and the difficulties encountered by the evaluation team in gaining consensus on these terms indicates a need for the sector to agree on definitions.

The evaluation objectives reflected the fact that the team had less than two days for each activity visit. All sampled activities were being implemented in multiple sites and the time limitations precluded assessments being carried out at more than one or two sites for each activity. This is the nature of rapid assessments. The TOR reflected time constraints on data collection and focussed the assessment of activity integrity at the 'objectives' level.

Objective 1: Assessment of activity implementation integrity was limited to the 'development objectives' level of each activity. Assessment was guided by AusAID's NGO QAF, predominantly at its 'attribute' level, that compels assessment at the 'objectives' level of the activity.

Objective 2: There were obvious synergies between the first and second evaluation objectives, with the broad assessment of impact verifying the assessment of activity implementation integrity.

Objective 3: Assessment of the contribution of sampled activities to the ANCP objectives was readily achieved and was largely a matter of cumulative assessment and analysis.

Objective 4: Review of NGO self-assessments was achieved at the conclusion of the evaluation in light of data collected. However a fundamental flaw was identified with this objective. NGO self-assessment is based on only one of the four attributes within the NGO QAF, that is *Attribute C: the activity is likely to achieve desired results*. This evaluation used the QAF in its entirety to inform activity assessments and therefore a comparison of findings is of diminished value. Nevertheless, this objective was achieved.

It would be valuable to time future cluster evaluations shortly after annual ADPlan reports are submitted to AusAID.

Objective 5: Development of a replicable methodology for future ANCP cluster evaluations was achieved through action research with constant reflection on the scope and methodology throughout the evaluation. This evaluation can be considered to be the first cycle in a larger action research process in that the framework developed, and reflections provided in this review section, inform the planning stage of the next cluster evaluation and so on.

4.2 Review of the Scope

As referred to in Chapter 2, the evaluation team aligned with a systems perspective on NGO performance. To gain a comprehensive appreciation of target NGOs' performance, the evaluation team investigated three performance-related dimensions, namely the activity integrity, the organisational context and the geopolitical context. The validity of this approach was borne out in the relevance of the methodology and in the evaluation's findings.

The analytical frameworks used by the team were particularly valuable in that they fostered transparency and provided a systematic approach which can be used in future cluster evaluations to enable comparison of findings and trend analysis²⁰. The evaluation team did, however, find each of the three frameworks to have strengths and/or limitations.

²⁰ The need for longitudinal data was identified by Kilby, P, Options Paper, Revision of Performance Criteria for the ANCP Program, Sept 2004.

The AusAID NGO QAF is the tool of choice adopted by AusAID to assess NGO activity quality. The QAF consists of three increasingly complex levels. At its highest level, the four attributes of quality in the framework are unpacked descending into two further layers of indicators and quality standards. The causal relationship between these layers was not always clear. This presented additional challenges in its initial use in informing the question guide used throughout the evaluation. However, at its higher or 'attribute' level the framework was useful, relevant and, like the other frameworks, provided logic and discipline that ensured transparency and rigour.

Problems were also encountered in interpreting its criteria as there is some incoherence with issues of 'efficiency' discussed with respect to 'effectiveness' and also some duplication between different layers. A review of the NGO QAF framework should be considered.

The rigour of the approach to scoring activities using QAF was limiting. QAF requires ratings from 1-5 for each of its three levels down to the 42 quality standards. The application of absolute measures on characteristics with relative values was considered by the evaluation team to be problematic amongst the evaluation's overall findings. Thus, while the rating process was undertaken for each activity, the results should be considered in light of the evaluation's broader analysis. The rating scale also tends toward a median score as illustrated by Kilby²¹.

The ACFID NGO Effectiveness Framework was developed through considerable consultation and intellectual input from the NGO sector. It provided a useful framework for assessing organisational context and indirectly engaged the sector in the assessment, thereby addressing some of the long-standing problems associated with assessing NGO performance.

However, evaluation questions generated by the ACFID Framework related to concepts that were challenging to communicate cross-culturally. In future cluster evaluations the ACFID Framework's application would benefit from additional liaison between the evaluation team and ACFID.

The STEEP Framework was a useful and relevant tool that ensured logical and thorough research and analysis of the geopolitical context. All stakeholders readily grasped the lines of inquiry it generated and the data gathered could be clearly linked to activity performance.

4.3 Review of the Methodology

Overall, the methodology was relevant to the context, the sampled activities and the stakeholders. It effectively generated illuminating data.

Sampling

The three-stage purposive sampling approach achieved its aim of selecting information-rich cases that could best illuminate the research question. The evaluation did not attempt to identify a sample that would represent overall NGO performance and thus findings cannot be extrapolated to that end.

The criterion-based sampling process utilised to select the country, satisfied the objectives of the evaluation and in that sense was appropriate. The selection of Cambodia as the site for the evaluation satisfied all the initial criteria and the evaluation team were well supported by the Post and in-country CNGO partners. The NGOs sampled were cooperative and relevant. The individual activities were selected for maximal variance. The broad sectoral variance corresponded with the goals of the ANCP, thus generating rich data for analysis.

Subjects and Method of Inquiry

Once chosen, all sample NGOs and activities underwent the same process of inquiry. The broad range of subjects interviewed ensured that all stakeholder perspectives were considered.

The question guide developed by the evaluation team and used throughout to guide the inquiry process, proved to be relevant and has elicited much of the required data. Its

²¹ Kilby, P, Options Paper, Revision of Performance Criteria for the ANCP Program, Sept 2004.

application 'improved with practice' as the evaluation team identified common interpretations, or misinterpretations, and where the relative emphasis on certain questions differed between the levels of partnership hierarchies. The question guide was fine-tuned through an iterative process throughout the evaluation.

The question guide was developed through a systematic process of 'unpacking' each of the three analytical frameworks and crafting questions to generate the desired, corresponding data. This approach has minimised data gaps at the conclusion of the evaluation. Nevertheless, some improvements could be made to the question guide. For instance, while extensive inquiry into impact and its measurement was undertaken, deeper probing into the issue of varying perspectives of impact and how different stakeholders defined their intended impact would add further value.

The focus of questioning with different stakeholders was context driven. This approach was found to be relevant and productive. However, some elements of the three analytical frameworks and the corresponding question guide, proved to be more difficult to translate cross-culturally with some stakeholders. This was particularly evident with the notion of 'impact' and some elements of the organisational assessment.

While the desk assessment carried out prior to the field research was of limited data collection benefit, it did act as a briefing process and importantly it enabled the evaluation team to identify the crux of each activity vis-à-vis impact. Establishing a standard set of documents to be provided by each NGO would further focus the DA process, increase transparency and enhance the comparison of documentation.

In the interests of this evaluation achieving its dual aims of performance measurement and reflective learning, the consultations with ACFID and the sampled NGOs in Australia and Cambodia before and after the field research were found to be vital.

In the face of time limitations, the commitment to interviewing such a wide range of stakeholders from all levels of the partnership hierarchy enabled a completeness and integrity to the data collected. As would be expected, there was considerable variance in the depth of understanding of the activity by the different stakeholders. This confirmed the appropriateness of reorienting the focus of questioning for each group relative to their context and sphere of influence. It became clear as the evaluation progressed that certain questions were more revealing and pertinent than others. For instance, it would have been useful to go back to the ANGOs during the field research to cross reference their interpretation of impact and how it could be measured, as this tended to differ between the levels of stakeholders. It would be advantageous to more thoroughly explore questions pertaining to impact with the ANGO in Australia, because in five of the six activities, these staff were not available during the field research.

Key informant interviews and focus groups were found to be an effective method of inquiry. Extensive note taking by each of the evaluation team members allowed for triangulation of data that minimised misinterpretation. Discussion and analysis followed each day's field research and broader analysis at the conclusion of each activity's field research was informed by the three analytical frameworks.

4.4 Limitations Encountered

Some limitations were encountered throughout the process of this evaluation which will be considered in future ANCP cluster evaluations.

The breadth of technical areas within the sampled activities posed a challenge for the evaluation team. The core technical competency required of the team was in the meta-discipline of evaluation, nevertheless some technical issues inevitably arose such as assessing the relative merit of the credit union model being implemented by the CUFA activity compared with a village based microfinance model.

The evaluation team had no control over the activities sample or the particular sites visited. It can be assumed that NGO staff acted rationally in presenting the 'best' aspects of activities hence the individual NGO findings may suggest stronger performance than is representative. However if it is assumed that all sampled NGOs acted rationally, then the inter-NGO findings should be consistent.

All sample activities were being implemented in multiple sites. It was therefore not feasible to visit every site in this rapid review to conduct an audit type data collection of all outputs. Rather the evaluation relied on analysis of documentation, comprehensive interviews and focus groups with stakeholders and observation of a sample of sites within each activity. Ostensibly, it was a sample within a sample. Based on the team's collective experience and carefully crafted questions the evaluation's findings were then assumed to be reasonably representative of the activities as a whole. Nevertheless, any expectation for an exhaustive audit of outputs would be disappointed by this time and logistical limitation. A rapid review such as this could be complemented by a survey through questionnaires of all outputs however this offers little additional value than a desk assessment of reports supplied by the agencies.

RECOMMENDATIONS RELATED TO METHODOLOGY

6. Future cluster evaluations should establish a standard set of documents required for the Desk Assessment process
7. AusAID and the NGO sector through ACFID, should establish definitions of terminology for concepts such as impact, quality, performance etc.
8. Future cluster evaluations should confirm expectations with stakeholders of depth of research of activities and ADPlans i.e. objectives level or outputs level
9. Review the AusAID QAF and incorporate key elements of the STEEP framework and the ACFID NGO Effectiveness Framework to create one refined analytical framework for future NGO cluster evaluations
10. Tighten the focus of the Cluster Evaluation Question Guide with specific reference to stakeholders' perspectives on impact and how it will be measured.
11. In collaboration with DPAC, investigate the use of the Question Guide for use in sector specific evaluations

APPENDIX1 : ASSESSMENT OF ALWS ACTIVITY

ANGO:	Australian Lutheran World Service (ALWS)
CNGO:	Lutheran World Service - Cambodia
Project:	The Integrated Rural Development Through Empowerment Project (IRDEP)
Location:	Oral District, Kompong Speu Province, seventy villages
ANCP Budget:	\$239,597

Major Development Objectives

- Increase organisation capacity through active community participation, especially of the poor and vulnerable households
- Improve food security and income through sustainable farming productivity
- Increase the income of vulnerable and poor households
- Improve access to and use of basic health services and practices
- Increase access to primary education and non-formal education
- Improve community-based environmental management

Overview

The ALWS activity was found to be a highly effective integrated rural development intervention with quality processes and staff at all levels. It is focused on poverty alleviation through facilitation of income generation and is a well integrated development activity. A village-based participatory implementation and M&E system enables villagers to assess their progress towards their own explicit development objectives.

The activity operates in a particularly difficult, remote and poverty stricken environment. Drought has hampered activity objectives, as has a planned multinational development on villagers' land. Advocacy against this development has led to threats against both villagers and LWS staff.

The activity is well targeted, well managed and effectively implemented with particularly high quality internal two-way communication and reflective practice that operates from field level to the Australian office. Effective systems are in place for maximizing opportunities for sustainability.

Key features include empowerment and strengthening of community-level institutions Village Development Committees, Community Development Workers posted/living in target villages and a deliberate system to engage the poorest households and build their capacity.

Of particular merit is an elaborate (but seemingly effective) village-based participatory M&E system to enable villagers to assess their progress towards their own explicit development objectives.

The LWS program exploits the potential that is enabled by the unique features of the ANCP. LWS has adopted a process-approach, in which development plans are

open-ended and directed by the beneficiary communities themselves. This approach would not generally be possible with conventional project-based funding schemes because of lack of flexibility relative to activity time and scope. In this sense, the ongoing annual cycle of the ANCP has offered a unique opportunity for LWS to evolve an apparently highly effective approach to integrated rural development and empowerment activities in remote areas.

Activity Integrity

The following table illustrates a comparison of the Cluster Evaluations ratings against agencies own rating in April 2005. NB agencies are only required to self assess against one Indicator within Attribute C.

QAF Attribute	Cluster Evaluation rating	Agency's own rating
Relevance	4	
Efficiency	5	
Effectiveness	4	3.5
Sustainability	4.5	

Relevance: the activity has appropriate objectives and design

The activity is highly relevant. The policy of identifying and engaging with the poorest households poses practical challenges, as does the nature of engaging this subgroup in development activities in general, but is ethically sound. The target population has endured periods of displacement and resettlement. The result is that they are socio-politically disempowered by their past, and economically disadvantaged by their physical location. This situation renders the LWS activity timely and relevant. The original target area was recommended by the Ministry of Rural Development, and followed participatory needs analysis.

The activity objectives and design are aligned with the LWS Cambodia strategy. The standardised model developed by LWS and implemented in six locations throughout Cambodia could be criticised for being top-down. However, while there is an element of standardisation, the evaluation team was satisfied that the approach had evolved through appropriate iterations of field engagement and reflection. Further, while the broad framework appears to be standardised, the actual mechanisms of community engagement are such that activity implementation remains context-driven and relevant.

The actual activity design documents provide useful background and context information, but the ADPlan in particular tends to under-sell the activity by not articulating all that the activity does. The actual process of needs analysis and planning is delegated by ALWS to the Cambodian operation. This is appropriate given their capacity and their contact with village level activities.

Efficiency: the activity is implemented in a professional manner

The activity appears to be well managed. ALWS is kept abreast of activity detail and strong coordination and communication mechanisms are in place between the Cambodia office and the field. ALWS conducts monitoring trips on an annual basis, although there have been three trips in the past nine months.

A clear organizational structure is defined. Roles and responsibilities are appropriately delineated. A total of 28 Community Development Workers (CDWs) are each responsible for two to three villages and approximately 20 poorest households in 70 villages. Teams of CDWs are coordinated by three Community Development Officers (CDO), who are in turn directed by the Activity Project Coordinator who reports directly to the Program Coordinator and in turn the Country Representative. The day-to-day work of the CDWs is guided by annual work plans that are developed following Village Development Committees (VDC) planning sessions at the beginning of each year. The integrated and organic nature of the fieldwork belies structured and very detailed planning and coordination.

Management of integrated development projects is commonly challenging due to their inherent complexity. The evaluation team initially had concerns about the technical breadth of the LWS program and the challenges associated with ensuring practical integration, however on the information available it seems to be well managed.

Effectiveness: the activity is likely to achieve desired results

It was clear to the evaluation team that the LWS activity is contributing to poverty reduction. Indications are that the program is on track to achieve the stated objectives. However, it must be noted that the approach adopted by LWS is a process-approach rather than the conventional project-approach which is defined in terms of time and resource limits. That is, the intervention is not planned for a fixed timeframe with finite resources. Rather, work continues as the community approaches 'graduation' at the pace determined by the community itself. In the case of the Oral project, LWS management are of the view that progress towards graduation is slower than achieved in other areas of the country, possibly owing to the psychosocial and cultural issues discussed above in with respect to the geopolitical context.

Questions arise concerning the implied disincentive for communities to 'graduate' since graduated communities lose LWS support. However, the evaluation team was satisfied that LWS is sufficiently successful in fostering ownership of the village development plans by the VDCs that this does not seem to be a realised risk.

The benefits of the activity identified by community members include: adult literacy, child education/improved schools, knowledge of integrated farming techniques, establishment of village banks, small business development and access to community health services. Arguably the most pivotal benefit of the activity is the capacity building of the VDCs, and the extent to which community engagement in VDC processes are fostered.

Sustainability: the activity is likely to have sustainable outcomes

The key mechanism for promoting sustainability is the VDC. The provision of training and mentoring in the range of technical areas that encompass the integrated development activity may deliver sustainable outcomes directly to selected households who adopt the innovations promoted. While this is indeed likely, the novel element of the LWS activity that could foster enduring benefits for the target communities as a whole is the capacity building of VDCs through which they are empowered as the 'owner' of village development. The development of critical skills

such as planning, community mobilisation, activity management and critical reflection/evaluation in the VDCs has the potential for genuine transformation.

The evaluation team saw evidence that VDCs were keenly engaged in their own vision for village development. There was also evidence that VDCs were beginning to act independently of LWS, including the securing of additional resources (e.g. Food-for-Work from the WFP for culvert and road rehabilitation).

Of particular merit were the democratic processes installed within VDCs that promoted the role of women in the committee, and that actively sought to engage the poorest households in the village, rather than just the elite. In one case, a woman from one of the poorest households was installed as the VDC treasurer.

Organisational Context

A discussion of the impact of issues relating to the Organisational Context of all six sampled activities appears in Section 3.2. The following discussion refers specifically to the ALWS activity context.

High quality relationships

There is very clear evidence of strong and effective working relationships at all levels. Both ALWS and the Cambodian operation acknowledged that the quality of the relationship and the extent of support provided by ALWS are disproportionate to the amount of funding provided, relative to other LWS donors who provide higher amounts. The relationship between ALWS staff and the in-country management is characterised by reflection and learning. Almost daily email and telephone contact is directed at both managerial issues and strategic learning. From the Cambodian perspective, the relationship with ALWS is reported to be “more than just money”. From the ALWS perspective, the relationship with the Cambodian operation is a source of learning about field-based practice and impact that can be extended to other national and international contexts. Further, ALWS use their Cambodian activity effectively in community education in Australia.

The relationship between the in-country management and the field staff was similarly effective. Field staff appreciated the transparency of the management staff and exhibited high levels of commitment to the program objectives. The low staff turnover is indicative of the constructive organisational culture, particularly in the light of the difficult living/working conditions in Oral District.

Long-term engagement

ALWS has been engaged in Cambodia since relief operations following the ousting of Pol Pot. The focus of the program began with working with government counterparts but shifted to a community focus in 1996.

LWS first conducted needs assessments in Oral District in 2000 at the recommendation/invitation of the Ministry for Rural Development. There are no plans to withdraw from Cambodia. LWS distinguishes between ‘phase-out’ (an action undertaken by an implementing agency) and ‘graduation’ (an action undertaken by communities) and engages the latter in their activities. In the spirit of empowerment that underpins the whole LWS program, the time of graduation is determined by the community themselves; thereby defining the term of engagement

with LWS. ALWS identifies that graduation is held in high esteem and that their experience has been that beneficiaries do not tend to hold back on graduation to keep LWS engaged. In other areas in Cambodia where LWS has implemented this approach, graduation has taken 6 – 7 years. Twenty-five villages in other provinces graduated in 2002.

When the Oral communities determine that they have 'graduated', LWS will move the operation to a new target area defined at that time. A nationalisation of management positions within LWS is ongoing.

Learning & Adaptation

The LWS program in Cambodia has evolved and adapted in step with changing circumstances. The strategy of long-term engagement demands that learning and adaptation is a key feature of the approach in order to remain effective. This is evident in the evolution of the current approach from relief operations to a standardised operating framework that is currently implemented in Oral and six other areas throughout Cambodia.

As noted above, a spirit of learning characterises the relationships at all levels. Beyond the tacit learning, structured M&E and reporting protocols are geared towards driving learning and adaptation. An action learning cycle of planning → action → reflection is implemented at all levels: poorest household (poorest household development plans), village (village development plans), individual staff (annual training needs assessment), activity (annual activity plans) and country operation (planning and monitoring document). Strong feedback and response loops from ground level to the ANGO seem to be a key success factor.

Particularly impressive is the integrity of the 'bottom-up approach' implemented. While the rhetoric of 'bottom-up' and 'participatory' development is ubiquitous, it is pleasing to actually see it in action. Village-level M&E is 'owned' by the VDC which comprises elected members on a three-year term who oversee development planning, implementation and M&E. Each year, a participatory review of community-defined development indicators is carried out, which are in turn aggregated and presented on a sixteen-point spider graph that is maintained by the VDC.

Formal reporting involves a Monthly Narrative Report, Quarterly Monitoring Report, Quarterly Financial Report, and Annual Monitoring Report. In addition, mid-term reviews and periodic evaluations are planned. The staff have recently been trained in the Most Significant Change (MSC) technique and there are plans to implement this in the near future. ALWS has played a key role in supporting and building the M&E capacity within the Cambodia operation.

Working Together

No other NGO is active in the Oral District, and so there are limited opportunities for collaborative work in the field. LWS is engaged with an environmental group in Oral with regard to the deforestation advocacy noted above. In addition, the project collaborates with HR organisations to provide training & awareness on HR and advocacy to all stakeholders (community & government officers).

In Phnom Penh, LWS is actively engaged with several NGO forums and sectoral working groups. Beyond Cambodia, the LWS international network is a collaboration of twenty-five agencies worldwide, coordinated from Geneva. Both ALWS and the Cambodia operation are actively involved in international agency dialogues concerning policy and strategy.

Risk taking

The remote and harsh physical environment carries inherent practical risks for operations. Beyond this, concerns were voiced regarding the security of staff involved in advocacy work with the deforestation & land rights abuses.

An additional risk discussed with the activity's management arises from the requirement for CDWs to be posted in the target villages. While this has been a critical success factor in building enabling relationships with communities, it also places pressures on the families of the staff concerned. It is noted that LWS management are aware of the issue and actively seek to mitigate family pressures caused by this policy in a number of practical ways.

Quality of staff and volunteers

The high quality of LWS staff is a critical success factor. The requirement that all CDWs hold degrees in technical areas relevant to the activity helps to ensure a minimum standard of technical competence; however, beyond this, is the importance of maintaining effective team work and individual motivation.

While the concept of integrated development projects is commonly proposed, actually achieving integration at a practical level is less common. In the case of LWS, integration is achieved by having each member of the CDW team with their unique technical skills (agronomy, livestock, micro-finance, literacy etc.) living in target villages. This situation demands that each CDW function as a generalist—the point of technical integration. This necessitates effective team work among the CDWs. Internal curriculum development and training ensures a common approach is adopted for the breadth of technical areas promoted by the activity.

LWS has made a commitment to developing local staff. At the start of each year, all staff members are involved in Training Needs Assessments to identify areas for personal and professional development. This and other strategies may contribute to the apparently high levels of staff motivation and the relatively low staff turnover. Individual staff members appear to be intrinsically motivated by their work and report being rewarded by increasing levels of community engagement and a desire to help fellow Khmers.

Beyond the technical and relational skills and the motivation exhibited by the field staff, it was evident that there is a strong culture of reflection and learning within LWS management. The constructive organisational culture fostered by LWS management is commendable.

Geopolitical Context

A discussion of the impact of Geopolitical impacts on all six sampled activities appears in Section 3.3. Both constraints and enablers have been considered in

understanding the geopolitical context. The following points refer specifically to the ALWS activity context.

Socio-cultural factors

- Target communities have been exposed to a long history of conflict and resettlement, and hence disempowerment is a powerful constraint to activity objectives.
- The isolation of the community has fostered attitudes of resistance to change; for example, it took considerable time and advocacy before the community was convinced of the need for road access.
- The target population includes an ethnic minority group, which is directly affected by planned aggressive development and land alienation by a multinational corporation.
- There are high levels of illiteracy, which pose practical problems for the activity in terms of identifying individuals to take leadership roles (e.g. Savings Bank Treasurer).
- There is over 50% participation by women in development activities, but less engagement by women in leadership positions.

Technical factors

- The isolation and difficult living conditions present problems in maintaining educated staff in villages.
- Lack of road and bridges initially slowed progress.
- In a minority of cases, staff quality/capacity is reported to be limited (a legacy of recruiting staff at the local level before the policy of recruiting degree qualified staff from throughout Cambodia). There is a preference for capacity building of these individuals through internal and outsourced training programs rather than retrenchment.

Economic factors

- Extreme poverty among beneficiaries is a fundamental constraint to engaging in community development activities. Participation in activities may at times compete with livelihood seeking activities.
- The government is unable to pay teachers and other rural government staff.
- Harsh road conditions place stress on activity vehicles and increase maintenance costs
- Access to markets for agricultural products is difficult due to high transportation costs.

Ecological factors

- The target area is extremely drought-prone; which places integrated farming practices promoted by the activity in jeopardy.
- Illegal logging and deforestation in the target area is a major source of concern for the community who engage resources in monitoring illegal loggers.
- Charcoal burning is an important source of income for poor households, but is ecologically destructive.
- Vehicular access in the wet season hampers activities.

Political/relational factors

- Land concessions by the government to multinational business interests are in conflict with the community's rights.
- Involvement in advocacy work by LWS staff has led to concerns about staff security.
- The apparent failure of peaceful activism efforts by the community to bring about desired changes may result in radical activism by individuals or groups.
- There are few, if any, government services provided in Oral District, thereby making it more difficult for activity initiatives to be supported in the long-term.

APPENDIX 2 : ASSESSMENT OF ARC ACTIVITY

ANGO:	Australian Red Cross (ARC)
CNGO:	Cambodian Red Cross (CRC)
Project:	Mobilising Community Support for People Living With HIV/AIDS (PLWHA)
Location:	5 Districts, Kampot Province
ANCP Budget:	\$133,000

Major Development Objectives.

- To reduce stigma and discrimination for PLWHA
- To develop care and support programs for PLWHA
- To build capacity of institutions, individuals, communities, and beneficiaries.

Overview

The Red Cross program to support PLWHA is a highly relevant and a well-regarded intervention. It contains significant capacity-building and technical assistance. It is implemented primarily by volunteers in Kampot province.

The RC 'brand' is valuable in attracting high-level support for the activity that has assisted CRC to influence attitudes toward PLWHA for the better. The CRC volunteer network enables reach that would not be available to other development entities. The activity exploits the existing reach of this volunteer network. This, combined with the credibility of CRC at the community level, gives the activity unparalleled influence with all stakeholders. There is concern about the workload and psychosocial issues faced by volunteers but the evaluation did not identify specific problems in these areas.

The CRC appears to be fostering genuine capacity at three levels: i) the CRC volunteers who are direct beneficiaries of training and are themselves members of the community; ii) the district and commune leaders who have been influenced to support the initiative, and to conduct independent fundraising and support activities; iii) the PLWHA themselves who have been enabled through self-help groups to generate income for themselves, and to support other PLWHA. The increased capacity of stakeholders, engagement of government leaders and development of self-help groups all contribute to the sustainability of the activity, which is anyway guaranteed by the national mandate of CRC.

Challenges include the apparently 'unsustainable' nature of service delivery to PLWHA. However, it is clear that any HIV/AIDS mitigation strategy must include some level of 'welfare' support, given the simultaneously acute and chronic nature of the problem.

A major constraint on impact that was noted by several interviewees concerned the level of program resources provided. CRC staff reported that greater reach and a higher level of services could be achieved with more resources. PLWHA themselves tend to be amongst the poorest households; the cost of transportation to receive Antiretroviral therapy (ARV) treatment from Medecines Sans Frontiers (MSF) was frequently noted as the major difficulty.

Activity Integrity

The following table illustrates a comparison of the Cluster Evaluations ratings against agencies own rating in April 2005. NB agencies are only required to self assess against one Indicator within Attribute C.

QAF Attribute	Cluster Evaluation rating	Agency's own rating
Relevance	4	
Efficiency	3	
Effectiveness	3.5	4
Sustainability	4	

Relevance: the activity has appropriate objectives and design

The situation of Cambodia within the problem of the HIV/AIDS pandemic is well recognised; and hence the provision of support to PLWHA is highly relevant. The ANCP activity strategy is coherent with the national strategy and the International Federation of Red Cross/Crescent (IFRC) strategy.

The design process appears to have involved strong collaboration between ARC and CRC staff. The annual process of reporting and planning is appropriately structured. Activity design documents were prepared in addition to the AusAID-required ADPlan. This additional documentation, in addition to the higher-level strategic plans, provided the evaluation team with a strong appreciation for the intent and direction of the program.

Efficiency: the activity is implemented in a professional manner

A clearly defined management structure is in place and there is compliance with reporting protocols. Regular field visits by management staff appear to keep the national office informed of activity progress and related issues. The technical aspects of the implementation plan are informed by global, regional and national strategies. The ARC regional office in Bangkok evidently plays an important role in technical support. The in-country ANCP-funded Technical Advisor seems to have played an important role in developing management systems and processes.

The nature of the support services for PLHWA is intensive. CRC volunteers are tasked with the basic implementation work, and report consistently spending more time than is allocated (up to 20 days per month; 5 days allocated). A clearly defined set of criteria is in place to help identify beneficiaries. A typical visit to a PLWHA is reported to involve:

- Verifying compliance with medication
- Checking usage of CRC-supplied water filter
- Providing psychosocial support
- Meeting informally with neighbours to ensure accurate understanding of HIV/AIDS and to mitigate discrimination
- Distribution of food rations
- Organising transportation to ARV treatment
- Facilitating household repairs and maintenance

An important source of inefficiency reported by National Society management staff was the annual reporting/planning cycle of many donor-funded programs (including the ANCP). Evidently, a disproportionate amount of effort is invested in administrative processes associated with securing annual operating budgets, and complying with the diversity of reporting formats, schedules, fiscal calendars etc. Longer funding cycles are seen as a way to improve administrative efficiency.

Effectiveness: the activity is likely to achieve desired results

ARC confirms that the CRC are reliable implementing partners. It is the view of the CRC management staff that the program is on track and likely to achieve stated objectives.

Evidence that the activity is having an impact appears to be predominantly anecdotal; deriving from key informant interviews by management staff. All RC volunteers interviewed were firmly of the view that the activity was relevant and having a positive impact on people's lives. This was corroborated by PLWHA interviewed. Reported evidence of impact included:

- Improved quality of life among PLWHA (improved nutrition, improved housing, reduced incidence of opportunistic disease etc.)
- Reduced discrimination (children of PLWHA included in peer activities; open communication and visitation by community members)
- Increased awareness and engagement among village and commune leaders

The most frequently cited difficulty faced by PLWHA related to the cost of transportation to receive ARV treatment from MSF in the neighbouring province. The evaluation team was unable to determine why it was not possible to locate ARV treatment services centrally in the activity target area.

Sustainability: the activity is likely to have sustainable outcomes.

The objectives of this activity are sustainable from the perspective of CRC continuing its HIV/AIDS funding in Kampot. However, in general the issue of sustainability within HIV/AIDS interventions for PLWHA is widely recognised as problematic, in that PLWHA are terminally ill; the services provided are resource intensive; the chronic and acute nature of the illness demands a welfare/relief dimension to interventions. Nevertheless, the CRC has shown credible efforts toward the sustainability of the program, including:

- The provision of capacity building training to CRC volunteers, who are themselves community members, is in effect building civil society and responsive capability within affected communities.
- The engagement of local authorities in the program and their mobilisation to conduct independent fundraising in support of PLWHA is an important element to ensuring a sustainable mechanism for supporting the chronically ill.
- The development and support of PLWHA self-help groups with an income-generation focus has proven to be a useful mechanism for enabling affected persons to maintain living standards, and in some cases to subsidise direct costs associated with the disease. In many cases, the self-help groups in turn provide support of other PLWHA.

Further, ARC identifies beneficiaries to be PLWHA, their families, orphans and vulnerable children and communities – as well as staff and volunteers. Thus, capacity building within the activity will have sustainable benefits within these groups.

Organisational Context

A discussion of the impact of issues relating to the organisational context of all six sampled activities appears in Section 3.2. The following discussion relates specifically to the ARC activity context.

High quality relationships

High quality relationships were evident at all levels of the ARC program. ARC staff maintained that the CRC is among their strongest national societies. CRC expressed sentiments that ARC was a valuable donor partner. The in-country technical advisor supported by ARC was acknowledged by CRC management as providing substantial value in terms of mentoring and capacity building. The role of the ARC's regional office (Bangkok) was also acknowledged by CRC staff as an important source of technical and managerial support. Within country, working relationships between the national society staff based in Phnom Penh, the Provincial CRC staff (Kampot) and activity staff and volunteers all appeared to be strong and mutually respectful. National Society management staff visit activity sites on a monthly and quarterly basis. Clearly the structure and the relationships are a contributor to strong program performance.

The planned withdrawal of the technical advisor is indicative of the effectiveness of the capacity building provided by ARC in that no new advisor will be required as capacity building of local staff has been effective.

Long-term engagement

The structure and mandate of the RC internationally is such that long-term engagement is implicit. ARC has been working in Cambodia since the late 1980s and with CRC in 1992. Agreements between CRC and ARC to work on their first HIV/Aids agreement were signed in 1995. The organizations have worked closely ever since. The CRC has implemented HIV/AIDS interventions since 1991. Operations were scaled back in 1999 following an external evaluation. The current strategy began in 2003.

Learning & Adaptation

There is evidence of learning and adaptation at all levels. An external evaluation in 1998 led to a scale-back of operations in 1999 from five provinces to three, due to concerns about the manageability and effectiveness of the program. The ARC strategy has evolved over time from a predominantly awareness-focused approach to the current approach focused on mitigation.

In terms of monitoring and evaluation protocols, a clear process of field visits by National Society management staff was described. Staff at all levels were able to report key service statistics (activities and outputs data), and there was strong anecdotal evidence of outcomes and impact. There appeared to be little emphasis on structured methods to verify outcomes and impact. Also, the evaluation team felt that while there was a strong emphasis on compliance with reporting protocols there

may have been less emphasis on critical reflection and analysis. This may be a feature of the hierarchical structure of the CRC, and is possibly an area that needs to be addressed.

Working Together

There was clear evidence of strong working relationships between the CRC and government officials at all levels. Indeed, the successful engagement of commune leaders may be argued to be a critical success factor.

There was also some evidence of cooperation with other NGOs who are working within the health sector in general and on HIV/AIDS in particular. A case in point is the collaboration with MSF for the referral of PLWHA for ARV treatment. CRC is a member of the National AIDS body.

Beyond this, however, there was no evidence of formal collaborative arrangements at the operational level that promoted synergies between organisations.

Risk taking

No particularly high-risk elements of the program were reported.

Quality of staff and volunteers

The quality and motivation of ARC and CRC staff and volunteers is an important success factor. National Society staff in Phnom Penh were articulate and understood the detail of the program. The HIV/AIDS Team Leader demonstrated strong inter-personal relationships with provincial CRC staff, volunteers and beneficiaries. The Kampot Branch Director was a former HIV/AIDS Program Manager with CRC from 1996 and demonstrated strong commitment to, and knowledge of the issues.

CRC volunteers for the HIV/AIDS intervention were drawn from the wider pool of CRC volunteers, but were selected against a defined additional criteria. There was a sense that the HIV/AIDS CRC volunteers were considered a special taskforce.

The ability of the provincial CRC staff to engage and motivate CRC youth in schools is evidence of the strong reputation of the organisation and the abilities of the staff; as is the reported low turnover rate of CRC volunteers, despite minimal remuneration and an excessive workload.

Geopolitical Context

A discussion of the impact of geopolitical impacts on all six sampled activities appears in Section 3.3. Both constraints and enablers have been considered in understanding the geopolitical context.

Socio-cultural factors

- A culture of PLWHA not divulging their condition owing to associated stigma and shame has existed and has worked against activity objectives.
- Interviewees reported that the activity has effectively eliminated the culture of discrimination in the communities. However, the evaluation team could not verify this change in community attitudes and initially considered that there may be

translation issues regarding the term 'discrimination'. Subsequent discussion with ARC has identified that translation of the term 'eliminated' may have been the problem and that in fact, the activity has *reduced* stigma and discrimination owing to increased knowledge of HIV/AIDS.

- It is clear that the psychosocial context of the activity poses challenges for staff and volunteers who are required to work in emotionally confronting circumstances.
- All stakeholders, including PLWHA, identified value in the support/services provided by CRC volunteers. PLWHA widely believed that if CRC volunteer support was withdrawn their circumstances would deteriorate.

Technical factors

- The structure and reach of the CRC enables the provision of services to individual households. This is a unique strength of the organisation.
- CRC volunteers were highly regarded by community members and leaders.
- There is a logical risk associated with reliance on a voluntary workforce, given that it is difficult for the CRC to warrant the quality of work done.
- A risk reported by CRC management staff was the importance of maintaining high levels of motivation and commitment among the volunteer workforce. Nevertheless it was noted that efforts in this regard appeared to be highly successful. The provision of allowances and in-kind benefits to volunteers was acknowledged as important in the Cambodian context.
- Volunteers have appreciated training provided by CRC in the past, but requested additional training to ensure technical competence.
- The low level of turnover of CRC volunteers was taken to be indicative of the high levels of motivation fostered by the CRC staff. CRC volunteers appear to hold a belief that they are making a genuine contribution to the lives of the disadvantaged, and this itself seems to be a motivating factor.
- ARC has funded a technical advisor position that is well regarded. This position is currently part-time and scheduled for complete phase-out in line with improved management capacity within CRC.

Economic factors

- Volunteers requested additional support/remuneration. Evidently they are 'paid' for five days work per month, but typically work up to twenty days per month. Given the relatively large distances between PLWHA, the cost of volunteers travel was repeatedly noted as a constraint.
- The cost of the service delivery is significant (e.g. food kit distribution; transportation; house repairs) and hence there are legitimate questions about the sustainability of the service. CRC acknowledges this, and has attempted to combat it by encouraging local authorities to conduct independent fundraising activities to support their own PLWHA. Also, PLWHA self-help groups are structured around meeting the material needs of their immediate members.
- A significant problem reported by PLWHA is access to ARV treatment which is not locally available. In some cases transport costs are prohibitive.

Ecological factors

- The major ecological risks to activity success centre around agricultural enterprises introduced to PLWHA self-help groups. Several self-help groups reported that their chicken raising enterprises had been decimated by the Asian

Bird Flu. Other agronomic enterprises (e.g. vegetables, mushrooms etc.) were affected by seasonal factors and drought.

Political/relational factors

- CRC has been successful in engaging the support of local leaders. In particular, HIV/AIDS subcommittees within the Commune Councils appeared to have begun taking increasing responsibility for the wellbeing of PLWHA; including efforts to raise funds to support travel for ARV treatment, funerals, household repairs etc.
- There seems to be very strong support for HIV/AIDS interventions at all levels. The President's wife is the patron of Cambodia Red Cross. Commune leaders reported learning about HIV/AIDS and being encouraged to engage with the CRC program through the Provincial Governor.
- Some PLWHA reported that when community members observed leaders interacting with PLWHA that stigma noticeably reduced. This suggests that official leaders hold considerable sway, and in this sense their support of the HIV/AIDS program is critical.
- One impact indicator of reduced discrimination was that more community people now attend the funerals of PLWHA.
- It was noted that HIV/AIDS is predominantly a heterosexual disease in the target region; and further, that females (wives) tended to be the unwitting victims of the disease, and as such, generated more community sympathy and support than men. It was not clear if there was discrimination towards the 'at fault' party.

APPENDIX 3 : ASSESSMENT OF CARITAS ACTIVITY

ANGO:	Caritas Australia – Australian Catholic Relief (ACR)
CNGO's:	CoDEC, Caritas Cambodia, RDA, PNKA
Project:	Cambodia Community Development Program
Location:	Six provinces, 13 Districts – Evaluation team visited the CoDEC program in 3 villages in Kompong Thom
ANCP Budget:	\$165,000

Major Development Objectives

Poverty alleviation and community development through:

- Increased levels of food security and capacity to generate household income
- Reduction in morbidity levels, and
- The formation and strengthening of people's grass roots level institutions for community empowerment.

Overview

The Caritas Cambodia Community Development Program is successfully implementing rural development through its local partner, CoDEC. It represents a highly effective use of ANCP funds. It is grass-roots focused and built on Caritas' successful long-term program of LNGO capacity building in Cambodia. The partnership with CoDEC and villagers is strong and administration/management functions well at all levels.

The evaluation assessed just one project of Caritas' five LNGO partners – Cooperation for Development of Cambodia (CoDEC). The nature of the Community Empowerment Program – Affinity Group for Development Institutional Capacity Building Program is empowering for communities as it includes the development of democratic processes within Affinity Groups for Development (AGDs).

The CoDEC project uses an integrated rural development model. CoDEC reported major changes in the profile and voice of women in groups, with women engaging in commune council meetings. A reduction in domestic violence was also reported by CoDEC and villagers. Group members seem to have become quite independent of CoDEC in terms of their own knowledge and this was demonstrated in responses to issues raised by the evaluation team during focus group discussions. Members did not defer to CoDEC staff for guidance in responding during focus groups.

Focus groups conducted with two AGDs identified significant changes to beneficiary's households and lives. For example, as a result of savings and loans, AGD members had been able to buy clothes for the children, the children were able to stay at school and families had been able to purchase medicines. Members no longer needed to go to private money lenders²². Health education had resulted in cleaner homes, use of boiled water, birth spacing and less sickness. New

²² Interest rates of private money lenders had been forced to reduce from 30% to 5% though competition from CoDEC project loans. While money lenders may have benefits that include loaning money to high risk borrowers, villagers considered that pressure on these lenders from the activity was positive overall.

agricultural initiatives such as mushroom growing and practices such as the use of natural fertilizers had been introduced.

Progress had been made towards achieving all the anticipated outputs and the project should achieve its objectives.

Two issues of concern exist from a development principles perspective. Firstly, while the savings groups' members were poor, there was exclusion of the poorest in the village from the savings groups. There are a number of reasons for this including that the poorest tend to need to travel to other areas to find work and cannot undertake activities to generate funds for savings. Without the ability to contribute savings, they cannot join the groups. In excluding the poorest, the model may have lost sight of one important element of micro-credit programs. That is making finance available to very poor without the need for collateral. This issue was identified by Caritas prior to the evaluation and also by ACR who is currently considering ways to overcome it through initiatives like their Community Initiative Support Project which is aimed at the poorest of the poor in all target villages.

Secondly, the project sites visited had limited signs of integration and Affinity Groups for Development tended more toward individualistic development than community development. These factors contribute to some exclusion of villagers and of the poorest. Caritas note however, that the nature of micro-credit includes making loans for individual, rather than collectivist development. Caritas also identifies that poorest villagers benefit from other activity inputs such as the Community Initiative Support Project.

Sustainability of the project derives from both the nature of the community development activities, and the fact that these are implemented through a CNGO that is resident in the target areas. CoDEC is contributing broadly to civil society and is also implementing other donor funded programs.

Project Integrity

The following table illustrates a comparison of the Cluster Evaluations ratings against agencies own rating in April 2005. NB agencies are only required to self assess against one Indicator within Attribute C.

QAF Attribute	Cluster Evaluation rating	Agency's own rating
Relevance	4	
Efficiency	3.5	
Effectiveness	4	3
Sustainability	4	

Relevance: the project has appropriate objectives and design

The Cambodia Community Development Program and its objectives are relevant and address a clear need identified in the target communities. The project is consistent with the Caritas strategy of gender, HIV/AIDS, income generation and agriculture. Cambodia is a priority country for Caritas. The project reflects the strategy of CoDEC and contributes to AusAID's objectives.

Context and needs analysis was undertaken by CoDEC and informed the design of the project. CoDEC met with district authorities to identify which Communes were the poorest. Commune authorities then directed CoDEC to which villages were the poorest. CoDEC subsequently conducted Participatory Rural Appraisal at village level to identify the poorest households and to assess the main needs of villagers. The main need identified was for capital to establish small businesses or to develop farms, hence the AGD initiative. The needs analysis and design process undertaken by CoDEC is a genuine “bottom-up” approach and reflects their considerable capacity as well as the fact that CoDEC is based in the target areas. The AGD model grew from the initial establishment of self help/savings groups.

In an operational sense, CoDEC submits a 5 year plan to ACR who appraises it and recommends the plan to Caritas Australia. Caritas Australia approves a one-year plan with in-principle support for a 5 year plan. The 5 year plan developed by CoDEC is very good, with a clear, achievable and logical design. The ADPlan is reasonable although it undersells the project.

Efficiency: the project is implemented in a professional manner

CoDEC implement this project in a highly professional manner reflective of best development practice and excellent project management skills. CoDEC’s ability to clearly articulate the desired project impact is suggestive of a rigorous design process.

The project represents a large scope of work for a relatively small number of staff – with 64 AGDs under the responsibility of one officer. This implementation load appears to be well managed with AGDs receiving visits every second month. Project Officers spend 16 days per month with AGDs, visiting 2 AGDs per day. Very clear role definition exists within CoDEC.

Monitoring and evaluation of the project is carried out effectively. The monitoring approach undertaken by Caritas and CoDEC relates to both compliance and reflection and learning.

Monitoring of partner capacity growth is comprehensive, rigorous and systematic. ACR uses a four point scale across seven broad criteria (legitimacy, organisational culture, organisational management, internal functions, program management, project management, external relations) to monitor how objectives are being met. Data is used as the baseline for assessing changes in CNGO capacity.

Monitoring of project beneficiaries at the village level is similarly rigorous. CoDEC conducts baseline surveys of every household. AGD groups have been trained to conduct group assessments. Follow up surveys have been carried out for every household. Self-sufficiency of AGDs is also monitored to ensure self-sufficiency before moving on to another target area.

Quarterly reports provide an analytical picture of issues arising from the project and influences decision making in field. Additional mechanisms for dialogue and reflection are the semi-annual reviews, ACR Country Advisor involvement in annual planning sessions, regular communication with Caritas Australia Project Manager and also approximately two field visits per year. Regular reviews of the project in

1998, 2000 and 2002 have informed the project's direction with numerous examples of modification.

The Caritas staged-approach to funding support for project initiatives of CNGO partners is valuable in practice and interesting to note. Projects are treated as experimental within this approach. Simple, short, linear projects are an effective way to learn and offer good risk management. By implementing short, discrete projects, up-scaling has incorporated lessons learned.

Effectiveness: the project is likely to achieve desired results

This project is making good progress towards achieving its objectives. Previous years projects report that outputs and objectives have been achieved. CoDEC were able to clearly articulate the anticipated changes to beneficiaries' lives and have good systems in place to gather evidence of this impact. Focus groups conducted with AGDs corroborated the evidence provided by CoDEC that the project is achieving its objectives and having a positive impact.

CoDEC anticipated that the following changes will result from the project and the likelihood of these changes was largely corroborated by AGD members during focus groups:

- New houses built
- Changes in agricultural practices (move to natural fertiliser)
- Increased total savings
- Independence from private lenders
- Increased active involvement in group meetings
- Major changes in profile and voice of women in groups; women engage in commune council meetings; domestic violence reduced relating to changes in men's attitudes
- Drinking boiled water
- Improved techniques for animal raising and vegetable growing
- Decreased use of chemical fertiliser with positive environmental impact
- Cleaner household surrounds; increased understanding of hygiene
- Some lending of money by AGD members to non-members
- Reduced households vulnerability to natural disasters
- Reduced or elimination of middlemen in marketing produce
- Reduced private lenders interest rate from 30% to 3 – 5%

CoDEC gather this evidence through the following methods:

- Baseline survey for each AGD
- Repeat survey of all households completed twice
- Group assessment completed every year
- CoDEC have trained AGDs to conduct group assessment using a self-assessment form (designed by CoDEC); focused mostly on income and expenditure
- Data is used to follow-up situation at household level. E.g. if negative cash flow is caused by frequent ill-health, may follow up with additional training
- Follow-up with individual families.

An area of concern was that the focus of the beneficiaries seems to be on individualistic development rather than on community development. While this approach is advantageous in some circumstances in that it can promote entrepreneurship and examples of success, it appeared to exclude some of the poorest villagers in this instance. Nonetheless, as identified by Caritas, individual focus on provision of loans for individual development is a characteristic of micro-credit.

Further, while all the individual elements of the project were evidently having a positive impact, there was no evidence of real integration as might have been developed through a village development plan or similar strategy. This observation was also articulated by ACR and CoDEC who acknowledged that the challenge is to ensure the benefits flow beyond immediate AGD members. They noted however that some other aspects of their programs did have some success to this end.

There was no apparent grounding in existing institutions such as the Village Development Committees although some villagers were members of both entities.

Sustainability: the project is likely to have sustainable outcomes.

Sustainability derives from both the nature of the community development activities, and from the fact that these are implemented through a CNGO who is resident in the target areas. CoDEC is contributing broadly to civil society and implementing other donor funded programs.

The aim of CoDEC in this project is that the Federations of AGDs currently being introduced will replace CoDEC. However it is too early for this shift yet. CoDEC plan to ensure the strength of the Federations before phasing out their support for the AGDs.

Organisational Context

A discussion of the impact of issues relating to the Organisational Context of all six sampled activities appears in Section 3.2. The following discussion refers specifically to the Caritas activity context.

High quality relationships

The high quality of the relationships between Caritas Australia, ACR and CoDEC are worthy of particular note as they are both the strength of the current project and the result of previous work undertaken by Caritas. Historically, the Caritas program has been concerned with the institutional strengthening of CNGOs through a long term focus. Caritas' aim was to provide capacity building to local NGOs to manage their own programs and to become independent of Caritas and of any single donor. CoDEC was evidence of the success and impact of this long term program.

The relationship between Caritas staff in Cambodia (ACR) and CoDEC appeared to be robust, respectful, mutually beneficial and strong. Whilst the Evaluation Team was unable to observe the relationship between the Caritas Australia Project Manager and the ACR staff or CoDEC first hand, examination of correspondence would suggest a similar quality relationship.

Long-term engagement

ACR was established in Cambodia in 1981 as a relief operation managed from Australia.

Caritas Australia has an understanding with local partners that there will be a long-term commitment. There are no plans to close the ACR office although its size has been dramatically reduced in recent years to correspond to the increasing capacity of LNGO partners.

CoDEC met ACR in 1997 when ACR came to the province to identify LNGOs. ACR staff have had long term involvement commencing in 1997.

Learning and Adaptation

ACR and Caritas ensure frequent opportunities for reflection through a well designed monitoring framework and regular reviews of the program. Reviews carried out in 1998, 2000 and 2002 have all resulted in significant adaptations being made to the project plans.

Quarterly reports provide an analytical picture of issues arising from the program and influence decision making in field.

CoDEC have acted as a model of how LNGO partnerships might work. Learning from projects/partnership in Kompong Thom is transferable to other Caritas country operations. Caritas Australia gains insights that it applies to other projects.

Working Together

Caritas has promoted cooperation between its numerous LNGO partners. LNGOs such as CoDEC link effectively with other local services and resources such as health and agricultural resources.

Caritas links with other NGOs in Cambodia including the NGO Forum, CCC and the Good Practice Program.

Risk taking

Caritas and ACR have utilised an effective risk management strategy that includes careful selection of LNGOs, working closely with them through capacity building for a number of years, limiting financial exposure by trialing low budget projects with LNGOs until they had a proven track record and then carefully assessing capacity prior to reducing technical support.

Quality of staff and volunteers

Quality of staff of ACR's activities is a critical success factor. The ACR staff were clearly highly skilled and experienced professionals who are well respected by their colleagues in CoDEC. The staff and leadership of CoDEC were also of an extremely high quality and were shown great respect in the villages visited.

Geopolitical Context

A discussion of the impact of Geopolitical impacts of all six sampled activities appears in Section 3.3. Both constraints and enablers have been considered in understanding the geopolitical context.

Social cultural factors

- Culture of disempowerment; loss of hope and motivation.
- Prevalence of aged persons means some people cannot be actively engaged in activities.
- Time commitment for involvement in AGDs is difficult for many people as some families are required to work in other districts, particularly the poorest people who depend on work wherever they can find it
- Willingness of people to engage in the activity has proven to be problematic at times

Technical Factors

- Quality of CoDEC staff in different sectors is an enabler
- Long standing involvement of ACR staff has enabled strong local partnerships
- Road conditions are poor making travel difficult for all stakeholders
- Training interrupts implementation plans

Economic factors

- Close proximity to a major town could be an enabler in terms of access to goods, transport, market etc, or a constraint in terms of access to distractions
- There is insufficient land for agricultural interventions for the poorest and sometimes other villagers lease them land
- Presence of ACLEDA (independent bank in Cambodia) that was previously patronised by some, but its requirement of security over assets forced many to go to private lenders

Ecological factors

- Wet season access is often impossible
- Drought and lack of water for agricultural interventions hampers activities
- Floods caused failure of two rice banks
- Understanding of environmental issues is only gradual and illegal fishing is a constraint in that fish supplies for villagers are depleted
- Rain interrupts training

Political / relational factors

- Engagement of community with CODEC vision is good
- AGD member vs non-member tension exists
- AGDs are different to VDCs – sometimes members are on both
- Law enforcement in Cambodia is not effective; illegal fishing incurs fines, but these are often settled through bribes
- Lots of visitors, including donors and evaluators, to projects absorbs resources
- CODEC promotes honesty and dignity within AGDs and within own staff
- CODEC encourages target groups to be transparent in all activities

APPENDIX 4 : ASSESSMENT OF CUFA ACTIVITY

ANGO: Credit Union Foundation Australia CUFA

CNGO: Cambodian Community Savings Foundation CCSF

Project: Credit Union Development

Location: Banteay Meanchey and Battambang Provinces

ANCP Budget: \$40,000 Activity operates in six districts

Major Development Objectives

- To expand the outreach of microfinance services and products to people denied such access and to develop their skills an ability to finance and manage their own micro enterprise activity.
- To strengthen the capacity of a range of primary level financial intermediation institutions to develop and maintain a sustainable micro financing program for the entrepreneurial poor.
- To strengthen the operation and management capacity skills of national peak bodies to facilitate support for primary level grassroots financial intermediation institutions.

Overview

CUFA is implementing a high quality activity which is unique in Cambodia. The CUFA Credit Union Development activity is contributing to a broader program of institutional capacity building and the establishment of community owned savings banks. The savings banks are addressing a well researched need. There is evidence of impact through the various levels of beneficiaries, that is; the CCSF itself, the savings banks staff and the ultimate beneficiaries, the savings bank members.

The activity focuses on training Field Coordinators and Field Officers in technical knowledge and skills development. It also coordinates exposure visits to successful microfinance practitioners for credit union leaders. The institutions that are capacity built within the activity extend outreach to saver members, economic security to active borrowers and loans for self-employment / income generation activities.

5 years ago when asked by Care Cambodia to evaluate its AusAID funded “Small Economic Activity Development Project”, CUFA identified an embryonic credit union movement. CUFA’s support since 2003 began as technical input facilitating CCSF’s strategic planning, establishment of governance structures and processes and training in Australia for staff. As part of a broader program, CUFA’s input represents an excellent use of ANCP funds in that the activity would not likely have fit the criteria for other funding schemes. Thus it effectively exploits the unique nature of the scheme. In contributing to a broader program, CUFA and AusAID’s relatively small investment has the potential for a much wider impact.

Research conducted by the CEO of CCSF prior to their establishment found that many village-based NGO microfinance projects failed because of a lack of robust systems and transparency. The credit union model aims to overcome these

constraints through its establishment of systems and transparency as proven in other countries. However, the question arose for the evaluation team as to whether the additional benefits of this model were enough to warrant the significant and top-heavy investment in the institutions when compared to other micro-finance models. While not within the scope of this evaluation or the technical expertise of the evaluators, the issue remains one of concern.

The activity is implemented in a sector that has been affected by corruption and as such saver scepticism has created loans fund shortages that constrain the activity. Further, the activity faces risk in terms of urgent need for donor support and also in its need for highly trained staff. Other constraints include the poverty of the target group and culture of saving outside of financial institutions. Despite these problems, it is clear that CUFA provides significant value-adding to the development of CCSF, which is both an implementer and beneficiary of the activity. The activity is well targeted and effectively implemented and capacity building is appropriate for sustainability needs.

Activity Integrity

The following table illustrates a comparison of the Cluster Evaluations ratings against agencies own ratings in April 2005. NB agencies are only required to self assess against one Indicator within Attribute C.

QAF Attribute	Cluster Evaluation rating	Agency's own rating
Relevance	3.5	
Efficiency	3	
Effectiveness	3	3.7
Sustainability	3	

Relevance: the activity has appropriate objectives and design

Whilst CUFA's operational approach does not require it to have its own Cambodia country strategy, they have contributed to the development of CCSF's strategic and operational planning. In light of the mentoring role that CUFA play, this approach is appropriate. CCSF has a comprehensive and well considered 5 year business plan outlining their strategy and various well researched operational options for the future.

The CCSF CEO conducted comparative research into the various microfinance options available in the area prior to the establishment of CCSF. The commitment to the credit union model was strengthened by her findings that some village-based NGO microfinance projects fail due to a lack of sound financial systems and transparency. The research also identified a priority need for access to loans.

The adoption of the credit union model rather than a standard microfinance model is based on sound community development principles as it allows for community ownership and active involvement in the management of the savings banks and is based on the establishment of permanent Cambodian institutions.

The activity provides "soft skills" ie informal training to members and potential members on family budgeting, how to run businesses to complement "hard" services

ie savings and loans facilities. CCSF is operating in 191 villages in Battambang province, and 24 villages in Banteay Meanchey province. CCSF is promoting the Credit Union model following 9 main international operating credit union principles.

Analysis of the relative merits of the credit union model characterised by significant institutional investment, compared to a more light-footed village-based NGO microfinance model, is beyond the scope of this evaluation and the technical expertise of the evaluators. However, it is important to note the considerable investment in CCSF and the Savings Banks as institutions and questions this raises in terms of return-on-investment and sustainability.

The CCSF program achieves a good balance between a market approach in terms of financial systems, and humanitarianism with commitment to community owned institutions, proactive inclusion of the poor and women in decision making/ influential roles and as ultimate beneficiaries. The multidimensional nature of products offered : ie savings, loans, micro insurance, loan protection, payment of funeral costs and debt cancellation upon death so family members are not burdened, is valuable in helping to limit the poverty cycle.

The design process of the ANCP funded activity is based on consultation between CUFA and CCSF and CUFA responsiveness to CCSF's assessment of emerging institutional capacity needs.

The standard of the ADPlan is adequate but could be improved. Five objectives are contained within the three outlined in CUFA's global ADPlan and the evaluation team needed to clarify with CUFA that all activities related to Cambodia. The outputs seem reasonable.

Efficiency: the activity is implemented in a professional manner

As mentioned earlier, the arrangement between CUFA and CCSF differs from many ANGO/implementing partner relations as CCSF is both the beneficiary and the implementer and CUFA has been both a donor and an implementor. CUFA supports capacity building within a broader ongoing program and as such appraisal of discrete projects is not appropriate. CUFA has however undertaken organisational assessment of CCSF which in this context is more relevant. This process continues in an informal manner through CUFA's mentoring relationship with CCSF.

CCSF are a professional organisation with significant capacity within their staff. CCSF implement their program according to sound management practices and development principles. Strong management practices include the development of governance structures and processes and the development of a comprehensive 5 yr business plan. Commitment to sound development principles includes participatory planning with communities, community ownership of the savings banks and proactive measures to engage women and the poor as beneficiaries of the project.

Communication via email between CCSF and CUFA is regular. Until recently there had been a 2 year gap since CUFA conducted a field monitoring trip to assess progress. CCSF provides monthly reports to CUFA and to CARE Cambodia in a balance sheet format providing CUFA with the data to assess progress and viability. CCSF monitors membership numbers and provides annual reports to CUFA. In

addition, CUFA and CCSF meet at ACCU meetings. CUFA has not conducted an assessment of impact of capacity building activities, however the level of capacity of CCSF and the Savings Bank visited by the evaluation team is an indication of its impact.

Effectiveness: the activity is likely to achieve desired results

The capacity building activities supported by CUFA are on track. Given the clear need for loan capital, the demonstrated capacity of CCSF and their adherence to sound development principles, the activity is likely to achieve its desired results.

As CCSF is both the implementor and a beneficiary of the program, its capacity is itself an indicator of impact. CUFA informally assesses this capacity on an ongoing basis. CUFA and CCSF report that the Savings Banks are running effectively which is an indication of the impact of the training; however CUFA have not conducted a formal assessment of increased capacity of staff members receiving training.

Neither CCSF nor CUFA have conducted an assessment of impact for the ultimate beneficiaries, the Savings Bank members. Anecdotal evidence gathered by the evaluation team described two levels of impact to these beneficiaries. That is, they had a strong sense of ownership of the savings bank and had developed new skills and confidence through their engagement in its development and management. For some this meant direct employment and new technical skills. At the household level, members described an increased ability to save and increased income from new activities which led to improved food security, better clothes for the children, ability to buy medicines etc.

It is difficult to determine whether or not the activity is actually reaching the poorest of the poor from a rapid review as each savings bank sets their own rules regarding accessing loans. However, CCSF proactively seeks to engage with the poorest members of the community and provides informal counselling to assist with household budgeting and planning to encourage savings. Members indicated that the poorest were able to join the bank but saving is very difficult for them. The fact that it is based on a long term, sustainable model may mean that the poor will have access in the future or at least more likely than closed savings group approaches.

Sustainability: the activity is likely to have sustainable outcomes

As a capacity building project, the activity objectives are in themselves a strategy for sustainability as it is strengthening a national credit union organisation and establishing a replicable model of community owned and operated savings banks.

This activity is innovative and high risk. There are two key risks facing CCSF. First is the savings to loans ratio required for financial sustainability. Sufficient savings capital is required to fund loans and sufficient loans need to be disbursed to generate income. This balance is required to maintain viability. While there is a high demand for loans, people's trust in banks and their inclination to saving in-cash, is slow to develop. Second, CCSF requires substantial external funding to support the program until the savings to loans ratio is established. US\$2.8 million dollars is required over 5 years to enable financial sustainability. Current funding from CARE Cambodia and AusAID is due to finish in 2006. While CCSF is pursuing a number of

potential donors, none have been confirmed to date, posing a serious risk to the project.

Organisational Context

A discussion of the impact of issues relating to the Organisational Context of all six sampled activities appears in Section 3.2

The arrangement between CUFA and CCSF differs from many ANGO/implementing partner relations in that CCSF is both the beneficiary and the implementer. In a sense, CCSF is the program, or at least its establishment and growth has been a significant component of the program. Similarly CUFA has been both an implementor of technical input in a mentor role and a donor.

High quality relationships

As a capacity building activity the relationship between CUFA and CCSF is fundamental to its success and impact. CUFA and CCSF describe a mentoring relationship characterised by mutual respect and professionalism. CUFA have added considerable value to this activity and to CCSF through direct technical input, general advice, mentoring and assistance with networking and fundraising.

Long-term engagement

The relationship between CUFA and CCSF has been in place for 4 years. CUFA plan to maintain their relationship with CCSF for the foreseeable future. They anticipate that the training needs of CCSF will change with their growth and CUFA is committed to moving in step with these changes and to continuing their mentoring role and funding support.

Learning and Adaptation

Regular communication and reporting between CUFA and CCSF provides the opportunity for learning and adaptation. The nature of this activity and CUFA's predominantly mentoring and technical input does not in itself warrant a strong focus on learning and adaptation by CUFA however they are committed to changing their technical input to suit CCSF's evolving needs. The existing relationship between CUFA and CCSF, combined with the communication and reporting systems in place should achieve this. CCSF recognises the experience of CUFA in the international Credit Union movement and many developing country settings and actively seeks to learn from them and to incorporate lessons learned into their work, particularly in the organisational and governance spheres.

Working Together

CUFA's involvement with CCSF began through a collaboration with CARE Cambodia. That collaboration has continued, with CARE Cambodia and CUFA together funding the CCSF project. CUFA is actively engaged with the Asian Confederation of Credit Unions (ACCU). This involvement provides direct benefits to the CCSF activity through networking and donor opportunities.

The unique nature of the credit union model limits the benefits of working with other microfinance projects or NGOs. CUFA has recognised the potential benefits in engaging in broader development issues however their mandate precludes them moving in this direction.

Risk taking

This is an innovative and high risk activity which if successful will have a lasting and positive impact in Cambodia. CUFA have extensive experience in the credit union movement and in numerous developing country settings and therefore are well placed to assess the risks and manage their inputs accordingly.

Quality of staff and volunteers

As a capacity building activity that has previously relied on the direct technical input of CUFA and now on their funding and informal mentoring input, the extensive experience and expertise of CUFA staff is central to the impact of their input. The view of CCSF is that the quality of this technical input is excellent.

As ANCP funds in this case are used for capacity building, it is relevant to comment on the quality of the CCSF and Savings Bank staff. The CCSF CEO clearly has considerable capacity and expertise to bring to this project. CCSF are a professional, sophisticated organisation. CCSF and its CEO have a clear vision, a sound strategy, a comprehensive business plan with carefully considered options and are well networked.

Geopolitical Context

A discussion of the impact of geopolitical impacts on all six sampled activities appears in Section 3.3. Both constraints and enablers have been considered in understanding the geopolitical context.

Social cultural factors

- A strong culture of saving in bamboo money boxes, gold and livestock exists that dissuades people from becoming involved in the scheme
- Lack of trust in financial institutions, banks and private money lenders as local people have been defrauded by Thai banks and private money lenders absconding with funds. There was one instance of a manager of a Savings Bank within CCSF defrauding investors and borrowers and this has also contributed to skepticism in Banteay Meanchey.
- A culture of corruption exists that may contribute to skepticism but may also create risk with regard to financial handling
- High turnover of staff and absence due to sickness.

Technical factors

- The quality of CCSF and savings bank work could be both an enabler or a risk in terms of activity sustainability
- Sustainability of the savings banks is dependant on the application of appropriate financial models and management. The highly technical nature of transactions within the organisation leaves little room for error and therefore creates a high risk
- The membership of the savings banks is fluid and whilst CCSF and the savings banks have considered the reasons for this movement and are taking steps to manage it, it does pose an issue for the management of funds and sustainability of the project.
- Level of literacy of members is low

- Computer hardware and software for managing operations is underdeveloped.

Economic factors

- Poverty limits access to financial services for a number of reasons: borrowers are required to make regular savings as collateral which is beyond the ability of many of the poorest; the poorest may struggle to engage in income generating activities additional to their regular work; the poorest often travel distances to find work and have less time to dedicate to income generating activities.
- External capital is not readily available from donors for loan capital and thus financial sustainability may become an issue as it will some time before CCSF has built up enough savings capital to support loans independently.
- Strong market competition from money lenders and other NGO micro-finance projects

Ecological factors

- Drought and floods that are characteristic of the district may affect the ability to repay loans and to save

Political / relational factors

- Credit Unions are new to Cambodia and as such the Government is yet to develop the necessary legislation, regulations and policy to guide and control its expansion.
- Correspondingly there is no legal protection for the CCSF, the Savings Banks or the members leaving them vulnerable to fraud and dependant on good faith.

APPENDIX 5 : ASSESSMENT OF NCCA ACTIVITY

ANGO:	National Council of Churches Australia (NCCA)
CNGO:	Christian World Service (CWS) Cambodia
Project:	Integrated Humanitarian Mine Action Project
Location:	Six districts in Kompong Thom Province
ANCP Budget:	\$32,371

Major Development Objectives.

- To minimize the humanitarian, social and economic effect of landmines and UXO on the people of Kompong Thom province.
- To provided integrated response to the social and economic problems faced by the people of Kompong Thom caused by the presence, or suspected presence of mines and UXO.
- Enable Cambodians to use their land without fear of death or injury from mines or unexploded ordnance.
- Teach Cambodians how to avoid landmines and what to do if they find a mine or unexploded ordnance.

Overview

NCCA's integrated mine action is providing a valuable service to villagers in terms of preventing injury and death, and increasing the availability of productive land. It is worthwhile activity implemented effectively through Mines Advisory Group (MAG). Implementation appears to be good practice with adherence to carefully defined mine clearance procedures. The village where the evaluation took place was at the interface between Government and Khmer Rouge fighting with both sides laying extensive mine fields in otherwise productive agricultural land. Clearly, the intervention is relevant.

The locality de-mining approach that involves training and employment of local staff as de-miners is effective and is supported by villagers. From an evaluation perspective, the activity is linear. That is, there is a clear causal link between the removal of land mines from agricultural land and the increased productivity of beneficiary households. The activity appears to be on, or ahead of schedule.

The activity lays the groundwork for further integrated development work. Although beyond the scope of this study, the evaluation team saw evidence that CWS carries out effective integrated rural development work in de-mined areas. In this sense, de-mining is seen as a means rather than an end; which is regarded by the evaluation team as a strength.

The activity is high risk in terms of personnel safety and is operating in a corrupt sector. Nonetheless, the approach taken, including the engagement of MAG to implement the activity, appears to have avoided problems of corruption.

The partnership could be criticised for the degree of separation between AusAID and beneficiaries (i.e. AusAID → NCCA → CWS → MAG → beneficiaries), and hence questions concerning the value-add provided by NCCA/CWS arise. Despite this, the quality of relationships between NCCA, CWS and MAG is apparent and is ensuring effective implementation and use of ANCP funds. While this matter is outside of the scope of this evaluation, it could be examined in the context of NGO accreditation noting that NCCA views CWS as an exception in their portfolio of partners. NCCA does continue to provide other capacity building support to CWSC through other activities.

Despite the clear humanitarian, economic and development rationale for the removal of landmines, securing donor support in the current climate is evidently difficult owing to changing international donor priorities. For this reason, the activity appears to be effective use of ANCP resources, in that it has enabled an intervention that would not have been possible otherwise. This 'lifeline' of funding provided by NCCA is considered by CWS to have been provided at a critical time for the target districts, and hence is highly appreciated.

Activity Integrity

The following table illustrates a comparison of the Cluster Evaluations ratings against agencies own rating in April 2005. NB agencies are only required to self assess against one Indicator within Attribute C.

QAF Attribute	Cluster Evaluation rating	Agency's own rating
Relevance	3.5	

Efficiency	3	
Effectiveness	4	5
Sustainability	4	

Relevance: the activity has appropriate objectives and design

Land mines are a fundamental constraint to rural development and security. Mines clearance has attracted less donor support than in the past. While changing funding levels are partially attributable to changes in de-mining approaches and decisions not to de-mine certain areas, the NCCA supported activity is relevant and represents a timely use of ANCP resources in the target villages.

NCCA plays no direct role in the design or implementation of the mines clearance project. Activity success relies on the technical expertise of MAG; although CWS provides oversight and facilitates community engagement. Further, the activity lays a foundation for future integrated rural development work by CWS. In this sense, de-mining is considered to be a means rather than an end in itself.

Efficiency: the activity is implemented in a professional manner

Selection and prioritisation of land appeared to be carried out appropriately with no apparent corruption or abuse of power asymmetries.

NCCA conducts monitoring trips to its Cambodian activities every one to two years. NCCA assigns a programs officer to be responsible for each country where projects are supported. Since there are only four NCCA staff covering all countries, Cambodia tends to get less attention, owing to the apparent capacity of CWS.

Effectiveness: the activity is likely to achieve desired results

The activity is reported to be ahead of schedule, due largely to the implementation of several technical innovations. The effectiveness of de-mining is gauged by the extent to which cleared land is subsequently utilised for productive purposes. The response from villagers was overwhelmingly positive in this regard.

De-mining aligns with the NCCA Mekong Regional Strategy for peace building. From the perspective of CWS, de-mining activities in Cambodia are one component of the overall development program.

Sustainability: the activity is likely to have sustainable outcomes

Sustainability of mines clearance is inherent in the activity. The impact can be far reaching including: psychosocial benefits of improved security, improved agricultural productivity and food security.

Since the visit of the AusAID Cluster Evaluation team, CWSC has begun a baseline study of the locality de-miners and their villages. Historically CWSC's approach has been to target the poorest and neediest as defined by village leaders and village development committees (VDCs). Findings from CWSC's study include a concern that these groups may not have been effectively targeted. NCCA indicated that this finding will inform future practice and future strategy will ensure that poverty alleviation in these villages is more effectively addressed.

Organisational Context

A discussion of the impact of issues relating to the organisational context of all six sampled activities appears in Section 3.2.

High quality relationships

Effective working relationships are at the heart of the success of the project. This is particularly important given the number of stakeholders involved: community members and leaders, MAG technical staff, MAG management, CWS field staff, CWS management and NCCA.

The NCCA-CWS Cambodia relationship is acknowledged to be largely funding-only, with further delegation of technical responsibilities to MAG. CWS bares some responsibility for oversight and community engagement.

NCCA provides some level of capacity building and other support to CWS despite it being considered a strong partner. However, the limited level of this support may be considered to be an issue with regard to continued funding. Nonetheless, the critical importance of mines clearance as a pre-cursor to other rural development activities, combined with the difficulty of securing donor funds for mines clearance can be considered to justify the partnership between NCCA and CWS in this circumstance. Further, it is a pragmatic reality that there is little scope for value-adding in wholly technical processes such as mines clearance.

It is noted that CWS staff appreciated personal support from NCCA staff following the assassination of one of the CWS Project Directors in 2004.

NCCA currently funds two projects through CWS Cambodia with ANCP funds including this mines clearance activity and the Svay Rieng Development Program.

NCCA has a regional strategy for the Mekong that is guided by their part in the ecumenical partners' roundtable.

Capacity building of CWS in the areas of planning, monitoring and evaluation by NCCA is not seen as appropriate owing to the significant resources and capacity of the former. However, CWS does undertake some initiatives. For example they recently invited a NCCA staff member to facilitate a creative practices workshop for their staff, based on his own practice. This kind of support is considered by NCCA to be consistent with the findings of a study of Cambodian NGOs and their capacity building and training needs²³.

Long-term engagement

CWS is considered by NCCA to be one of their strongest implementing partners. There are no plans for NCCA to withdraw support for the Cambodia program. This is in keeping with NCCA's current program of long-term engagement in approximately nine countries. The current ANCP-funded activity has been running for 3 years, but ANCP and NCCA funds have been used for de-mining since 1995.

²³ O'Leary, Moira & Meas Nee 2001, Learning for Transformation: a study of the relationship between culture, values, experience and development practice in Cambodia. Krom Akphiwat Phum, Phnom Penh

The relationship between MAG and CWS is also long-term, beginning in 1992 with no plans to end the strategic partnership. There is reported to be strong interpersonal relationships between the leadership of CWS and MAG that also contributes to effective working relationships. Both organisations participate in each others' strategic planning.

Learning and adaptation

There is evidence that the CWS/MAG partnership has engaged in learning and adaptation. Several technical innovations were reported to be implemented, mostly as cost-saving measures. For example, the 'locality de-mining approach' has allegedly halved the per acre cost of de-mining.

The CHART approach (a participatory integrated development approach) that CWS also implements in areas that have been demined is also indicative of a learning organisation and a commitment to good development practice.

Working Together

NCCA and CWS are members of a 'roundtable' of US and European Christian aid donors who collaborate on regional strategic planning and evaluations.

CWS did not appear to engage in any substantial collaboration relevant to the activity beyond the partnership with MAG. However, the technical nature of mines clearance precludes any real opportunities for participation/collaboration.

Risk taking

Mines clearance is an inherently risky activity; however, this risk is devolved to MAG, which reports impressive safety statistics to justify the standard of training provided to staff. Funding to the mines clearance sector is diminishing.

Quality of staff and volunteers

MAG staff, including local staff were motivated and working effectively. Locality de-miners receive the same training and benefits as regular MAG staff and appear to be particularly motivated because of their local relationships. In fact, locality de-miners appeared to derive significant social status, employment and income from their work.

Geopolitical Context

A discussion of the impact of geopolitical impacts on all six sampled activities appears in Section 3.3. Both constraints and enablers have been considered in understanding the geopolitical context.

Social/cultural factors

- The target population is largely returnees; reclaiming their original pre-conflict land, and so, unlike many other parts of Cambodia, land tenure is a non-issue.
- There is anecdotal evidence that people have suffered considerable trauma associated with being at the interface of warring parties over a long period.
- Locality de-miners, who are locally engaged villagers trained by MAG to work solely in their own village, while viewed as contentious by some in the mine clearance community, are held in high esteem by target communities and include significant numbers of female de-miners.

Technical factors

- In the past mine clearance has been considered to be a highly technical intervention, with limited scope for community participation, by some in the mine clearance community.
- MAG/CWS utilise 'locality de-miners' (i.e. de-mining personnel recruited from within the target areas). They receive the same training and resources from MAG that regular 'MAG staff' receive, but receive less pay (i.e. it is essentially a cost-saving strategy).
- The process of community engagement and mine field prioritisation is facilitated by a MAG Community Liaison Officer; with some oversight by CWS development staff.
- NCCA is notably hands-off in terms of managing the project; because of the technical nature of mines clearance and because a belief that CWS is an especially capable implementing partner.

Economic factors

- A major issue facing CWS and MAG is the decline in donor funding for mines clearance. The magnitude of the problem in Cambodia is disproportionate to the level of resources available
- Implementation of initiatives such as introduction of locality de-miners is a response to financial pressures

Ecological factors

- Mines clearance activities are hampered by the wet season and vehicular access to some areas.
- Removal of vegetation to enable mines clearance activities poses both a technical and ecological challenge.

Political / relational factors

- A widely understood risk with mines clearance activities is the potential for abuse of power by authorities with respect to the prioritization and selection of land for de-mining. Several independent discussions with community members verified that an appropriate participatory and transparent process had been implemented within this activity.
- CWS has selected MAG as a mines clearance partner because they purport to have a more integrated and developmental approach to mines clearance.
- There appears to be strong relationships and mutual respect at all levels of the program, from community to management.
- Security issues relating to mines and UXO are obvious. However, wider staff security risks are evidenced by the assassination of a CWS Project Director whose shooting death may have been related to her having dismissed allegedly corrupt staff.

APPENDIX 6 : ASSESSMENT OF WVA ACTIVITY

ANGO: World Vision Australia
CNGO: World Vision Cambodia
Project: Child Safe Tourism
Location: Cambodia (Evaluation focused on Siem Reap)
ANCP funding: \$97,124

Major Development Objective

- Increased knowledge and understanding of sexual exploitation of children arising from tourism amongst children themselves, community leaders, teachers, the Cambodian Government Ministry of Tourism staff and the private tourism business sector
- Improved child sex tourism preventative and protection measures established and operating in targeted tourism hubs

Overview

WVA's activity is a valuable and relevant project addressing a clear and urgent need. It is a well targeted pilot activity that clearly contributes towards the goal of reducing child trafficking and prevention of child sex tourism. It focuses on setting up Child Safe Tourism Commissions within the Ministry of Tourism (MoT) and on setting up development of peer education networks to these ends. It also works to train children, teachers, Village Chiefs, Ministry of Tourism (MoT) staff and business owners, in prevention of sexual exploitation of children.

The activity design resulted from joint research undertaken by WVC and the Cambodian Ministry of Tourism (*Child's Work Adult's play, 2001*). The activity represents an effective use of ANCP funds. As a pilot activity that will inform the broader WVA Cooperation Agreement Program, the ANCP funds in this case have provided an important opportunity to trial and learn from an innovative model. The work of the Project Officer with responsibility for this activity has had significant impact in two key areas. That is, in creating changes to government knowledge, attitudes and some practices; and in instigating some prevention and protection measures with, and for, the children themselves.

The design for this pilot activity is multi-leveled and integrated and as such has the potential to effect real and lasting change. The activity design has relevant but challenging objectives, clearly defined outputs, activities and targets. The activity appears to be effectively implemented, though its impact is hindered by a lack of resources.

The activity takes a long-term and strategic approach that involves tackling government processes at both the National and Provincial Government levels. This approach requires significant commitment to changing attitudes, structures and regulations. The WVC Project Officer uses his extensive knowledge of government structures and processes to maximize the impact of the work to this end, particularly in relation to his work with the Ministry of Tourism.

The activity works in a particularly difficult environment and is constrained by corruption and lack of enabling legislation. However, recent international actions against child exploitation have created a less constraining environment than existed when the activity commenced.

Two operational factors need to be addressed within the project. Firstly, internal information processes are incomplete and so gaps in monitoring and evaluation data exist. Secondly, the Project Officer operates largely as a sole agent in the sense that he appears to be managing and implementing the activity with little support or overview from head office. The combination of these two issues creates substantial risk. These two issues can largely be attributed to resourcing but need to be acknowledged owing to the risk to the activity in the event that the Project Officer's involvement ceased. To date these factors do not appear to have impacted negatively on the activity owing to dedication and motivation of the WVC Project Officer.

One of the constraints in evaluating this activity was the lack of verifiable evidence of performance. Attribution was also difficult in regards to determining whether pending changes to GoC policy were an impact of this project, multi agency/government advocacy or to the international political attention on human trafficking issues. Judgments were largely based on taken-as-given descriptive evidence, some of which came from high-level political spheres.

Activity Integrity

The following table illustrates a comparison of the Cluster Evaluations ratings against agencies own rating in April 2005. NB agencies are only required to self assess against one Indicator within Attribute C.

QAF Attribute	Cluster Evaluation rating	Agency's own rating
Relevance	3.5	
Efficiency	3	
Effectiveness	3.5	3.3
Sustainability	3	

Relevance: the activity has appropriate objectives and design

The activity is highly relevant and addresses a clear and urgent need.

The design process was well informed through research and extensive regional experience in this area. In 2000 WVC in cooperation with the Ministry of Tourism conducted research in three main tourist destinations. The research sought to identify the extent of the problem and explore attitudes and practices of tourism operators. The findings directly informed the design of the project. WVC worked with Ministry of Tourism representatives to develop the activity design. An iterative process over three months was carried out with WVA to prepare the ADPlan.

The complex nature of the problem requires action at many different levels to bring about real change. The response also needs to be integrated so that each of the multiple levels works effectively with each other. The ADPlan goes some way to achieving this, however does not completely reflect the broader design ideas

described by WVA and the WVC Project Officer. In some ways the ADPlan undersells the activity and the broader conceptual model of WV. Paradoxically however, the activities described in the ADPlan are under resourced and this has affected the impact of the activity to date.

The design, as summarized in the ADPlan, has good internal logic. The objectives are relevant though challenging. The outputs, activities and targets are clearly defined.

Efficiency: the activity is implemented in a professional manner

The activity is generally being well implemented, however there are some areas of concern. The WVC Project Officer appears to be performing well and draws on his considerable technical knowledge of this area and effectively exploits his extensive knowledge of government processes. While the Project Officer works strategically in the general sense and WVA was able to articulate its broader strategy for Cambodia and the region, the activity does not appear to function within a broader cohesive strategy of WVC.

The under-resourcing of the activity means that progress relies essentially on the inputs of the one Project Officer. To manage the issue of under-resourcing, the WVC Project Officer effectively identifies and utilizes the capacities of other stakeholders such as CBOs. With focused investment of training and time by the Project Officer, the CBOs then implement the village level activities of the project. This is an effective use of resources, however, monitoring under these circumstances is challenging.

Monitoring and evaluation of the activity is a weakness. WVA has the necessary monitoring systems in place, but report that their application has suffered owing to the recent departure of the previous WVA Project Officer. WVC share the responsibility for monitoring between the WVC Project Officer and their partners, the CBOs, at the village level. The WVC Project Officer visits target villages and speaks with village leaders on a regular basis. While it is clear that the Project Officer is engaged in participant observation, there is no evidence of assessing progress against plans or structured analysis or reflection. Monitoring of progress of peer educators or the children themselves is delegated to the partners. While base line surveys are planned for 2006 after the training is complete, a pre-assessment process was undertaken by the Project Officer.

The WVA Project Officer plays a significant role in the monitoring process, however it appears to detract from the direct monitoring responsibility of WVC. Overall, while some monitoring is taking place, it is inadequate and does not appear to be conducted in a systematic manner. Monitoring is limited to compliance monitoring, and does not appear to incorporate reflection.

There did not appear to be any systematic mechanism to feedback lessons learned or to respond to changing circumstances. This may be indicative of the activity operating in isolation and not within a broader strategy. WVC were unaware of the mid-term evaluation planned by WVA for 2005 which in any case was not carried out. The WVC Project Officer had been invited by the Government to contribute to

the National Strategy for Child-safe Tourism, an significant opportunity for broader influence and strategic learning which did not seem to be fully realised by WVC.

Effectiveness: the activity is likely to achieve desired results

The activity is essentially on track with the strategy of establishing Child Safe Tourism Commissions, conducting training sessions involving National, Provincial, District and Commune level representatives, training for tourism operators and with relevant CBOs, establishing peer educators, and carrying out advocacy. The limitations of activity monitoring mean that while outputs are being achieved, it is difficult to assess the effectiveness of activity interventions. Anecdotal evidence gathered through three interviews with child vendors around Angkor Wat suggests that they have an increased awareness of the risks, are better equipped to deal with approaches by paedophiles and have increased knowledge of how to seek assistance. Other anecdotal evidence and some observed evidence that was collected during meetings with one Commission and with various government representatives, indicates that the activity has raised awareness and engaged and mobilized government officers at both National and Provincial levels. The necessary regulatory environment is proving difficult to achieve, but progress is being made as a result of the project. While attribution in relation to changing Government attitudes and policy is difficult, it is clear that WVC has made a contribution.

Sustainability: the activity is likely to have sustainable outcomes.

This activity is a pilot activity and will feed into a more comprehensive multi-year WVA Cooperation Agreement Program. The need for a strategy for sustainability is therefore not relevant at this point.

Structural changes have been made within Government in the form of Child Safe Tourism Commissions. The Commissions are functioning and demonstrated increased knowledge, changed attitudes and some changed practices such as organising child focused training sessions. There appears to be “buy-in” from numerous related departments such as the Police Anti-Human Trafficking Unit and Department of Social Welfare. The activity has plans to conduct strategic planning sessions with the Government and the Commissions to further strengthen their commitment and buy-in to the changes.

There is a lack of funding available within the Ministry of Tourism, however the costs involved with Commission meetings is minimal.

The fact that the activity is currently dependant on one Project Officer is an issue for sustainability.

Organisational Context

A discussion of the impact of issues relating to the Organisational Context of the six sampled activities appears in Section 3.2.

High quality relationships

The systems are in place to enable the development of effective relationships between WVA and WVC at the activity level and this is likely to develop further during the tenure of the current WVA Project Officer. At the time of the evaluation there was little evidence that the relationship at the activity level extends beyond

issues of compliance. However at a strategic level, WVA and WVC are together involved in contributing to both the WV regional strategy and to a regional think-tank, as well as to developing the 2005 WVA Cooperation Agreement Program.

The activity focuses on relationships with GoC and the WVC Project Officer has developed excellent relationships with GoC officers in various departments. The WVC Project Officer has also developed good relationships with local CBOs involved in children's issues as well as having developed strong networks across the country.

WVC has established a Child Safe Alliance in cooperation with Child Wise.

Long-term engagement

WVA has been supporting WVC projects since 1988 and plans to continue with the partnership.

Learning

It appears that WVC's corporate style of management, reflecting the large size of the agency precludes time for reflection within the context of this activity. Monitoring is limited to compliance issues with limited evidence of analysis of progress or reflection. This does not support an environment of assimilating lessons-learned. The activity appears to operate in isolation, without the support of a broader WVC strategy from which to learn, or to feedback lessons.

Following the evaluation, the evaluation team clarified with WVA that WVC have a detailed M&E system that involves: a monitoring plan, monthly management reports, a monthly meeting, Program Management Meetings, Quarterly Progress Reports and evaluations once every four years. Nevertheless, this detailed monitoring system did not appear to be effectively implemented.

Adaptation.

In the absence of a system for reflection and feedback of lessons learned, opportunities for adaptation seem to be limited. This issue becomes even more critical as this is a pilot activity which will feed into WVA's Cooperation Agreement Program.

Working Together.

WVC works effectively with other CBOs in the sector in a manner that maximises impact. WVC and Childwise have established the Child Safe Alliance in Cambodia, however the level of collaboration with other NGOs in the sector in Cambodia did not appear as strong.

WVA have a strong relationship with Childwise Australia and is involved in a regional 'think tank'; they have identified other players in the sector regionally who they communicate with regularly. They have planned future training with Childwise for this activity.

Risk taking

This is a pilot activity and is considered by WVC to be outside of WVC and WVA's normal operations. The activity is based on extensive research and it is innovative in Cambodia. The sector is high risk in terms of security of WVC personnel and beneficiaries who are up against sometimes powerful vested interests.

Quality of staff and volunteers

The WVC Project Officer is an effective operator who is clearly well respected. He has excellent networking skills, relevant government experience and considerable technical knowledge that is recognised by others and evidenced by his contribution to the National Strategy.

WVA and WVC both acknowledge problems with the recent departure of the WVA Project Officer and the considerable effect this has had on activity monitoring and performance information. The new WVA Project Officer will have a significant role to play in improving the effectiveness of systems and ensuring lessons learned from this activity are reflected in the WVA Cooperation Agreement Program.

Geopolitical Context

A discussion of the impact of Geopolitical impacts on the six sampled activities appears in Section 3.3. Both constraints and enablers have been considered in understanding the geopolitical context.

Social/cultural factors

- Culture of corruption exists in parts of Government of Cambodia
- Activity beneficiaries such as some Government officials and/or tourism operators profit from child sex tourism
- The activity promotes public, including international, awareness of child sex tourism. Thus, early in the activity some key stakeholders did not support the activity, owing to a concern about negative impact on the tourism industry
- The legal infrastructure of Cambodia does not facilitate simple prosecution of tour operators/hotel operators or others involved in this industry
- A culture of child labour and exploitation exists in some rural areas

Technical factors

- Both WVA and WVC report that the previous WVA Project Officer for this activity's performance did not facilitate quality project management and monitoring, and as a result some aspects of implementation and monitoring have been compromised
- The activity is implemented over multiple sites nation wide which makes logistics difficult
- Quality/efficacy of awareness resources and training curriculum is underdeveloped
- Quality/efficacy of Ministry of Tourism (MoT) work is low owing to lack of capacity

Economic factors

- The activity is under resourced, both financially and in human resources.

- Ministry of Tourism has insufficient funds and capacity to operate effectively in the sector, for example, it does not have funds to independently conduct Commission meetings or pay tourist police to operate after midnight
- Pervasive poverty leads to some children being dependent on high-risk behaviours for survival

Ecological factors

- Flooding may prevent WVC Project Officer, CBO staff and peer educators from travelling to some target areas

Political / relational factors

- Government prioritisation may not create an enabling environment
- Security issues exist for staff working in the sector
- Some officials profit from child prostitution and some well connected and powerful people work against activity initiatives
- The US 'TIER' structure relating to children's safety is an enabler in that awareness is raised and actions are taken by US in the form of sanctions against countries involved in crimes against children. The threat of sanctions has recently been applied to Cambodia.
- WVC Project Officer has a valuable background in lobbying government
- Some key national figures are stakeholders and adhere to the vision of the Child Safe Tourism Commissions
- The ability of the Police and Judicial system to act on issues is low owing to absence of regulations and laws

APPENDIX 7 : EVALUATION TERMS OF REFERENCE

AusAID 2005 Cluster Evaluation of NGO ANCP activities in Cambodia **Terms of Reference – 26th May 2005**

BACKGROUND

The Australian Government's AusAID-NGO Cooperation Program (ANCP) managed by AusAID will provide around \$25 million in funding in 2004-05 through Australian community development NGOs. The goal of the ANCP is to subsidise Australian NGO community development activities, which directly and tangibly alleviate poverty in developing countries. Each year AusAID reports to Parliament on the effectiveness of the aid program. At present NGOs assess the performance of their own ANCP activities against their stated objectives. Under the current system, over 80 per cent of NGO activities are self-assessed as satisfactory or higher.

There is an ongoing requirement to improve the quality of performance information in the ANCP. Since AusAID does not monitor ANCP activities, we plan to use Cluster Evaluations, as part of a broader performance framework being developed in collaboration with NGOs, to assess ANCP outcomes.

The representative sample of NGOs taking part in this Cluster Evaluation is diverse, and therefore the results of the evaluation will examine individual agency's activities but will not determine the impact of all NGOs within the ANCP. This cluster evaluation is a step in developing a suite of activities that will investigate NGO performance to suit the needs of AusAID and provide feedback to the NGO sector. It is envisaged that this suite of activities will include peer reviews, agency's own independent evaluations, a modified Simplified Monitoring Tool Box approach and other strategies.

There have been two cluster evaluations of NGOs undertaken in 2000 and 2001. They considered both ANCP and bilateral NGO projects in Southern Africa and Vietnam (the majority were bilateral projects). The findings of the evaluations were quite different. In Vietnam, eight of the nine selected projects were rated satisfactory or above. In the Southern Africa evaluation, four out of seven selected projects were rated only marginally satisfactory. The weakest activity was ANCP-funded.

The 2004 Kilby Report²⁴ identified the need to conduct longitudinal performance reviews of the ANCP, comparing findings over time. To do this successfully a standard methodology for ANCP Cluster Evaluations is required. To ensure the evaluations are also a quality improvement exercise, it is important that all stakeholders are engaged in the evaluation process and respond to the findings and recommendations.

²⁴ Kilby, P, Options Paper, Revision of Performance Criteria for the ANCP Program, Sept 2004.

EVALUATION GOAL AND OBJECTIVES

The goal of the Cluster Evaluation is to improve performance measurement of the ANCP.

The objectives of the evaluation are:

1. To assess project implementation integrity of sampled ANCP activities
2. To collate and assess evidence of the impact of sampled ANCP activities
3. To assess the contribution of sampled activities to the ANCP objectives
4. To review NGO self-assessments of sampled ANCP activities in light of data generated by the evaluation
5. To develop a replicable methodology for future ANCP cluster evaluations

SCOPE OF THE EVALUATION

To gain a comprehensive appreciation of the sampled NGO's performance in Cambodia, the Review Team will investigate three performance-related dimensions:

Project implementation integrity will be the focus of the evaluation. Assessment of sampled activities will be guided by AusAID's NGO Quality Assessment Framework:

- **Relevance:** the project has appropriate objectives and design;
- **Efficiency:** the project is implemented in a professional manner;
- **Effectiveness:** the project is likely to achieve desired results;
- **Sustainability:** the project is likely to have sustainable outcomes.

Organisational context will be investigated to illuminate the extent to which differences in project performance can be explained by differences in organisational characteristics/attributes. The organisational context for each sampled NGO will be informed by the principles of the ACFID NGO Effectiveness Framework²⁵.

Geopolitical context will be examined to clarify the extent to which differences in project performance can be explained by geopolitical externalities. These externalities will be informed by the 'STEEP' analytical framework: **S**ocial, **T**echnical, **E**conomic, **E**cological, **P**olitical

The use of these three established frameworks will address some of the long-standing problems associated with considering context in evaluating and reporting NGO performance. Moreover, the methodology will suit AusAID's needs for transparency and rigor and be replicable.

ANCP projects of the following NGOs will be included in the cluster evaluation:

- Australian Lutheran World Service (ALWS)
- Australian Red Cross (ARC)
- World Vision Australia (WVA)
- Caritas Australia
- National Council of Churches Australia (NCCA)
- Credit Union Foundation Australia (CUFA)

²⁵ Focus on the 'Program Strategies' section of the ACFID NGO Effectiveness Framework

For each NGO, the following stakeholders will be consulted:

- Australian agency program staff (e.g. Program Director, Desk Officer)
- Cambodian partner program staff (e.g. Country Director, Program Director)
- Project implementation team staff (e.g. Project Manager, technical/field staff)
- Project beneficiaries, community representatives etc.

METHODOLOGY

For the purposes of this first ANCP Cluster Evaluation, activities from one country only have been selected. The selection of Cambodia for the evaluation was based on a number of key considerations:

- The country must have a sufficient number of existing projects from which to draw a reasonable sample;
- The country should have a representative sample of NGOs that are currently active;
- The support and interest of the program area and post;
- The post must be able to provide resources to the evaluation.

While other program areas were canvassed, Cambodia met all these considerations. Those that were affected by the earthquake and tsunamis on 26 December 2004 were ruled out. Other program areas such as Vietnam and PNG indicated that they would not have the capacity to support the study. Both the Cambodia desk and post gave in-principle support for the cluster evaluation.

The selection of activities to be evaluated will be a joint AusAID-ACFID exercise. A minimum of six activities will be evaluated. This selection will be made according to size of NGO and activity size and include a diversity of sectors.

Initially the evaluation team will undertake a desk-based assessment of all project documentation (ADPlan, Final Report, any project-related correspondence, design document etc). Interviews with Australian NGO personnel will be held prior to departure for Cambodia. This will be followed by a three-week field study in Cambodia, allowing approximately half a week per activity. Interviews with AusAID posted officers, implementing partner personnel and other stakeholders such as beneficiaries, the NGO Forum and Cambodian Government representatives will be undertaken in Phnom Penh and during field visits to project sites. Feedback sessions will be conducted with each implementing partner and ANGO prior to the completion of the draft report. The draft report will be circulated within AusAID and to the sampled ANGOs for comment prior to the submission of the final report.

EVALUATION TEAM

The cluster evaluation will be led by an AusAID Task Manager from Community Programs Section. In addition, ORE section will act in an advisory capacity to the cluster evaluation. ACFID will nominate an NGO representative for the evaluation team. This person will have a M&E background. He or she must have no links with any of the NGOs that have activities being evaluated. AusAID will also appoint an independent consultant who will be a M&E specialist. During the in-country visit, one PSU staff member will be made available to participate in the evaluation.

The Evaluation Team will provide the following outputs:

- a. Method and work plan prior to the Field Review that will include:
 - Summary of information collected to date, identifying information gaps;
 - Methods to be used to collect required information, and information sources;
 - List of key informants to be contacted in country, and questions to be asked of them;
 - Itinerary of the field visit;
 - Outline of the report format, and
 - Cost estimates of field review.
- b. A draft cluster evaluation report will be developed within four weeks of completion of field study;
- c. A final report within two weeks of receipt of written comments from AusAID and NGO stakeholders.

EVALUATION REPORT FORMAT

Title Page

Table of Contents

Glossary and Abbreviations

Executive Summary

Purpose

Approach

Findings

Recommendations

Chapter One.....Introduction

Background

Purpose

Assumptions/scope

Chapter Two.....Methodology

Sampling

Country

NGO's

Projects

Method of Inquiry

Method of Analysis

Chapter Three.....Findings

Constraints and Opportunities

Findings by Agency

Geopolitical Context

Organisational Context

Project Implementation Integrity

Overall assessment

Performance Measurement Issues

Self Assessment

Recommendations

Chapter Four.....Future ANCP Cluster Evaluations

Review of Methodology

Recommended Methodology for Future Cluster Evaluations

Chapter Five.....Conclusion

Appendices

Appendix A.....Map

Appendix B.....Itinerary

Appendix C.....Assessment and Analytical Frameworks

Appendix D.....Key informant interviews

Appendix E.....Question guide

Appendix F.....List of documents provided by Agencies

NB: The body of the report shall be no more than 25 pages.

APPENDIX 8 : AIMS OF THE ANCP

AUSAID NGO COOPERATION PROGRAM (ANCP) GENERIC GUIDELINES

1. DESCRIPTION

1.1 Goal

The goal of the ANCP is to subsidise Australian NGO community development activities which directly and tangibly alleviate poverty in developing countries.

1.2 Timeframe

The ANCP is scheduled to operate for an indefinite period.

2. OBJECTIVES AND FOCUS

2.1 Activities which are eligible for funding through the ANCP should alleviate poverty. Organisations should, in general, give priority to activities which have as a primary objective and the major focus of implementation one or more of the following:

- basic education and training - including literacy, primary, and non-formal education;
- primary health care - including nutrition, health education, environmental health, drug awareness, communicable and non-communicable diseases programs including HIV/AIDS, women's and children's health including family planning, and prevention and treatment of blindness;
- water supply and sanitation - including maintenance of water quality;
- income generation - including microfinance, microenterprise development, and small business development;
- rural and other poor - including the development of agriculture and basic services and capacity building of community organisations;
- disadvantaged groups particularly women and children - including assistance to prevent violence against women and children, child labour, and the situation of minorities and marginalised groups;
- good governance and promoting civil society - especially where constraints of this nature are clearly limiting people's ability to meet their basic needs;
- strengthening the organisational, planning, management and accountability capacities of local NGOs;
- management of the environment and natural resources on a sustainable basis - including soils, water, fisheries, habitat and forests;
- renewable energy and appropriate technology.

2.2 In achieving these objectives, the ANCP also encourages the following outcomes:

- increase in the efficiency and effectiveness of NGO programs and improvement to their developmental impact;
- wider use of the skills, resources and commitment to poverty alleviation and sustainable development which exist in the Australian community;
- Australian community involvement in overseas aid programs through Australian NGOs;
- strengthened links between Australian and local organisations in developing countries at people-to-people level; and
- strengthened goodwill between the Australian community and the communities of developing countries.

3. DEVELOPMENT APPROACH

3.1 Agencies should have a proven track record of activity in the sector and/or country concerned, and demonstrated links with an effective and accountable in-country implementing partner.

3.2 To be eligible for funding, activities must:

- have a strategy to ensure the development outcomes will be sustainable by the end of the activity;
- where possible, use existing community structures, be implemented by local or Australian NGOs acceptable to the national or local authorities of the country in which the activities are planned, and be consistent with the country's development policies;
- provide channels for Australians to contribute directly and meaningfully in international development efforts through voluntary activities and financial support;
- encourage and facilitate community self help and self reliance through local participation in defining goals, formulating development strategies, contributing to costs (including contributions in-kind), and in the implementation and management of such activities;
- ensure that the specific social and economic needs of both men and women are addressed and that opportunities for women to participate as decision makers in determining objectives and types of activities are increased;
- provide good value for money;
- use successful conventional or innovative approaches to problem solving which have potential for wider application in other communities;
- strengthen counterpart organisations in developing countries so as to enable them to sustain activities after Australian assistance has ceased;
- benefit groups selected on the basis of need - not on religious, sectarian or political grounds;
- encourage sound environmental and ecological practices; and
- encourage good governance and respect for human rights.

3.3 Prior approval from AusAID is required for:

- all activities in Aceh, Maluku and Papua. NGOs are required to submit documentation showing that the activity has the approval, at least at Provincial Government level, of the relevant Indonesian Government authorities;
- all activities in the areas of labour unions institution capacity building, training and advice; labour law and workers' rights;

(NB Activities requiring prior approval should be submitted 8 weeks before ADPlans and base agency proposals are due to avoid any delays in the normal ANCP approval process.)

3.4 Approval will not be provided for activities which:

- are determined reasonably to be contrary to the interests of the Commonwealth of Australia;
- subsidise evangelism or missionary outreach, or similar activities by partisan political organisations;
- support activities by partisan political organisations;
- support independence movements;
- provide direct assistance to unions to organise industrial action and give direct material assistance to striking workers: while not precluding activities in the areas of labour unions institution capacity building, training and advice; labour law and workers' rights that are subject to prior approval (See 3.3);
- involve welfare activities (welfare is defined as care and maintenance, other than in refugee and emergency situations, which aims to maintain people in a particular condition on a longer-term basis. Substantial and broad impact on social and economic conditions in the community is not normally expected from welfare programs. Welfare is typically provided on an individual or family basis including home-based and institutional care programs, such as those provided by orphanages, homes for the elderly, hospices, support to the disabled, and the provision of food for those who are destitute);
- have a significant component of professional salaries at Australian or 'expatriate' rates;
- are for emergency relief activities;
- are for development education;
- are for recurrent costs - unless there is a convincing plan to ensure the recipients will be able to take over those recurrent costs within the life of the activity;
- are currently funded under other Australian Government programs - NGOs seeking AusAID funds must declare all other proposals or sources of Australian Government funding which may impact on the activity;
- involve retrospective funding;
- do not comply with the guidelines set out in Australia's Assistance for Family Planning Activities;
- are primarily research focused;
- are focused primarily on the provision of equipment, freight or buildings unless:
- the equipment, freight or buildings to be supplied are clearly part of a broader development program;

- the equipment, freight or buildings to be supplied are appropriate to the environment in which they are to be placed;
- the recipients have the capacity to maintain the equipment or buildings concerned and to meet recurrent costs;
- the NGO has established that effective quality control measures have been used in the selection of goods for freighting overseas; and
- adequate planning has gone into the goods' use and distribution so as to establish their part in the overall value of the activity.

3.5 Activities require a strategy to promote the Australian identity of the activity in an appropriate manner.

4. ROLE OF NGOS

NGOs are responsible for the design, delivery, monitoring and evaluation of activities, submission of reports and acquittals, and for fully accounting for funds provided by AusAID.

5. ELIGIBILITY OF NGOS

Funding is restricted to Australian NGOs with AusAID accreditation. To participate in the ANCP, NGOs must provide Recognised Development Expenditure (RDE) figures by 1 March each year.

6. FUNDING

6.1 Funding levels for the ANCP will be set during the annual budget process.

6.2 NGOs can apply for funds to the limit of their AusAID Indicative Planning Figure (IPF). The IPF will be advised annually.

6.3 Base level agencies are funded on an activity- by-activity basis. Full Accredited NGOs are eligible to receive their subsidies as bulk payments in program allocations.

6.4 Multi-year activity funding for up to three years will be considered when this will result in more effective aid delivery. Extensions of Base accredited agency activities will not be funded; funding for further phases of activities can be sought as new activities. Full accredited agency Annual Development Plans (ADPlans) provide the basis for rolling programs of funding, although individual activities making up an ADPlan may be funded for up to three years. Approval for multi-year funding can only be given in principle.

6.5 Activities will normally be funded in annual tranches. Funding is always subject to budget allocations. Multi-year funding is also contingent on acceptable activity performance in the previous year.

6.6 Funding is provided for delivery of aid services and activities within the agreed funding period.

APPENDIX 9 : AUSAID NGO QUALITY ASSESSMENT FRAMEWORK

Quality Ratings Summary

Attribute (A) Project has appropriate objectives and design*	R a t i n g	Attribute (B) Project is implemented in a professional manner	R a t i n g	Attribute (C) Project is likely to achieve desired results	R a t i n g	Attribute (D) Project is likely to have sustainable outcomes	R a t i n g
Indicators 1. Appropriateness of project to development context 2. Adequacy of design process 3. Standard of funding proposal or final design - if elaborated		Indicators 4. NGO and partner have appropriate implementation processes 5. Strength of NGO and partner capacities and relationship 6. AusAID's systems and approaches appropriate for project quality		Indicators 7. Progress in achieving objectives 8. Extent of benefits to local people		Indicators 9. Sustainability strategy 10. Sustainability of benefits 11. Strategies for maintenance and future development	
Ratings of Attribute							

OVERALL PROJECT QUALITY RATING: _____

Quality Ratings/descriptions:

5 = Best Practice 4 = Fully Satisfactory
 3 = Satisfactory Overall 2 = Marginally Satisfactory 1 = Weak

A. PROJECT HAS APPROPRIATE OBJECTIVES AND DESIGN

Indicator 1: Appropriateness of project to development context			
1.1	Project goal is appropriate & relevant to the development context.	<i>The project goal is equivalent to the major development objectives described in the NGO proposal. Context should take account of other ongoing or planned activities by AusAID, other donors & NGOs, or the PG.</i>	
1.2	Project is an integral part of an NGO's country, sector and/or broad development strategy and consistent with the goal of the implementing partner.	<i>Project is not an isolated intervention. If NGO is fully accredited it can demonstrate how project relates to its overall developmental strategies and how this will impact on quality.</i>	
1.3	Project builds on strong relationships between the NGO and implementing partners and between implementing partners and other stakeholders.	<i>The design demonstrates how strong partner relationships will enhance project quality.</i>	
1.4	Activities are consistent with AusAID's Key Result Areas and policies on poverty reduction, gender & environment.	<i>Consistent with AusAID's policies and country strategies.</i>	
	<i>Overall score for indicator</i>		
Indicator 2: Adequacy of design process			
2.1	Adequate data collected on the development situation, & an analysis of the data has been made.	<i>Sufficient data & analysis to give a sound understanding of development problems & their causes, & also of any constraints to change. Given the short time to prepare proposals, the NGO's experience in the same geographical location & sector is relevant. A situational analysis and problem definition should have been undertaken.</i>	
2.2	Participatory planning approaches have been used effectively to prepare a design that responds to the needs of the beneficiaries both men and women.	<i>Evidence that the project is demand led with local inputs incorporated into the design. If the preparation time is insufficient for adequate participatory planning, the NGO should have had experience in the same geographical location or sector. Alternatively, the design or proposal should allow for more thorough investigation & design work including and participatory approaches, after start-up & prior to the first annual report.</i>	
2.3	The NGO has made a positive contribution to the design process and incorporated lessons from earlier work.	<i>The NGO has strengthened quality through, for example: an appraisal, support to risk management, reviews & evaluations including of previous interventions.</i>	
	<i>Overall score for indicator</i>		
Indicator 3: Standard of funding proposal or final design - if elaborated			
3.1	Design is clear & logical & has realistic objectives that are	<i>The design is easy to understand, and there is no confusion between objectives, outputs, activities, & indicators. It is reasonable to</i>	

	appropriate to the project goal.	<i>expect that the component objectives could be achieved within the time & resources of the project & these are likely to lead to achieving the project goal.</i>	
3.2	Log frame matrix short, simple, clear and logical, and presents realistic and measurable component objectives, outputs & indicators.	<i>Shows how inputs and outputs are justified in terms of achieving the objectives. Used to develop and implement the monitoring framework.</i>	
3.3	Design sits comfortably within a broader development program and is likely to provide and benefit from synergies with other development activities.	<i>There are linkages between this project and other projects and programs that are likely to magnify total benefits from development assistance to the country or region.</i>	
3.4	Beneficiaries/stakeholders are clearly identified.	<i>Those who stand to benefit & key stakeholders in the project are clearly identified. Data is disaggregated.</i>	
3.5	Implementation strategies, responsibilities & schedules are clear, workable & achievable within project life.	<i>Sufficient time allowed to complete specified activities. Implementing partners prepared or involved in framing these arrangements with assistance as needed.</i>	
3.6	Design presents a process for monitoring with performance indicators including social change indicators.	<i>Verifiable indicators are described which assess both quantity & quality. Indicators are necessary to monitor the achievement of objectives; including poverty reduction, gender equity, capacity building, and empowerment as appropriate.</i>	
3.7	Main risks to achieving the objectives have been identified & the design takes account of them and presents strategies for addressing them.	<i>The design is prepared with the main risks in mind & is able to minimise their impact through appropriate strategies and takes into account lessons learnt.</i>	
3.8	Design discusses sustainability issues and presents a strategy for addressing them.	<i>Main constraints to the sustainability of the important benefits identified & a strategy prepared to avoid or minimise their impact.</i>	
	<i>Overall score for indicator</i>		

B. PROJECT IS IMPLEMENTED IN A PROFESSIONAL MANNER

Indicator 4: NGO and partner have appropriate implementation processes			
4.1	Design in the funding proposal has been elaborated or adjusted using appropriate participatory methods.	<i>In cases where proposal contains only an initial design, a more detailed design (or 'final' design) is prepared early in implementation and submitted/agreed by AusAID where required. This should include a full set of project outputs and activities, with appropriate indicators for monitoring.</i>	
4.2	Project implementation process encourages participation and enhances skills of beneficiaries in management and monitoring project activities.	<i>Structures exist in the project to encourage beneficiary participation in management, decision- making, & problem solving.</i>	
4.3	Project takes steps to ensure that marginalised groups of the community actively participate & derive benefits from the project.	<i>Implementing partners can show how approach ensures the involvement of the poorest and marginalised groups.</i>	
4.4	NGO and implementing partner	<i>NGO can give examples that monitoring of the</i>	

	monitoring of project provides it with adequate information on progress, problems encountered and on achievements.	<i>project is effective allowing them to give prompt attention to issues.</i>	
4.5	NGO's project monitoring, reporting and acquittal procedures reliable, professional & meet AusAID needs.	<i>AusAID able to monitor progress & take appropriate action. Reports are on time, identify key issues, show that appropriate attention is given to them, & meet financial management standards.</i>	
4.6	NGO and implementing partners able to respond to changed circumstances by making adjustments during implementation when appropriate.	<i>The design should not be a rigid blueprint. Implementers need to be able to identify where adjustments are necessary to remain in step with the development situation.</i>	
	<i>Overall score for indicator</i>		
Indicator 5: Strength of NGO and partner capacities and relationship			
5.1	Assuring the capacity of the implementing partners through appropriate training, sharing decision-making, risk management, & working in a professional capacity.	<i>Implementing partner is not seen as a mere implementer or tool. NGO can give examples of its efforts to build up the capacity of the implementing partners or it can provide evidence of adequate existing capacity.</i>	
5.2	Relationship between NGO & implementing partners are close & cordial & project strengthens partnership & joint-decision making.	<i>Good communication exists & any problems or issues are quickly resolved. Evidence of joint responsibility for training, monitoring, risk management, & resolving problems or issues quickly.</i>	
5.3	Relationships between implementing partners and the stakeholders, especially beneficiaries, are close and favour smooth implementation and sustainability.	<i>Good communication exists, & any problems or issues are quickly resolved. Evidence of joint responsibility for all aspects of the project.</i>	
5.4	Australia-based staff of the NGO have the capacity, sensitivity and other qualities needed to oversight, co-ordinate and manage the project effectively.	<i>Experience & qualities of Australia-based staff oversighting the project are appropriate for the job.</i>	
5.5	Staff responsible for the project in-country (NGO or other agency) have, or are developing, the technical, organisational and social skills needed to implement the project effectively.	<i>Experience, capacity and sensitivity of in-country staff (including short-term inputs by A-based staff) ensures effective implementation & monitoring, plus sensitivity to gender issues.</i>	
	<i>Overall score for indicator</i>		
Indicator 6: AusAID's systems & approaches appropriate for project quality			
6.1	AusAID's project selection and funding procedures have encouraged the development of a quality project design.	<i>Project selection & funding procedures facilitated project identification, situation & stakeholder analyses, reviews & other aspects of quality project design.</i>	
6.2	AusAID's monitoring and reporting requirements have encouraged the NGO to monitor progress and report	<i>AusAID requirements have supported quality monitoring & reporting by the NGO & its implementing partners.</i>	

	problems at the field level.		
	Overall score for indicator		

C. PROJECT IS LIKELY TO ACHIEVE DESIRED RESULTS

<i>Indicator 7: Progress in achieving objectives</i>			
7.1	Planned activities & outputs likely to be completed on schedule & within budget.	<i>Activity schedules appear realistic. Project is meeting its scheduled targets as amended and where necessary agreed with AusAID during implementation.</i>	
7.2	Planned objectives are likely to be achieved.	<i>Based on an assessment of the final design & progress to date. Each objective should be considered separately, duly weighted before finalising an overall assessment.</i>	
	Overall score for indicator		
<i>Indicator 8: Extent of benefits to local people</i>			
8.1	Benefits to local people are likely to occur on schedule.	<i>Progress indicates good likelihood of benefits flowing to local people as planned.</i>	
8.2	Improvements likely to occur in poverty reduction.	<i>Consistent with AusAID policy guidelines on poverty, human rights & gender. Consideration given to distribution of benefits to the poorest members of the community. There is an explicit poverty reduction strategy & appropriate indicators to measure changes by.</i>	
8.3	Improvements likely to occur in gender equity.	<i>Consistent with AusAID's policy guidelines on poverty, human rights and gender. There is a gender analysis and indicators have been developed</i>	
8.4	Improvements likely to occur in empowerment of the local community.	<i>Improvements in capacity for self-help, self-reliance, self-esteem & control over local resources and political processes. There is a strategy in place to improve empowerment & appropriate indicators have been developed.</i>	
8.5	Benefits are reasonable in relation to project costs.	<i>There is value for money. The comparison of benefits to costs is made by considering likely benefits and judging whether (in total) these are reasonable relative to the cost of the project.</i>	
	Overall score for indicator		

D. PROJECT IS LIKELY TO HAVE SUSTAINABLE OUTCOMES

<i>Indicator 9: Sustainability strategy</i>			
9.1	Sustainability issues are monitored & strategies for dealing with sustainability adjusted as required during implementation.	<i>Monitoring & adjustment during implementation ensures that the strategies for dealing with sustainability are likely to lead towards sustainable outcomes. Sustainability strategy appropriate to social and physical environment and adapted to the broad country context in which the project operates.</i>	

Overall score for indicator			
Indicator 10: Sustainability of benefits			
10.1	Project likely to add to the capacity of implementing partners and beneficiaries to maintain the flow of benefits in the future.	<i>Assess knowledge and skills transference to date and how areas of need for continued support have been identified & addressed.</i>	
10.2	Project is contributing to social change in the community so that issues of sustainable development can be addressed.	<i>Increased knowledge, awareness and capacity leading towards self-help, self-reliance and self-esteem are likely to increase the community's ability to address its practical & strategic development needs in a sustainable way.</i>	
10.3	Project is likely to support the sustainable use of the environment.	<i>There will be no negative impact on the physical and biological environment, which may be enhanced.</i>	
	<i>Overall score for indicator</i>		
Indicator 11: Strategies for maintenance and future development			
11.1	Adequate resources to sustain the flow of benefits are likely to be available after project completion.	<i>Includes financial & other material resources from local sources. Project may also have built-in income generation or commercial activities.</i>	
11.2	There is a phasing out strategy for NGO support to implementing partners.	<i>A suitable phase-out strategy exists, where appropriate, & implementing partners are given more financial, managerial & technical responsibilities for the project over time. Strategies should recognise the value of continuing partnerships.</i>	
11.3	There is a strategy to increase beneficiary self-reliance and reduce implementing partner support to beneficiaries at a pace compatible with continued benefit flows.	<i>The implementing partner reports progress towards self-reliance and adjusts methods of working and supporting communities over time, as appropriate.</i>	
	<i>Overall score for indicator</i>		

lastupdate: 1/8/01

APPENDIX 10 : ACFID NGO EFFECTIVENESS FRAMEWORK

APPENDIX 11 : STEEP ANALYTICAL FRAMEWORK

Overview of STEEP

One way of characterising the differences between the six sampled ANCP projects is to examine the predominant risks to project performance that are inherent in the particular contexts within which each project is implemented. According to Earl (2002, p 9), “conditions will perpetually be affected by combinations of social and natural events”.

Theory of Change:

All international aid projects align with a ‘theory of change’. In other words, implied within any project design is a ‘theory’ about how we anticipate fostering desirable change. The role of M&E processes is to make informed judgements about the extent and merit of theories of change.

Most aid project theories of change can be broken down into a hierarchy of three stages of change effected by three respective classes of human actor:

- What the project *implementation team* will actually do?
- What change(s) in knowledge/attitude/practice (KAP) are anticipated in the lives of *direct beneficiaries* (or ‘boundary partners’²⁶) as a result of the work of the implementation team?
- What significant and lasting changes in the lives of *ultimate beneficiaries* (or the ‘wider community’) are likely under the influence of the primary beneficiaries?

Hypotheses of Change:

Each of the three stages in the change process may be considered to be a kind of social experiment; each with its own hypothesis:

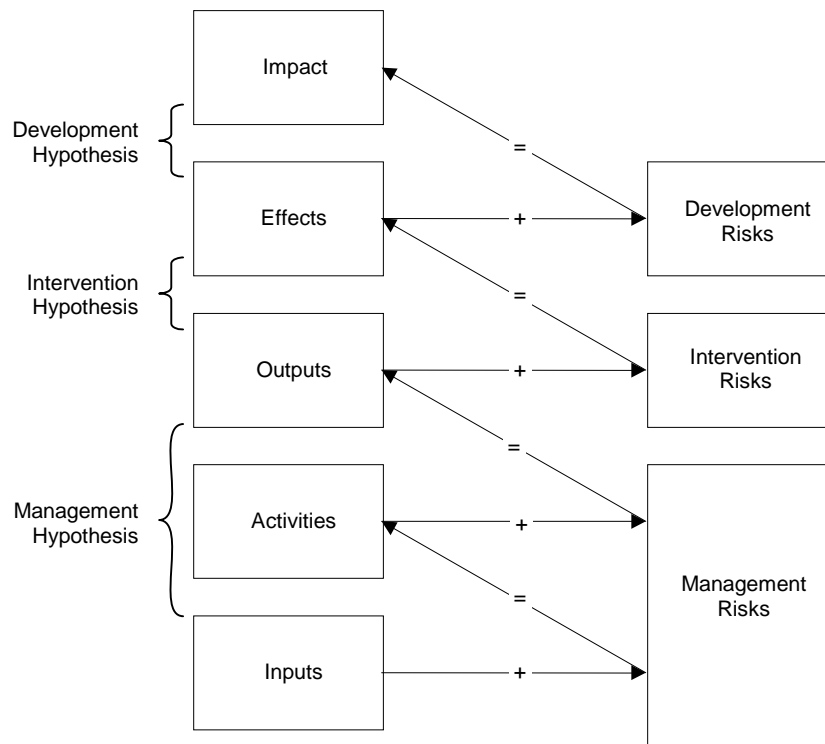
- **Management hypothesis:** concerned with the capacity of the *implementation team* to *efficiently* deliver on the technical and managerial requirements of the project.
- **Intervention hypothesis:** concerned with the *efficacy* of the of the project deliverables in fostering the anticipated changes in the *direct beneficiaries*.
- **Development hypothesis:** concerned with the *effectiveness* of the broad strategy/policy/approach in fostering sustainable changes among the *ultimate beneficiaries*.

Underlying Risks:

The success of any proposed theory of change may be affected by myriad factors or risks. It is important to identify these risks in order to mitigate their impact on overall project performance. As noted above, the overall performance of a project is determined by the extent to which the three hypotheses of change are appropriate. Hence, each of the three hypotheses may be affected by three *classes* of risk: **management, intervention or development** risks, respectively. The relationship

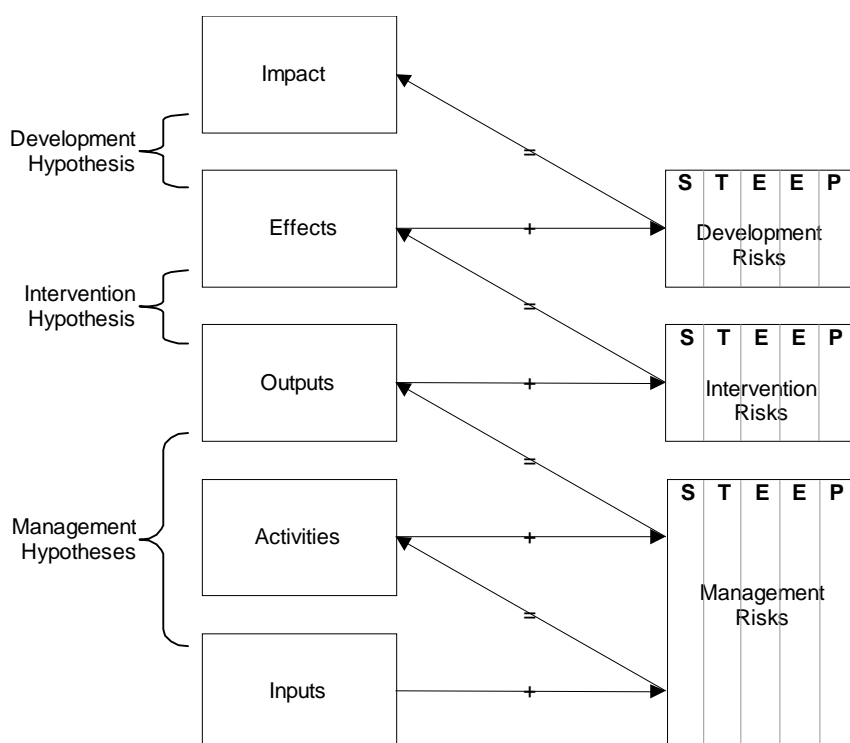
²⁶ Earl, S., Carden, F. & Smutylo, T. (2002). *Outcome Mapping: building learning and reflection into development programs*. Ottawa, IDRC.

between the three hypotheses of change and the three classes of risk within the logic of a project strategy may be depicted as follows:



Within each of the three classes of risk, five *domains* of risk can be further defined: Social, Technological, Economic, Ecological and Political (STEEP)²⁷. These five domains represent the logical possibility of factors likely to affect project performance at each stage of the change process. The relationship between the three hypotheses of change, the three classes of risk, and the five domains of risk may be depicted as follows:

²⁷ Grant, D. (1999). Foresight and Innovation, The General Electric Company. (available at <http://www.atse.org.au/publications/reports/foresight1.htm>)



The nature of the impact of each risk domain within each of the three classes of risk may be summarised as in the following matrix.

Risk Domain / Risk Class	S	T	E	E	P
Development risks affect the extent to which the <i>ultimate beneficiaries</i> will...	accommodate the innovation(s) within social norms	control the quality of resources required to sustain the innovation(s)	command sufficient resources to sustain the innovation(s) adopted	adopt the innovation without destructive ecological impact	engender sufficient political support for the innovation(s) adopted
Intervention risks affect the likelihood that <i>direct beneficiaries</i> will...	adopt the innovation(s) promoted by the project	control the quality of resources required to adopt the innovation(s)	command sufficient resources to adopt the innovation(s) promoted	accommodate environmental factors that affect adoption	engender supportive community relationships
Management risks affect the ability of the <i>implementation team</i> to...	mobilise boundary partner participation in the program	control the quality of project resources deployed	implement the planned activities with the resources budgeted	accommodate environmental factors that affect implementation	engender enabling internal & external relationships

APPENDIX 12 : EVALUATION QUESTION GUIDE

Question Guide

ORGANISATIONAL CONTEXT

1. LNGO: What value does the ANGO add from the perspective of the implementing partner?
2. ANGO: What value does the ANGO consider that they provide to country partners?
3. ANGO: What value does the ANGO get from the partnership? How does the ANGO learn from the field and incorporate that learning?
4. Describe the history of your relationship with your partner.
5. What is the partnership arrangement with your Cambodian delivery organisation?
6. What level of engagement do you have with your Cambodian delivery organisation?
7. Tell us about your strategies for development of good relationships.
8. Describe plans for the future of the relationship
9. Describe how you engage with partners beyond projects (if you do)...
10. Describe processes by which you and your partners capture lessons learned (refer to project context: efficiency)
11. In what situations do you modify plans or change approaches? (refer to project context: efficiency)
12. Describe how your collaborative efforts with other organisations (NGOs) are of value to this project
13. Describe any particular high-risk aspects to the work undertaken (has it enhanced or detracted from the impact)

PROJECT CONTEXT

1. What is your country strategy?
2. How does this ANCP project contribute to your country strategy?
3. How did you assess the community need?

4. How long has the current ANCP project been running?
5. How long have you implemented projects in this target area?
6. Describe any synergies between the benefits anticipated from this project and other development activities?
7. Describe how you analysed the context to design the project
8. Describe how you analyse the context throughout implementation to ensure appropriateness
9. Describe your design process
10. If you were to improve the quality of your design, what things might you do?
11. Describe how the beneficiaries were identified/scoped

Logic, Coherence with context analysis, achievability of targets and performance measurement framework?

1. Are implementation strategies, schedules and responsibilities clearly defined?
2. Describe the M&E framework employed to guide:
 3. management decision-making,
 4. learning and
 5. accountability
6. What evidence is there to suggest that this project is addressing a community need?
7. Are planned activities and outputs completed on schedule and within budget?
8. If you were to improve the quality of your performance information, what things might you do?
9. Describe capacity building initiatives by the ANGO
10. How have you responded to changed circumstances?
11. (Have there been any situations arise that have necessitated changed plans or approaches?)
12. Describe the nature of the partnership between the ANGO/LNGO
13. Describe decision-making processes between the ANGO and the LNGO
14. What changes to people's lives (impact) do you anticipate?
15. What do you do to gather evidence of changes in peoples' lives?

16. What evidence do you have to suggest that your ANCP-funded project is helping to change people's lives?
17. What constraints have you encountered in gathering the evidence of this change?
18. Do you anticipate the project will achieve its objectives?
19. What strategies are you employing to ensure that the changes anticipated in the project design will endure beyond the end of funded activities?
20. What strategies are you employing to ensure that the changes are socially/culturally acceptable?

GEPOLICAL CONTEXT

S: What social or cultural factors have affected the level of participation of beneficiaries in project activities?

T: What technical constraints have hampered project implementation or beneficiary participation?

E: What economic factors have affected project implementation or beneficiary participation?

E: What ecological factors have affected project implementation or beneficiary participation?

P: What political (relational) factors have affected project implementation or beneficiary participation?

APPENDIX 13 : DESK ASSESSMENTS