

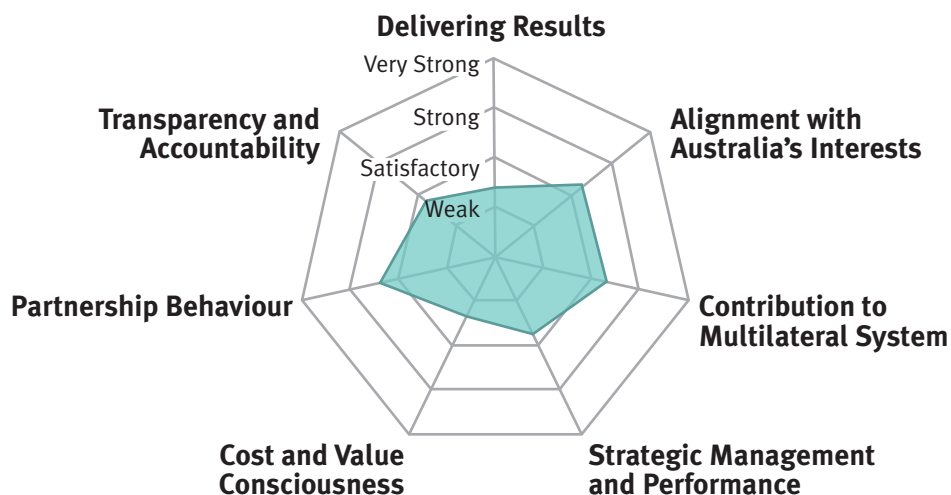


Australian Multilateral Assessment March 2012

# Commonwealth Secretariat Development Programmes (COMSEC)



## OVERVIEW OF ORGANISATION RATINGS



## ORGANISATION OVERVIEW

The Commonwealth Secretariat (COMSEC) is an inter-governmental organisation responsible for delivering services to the 54 member states of the Commonwealth. Its basic mandate encompasses two broad goals:

- > democracy—to support member countries to prevent or resolve conflicts, strengthen democratic practices and the rule of law, and enhance the protection of human rights
- > development—to support pro-poor policies for economic growth and sustainable development in member countries.

In global terms, COMSEC's expenditure on development work is small (about \$50 million a year). Its overall portfolio (democracy and development work) consists

of around 400 small activities covering meetings, advisory services, technical assistance, policy development work, advocacy and consensus building. Australia contributed \$13.5 million to COMSEC's development programs in 2010–11. This comprised \$9.5 million of voluntary core contributions, \$3.9 million of assessed contributions and \$0.1 million in non-core funding. Australia is the third largest donor to COMSEC (after the United Kingdom and Canada).

## RESULTS AND RELEVANCE

### 1. Delivering results on poverty and sustainable development in line with mandate

**WEAK**

COMSEC's development work is consistent with its broad mandate, but its ability to monitor and report on performance and results in relation to its development work is weak.

COMSEC has a comparative advantage in areas such as peace and democracy building and the challenges faced by small states. There are a few clear success stories, such as on debt management, Maritime Boundaries and the 'Hub and Spokes programme' on trade capacity-building. But considering the breadth of COMSEC's activities, these successes are relatively sparse. This is, in part, because COMSEC does not have a sound monitoring and evaluation system.

Its next COMSEC Strategic Plan (2012–16), to be developed in early 2012, will be critical to improving COMSEC's ability to report on performance and manage on the basis of results.

COMSEC's work on low income small states overlaps with important areas where the Millennium Development Goals are lagging, but numbers of poor people and human development indicators are not prime determinants of its budget allocations. This in part due to the fact that funding for Commonwealth Fund for Technical Cooperation comes from broad cross section of developed and developing country members and its programs are designed to assist a cross section of members.

### a) Demonstrates development or humanitarian results consistent with mandate

**WEAK**

COMSEC has a comparative advantage in areas such as peace and democracy building and the challenges faced by small states. It has had some successful activities in these areas. COMSEC's Annual Performance Reports (APRs) summarise outcomes of important Commonwealth meetings and results of specific activities under each program. For example, the APR for 2009–10 (July-June financial year) published in early 2011, highlighted the suspension of Fiji, establishment of an Eminent Persons Group, various ministerial meetings, creation of a network of election management bodies, launching the Pacific Governance Facility, finalising of the Performance Implementation Framework and launching of the new management information system.

However, COMSEC activities stretch far more broadly and the development impact of many activities is unclear. Weaknesses in reporting, which tends to be descriptive and activity-based (see 1(b)), makes it difficult to make an assessment of overall progress of each program against COMSEC's mandate and strategic plan.

Based on the limited evidence available COMSEC's performance on development effectiveness, in terms of the standard criteria for measuring this, is weak. There are a few clear 'success stories', such as on debt management, Maritime Boundaries and the 'Hubs and Spokes' programme on trade capacity building. But considering the breadth of COMSEC's activities, these successes are relatively sparse.

At the Perth Commonwealth Heads of Government Meeting, Leaders agreed to a range of measures that have the potential to improve the results delivered by COMSEC, including:

- > strengthening the management and delivery of Commonwealth programs, including through regular review of their efficiency, effectiveness and results, against measurable indicators
- > to this end, focusing delivery of practical assistance to members through greater prioritisation and alignment of programs to members' priorities on the basis of Commonwealth comparative advantage and, where necessary, retiring programs that do not meet these criteria, and
- > undertaking associated reform of the Commonwealth Secretariat and ensuring the adequacy of resources and their appropriate use to enable it to deliver on its agreed mandates.

<b>b) Plays critical role in improving aid effectiveness through results monitoring</b>	<b>WEAK</b>
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Assessing the development effectiveness of COMSEC programs is difficult because there is not enough relevant, credible performance information, presented consistently and at program level, to allow clear judgements to be made. The reporting is also not clear in terms of demonstrating how activity and program outputs contribute to broader development outcomes.

COMSEC staff have indicated that the activity appraisal and approval process incorporates feedback on quality into the design and delivery of new activities. There is evidence that formal evaluation results feed into the design of future activities (for example, debt management, maritime boundaries, trade policy). But these evaluations cover only a small proportion of COMSEC's overall portfolio.

From the information available it is not clear whether, and to what extent, key information on program (or activity) quality feeds systematically into the design and delivery of new, or on-going, activities.

The next Strategic Plan (2012–16) is an excellent opportunity to create a stronger overall results framework for COMSEC's development-related work, including systematic results-based monitoring and assessment of program activities. At the Perth CHOGM Australia indicated that it would be willing to support COMSEC in its development of the next Strategic Plan.

<b>c) Where relevant, targets the poorest people and in areas where progress against the MDGs is lagging</b>	<b>SATISFACTORY</b>
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COMSEC's development goal is to support pro-poor policies for economic growth and sustainable development.

While the MDGs are referred to in some of COMSEC's reporting, they do not appear to be prime drivers of COMSEC's development work. There is, however, some overlap between COMSEC's development work (for example, on the particular challenges facing low income small states) and important areas where MDG progress is lagging.

Numbers of poor people and human development indicators are not prime determinants of COMSEC's budget allocations, in part due to the fact that funding for Commonwealth Fund for Technical Cooperation comes from broad cross section of developed and developing country members and its programs are designed to assist a cross section of members.

<b>2. Alignment with Australia's aid priorities and national interests</b>	<b>SATISFACTORY</b>
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COMSEC's focus on peace and democracy building, and the challenges faced by low income small states, align well with Australia's interests.

Some of COMSEC's activities align with Australia's strategic goal of effective governance, but the relatively small scale of most of its activities is a limitation on its importance as a partner.

COMSEC has a reasonable record of promoting gender equality among its members, but most programs give insufficient weight to crosscutting issues including the environment, gender and disability.

COMSEC has a generally positive record on work in fragile states, particularly in supporting the resolution of internal conflicts.

<b>a) Allocates resources and delivers results in support of, and responsive to, Australia's development objectives</b>	<b>STRONG</b>
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Some of COMSEC's work, notably on the peace and democracy-building side (for example, the Commonwealth Ministerial Action Group, elections, rule of law, human rights) is strongly aligned to Australia's broader interests, and contributes to development. COMSEC's focus on the particular challenges faced by low income small states is also a significant area of shared concern, particularly given Australia's strong national interest in the Pacific region.

Given the number of small states represented in the Commonwealth, Australia considers support for small states to be an area of comparative advantage for COMSEC and would like to see increased work in this area. COMSEC has established Small States Offices in New York and Geneva (to which Australia contributes funding). These offices have been welcomed as providing the opportunity for small states to enhance their people-to-people

linkages, and to strengthen their diplomatic representation at the United Nations in New York, and in Geneva.

There is scope to work more with Pacific Islands Countries, given at present most of COMSEC's programs focus on African and Caribbean members.

<b>b) Effectively targets development concerns and promotes issues consistent with Australian priorities</b>	<b>SATISFACTORY</b>
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COMSEC activities generally align with Australia's strategic goal of effective governance. This includes COMSEC's work in areas such as law and justice, human rights, advocacy on behalf of small states and debt management. However, relatively small size of COMSEC's programs is a limiting factor on the extent to which they contribute to Australia's aid objectives.

<b>c) Focuses on crosscutting issues, particularly gender, environment and people with disabilities</b>	<b>WEAK</b>
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COMSEC has a reasonable record on promoting gender equality amongst its members. It encourages members to make and implement new commitments on gender, although the results from this are unclear. It broke new ground on gender responsive budgeting. It has strong partnerships with other relevant players on gender issues.

The extent to which COMSEC incorporates gender mainstreaming into its own operations is less clear. At the Perth CHOGM, Leaders directed COMSEC to institutionalise the principles of gender mainstreaming, to provide recommendations on steps to be taken to mainstream gender equality across all Commonwealth work, and to make real progress on implementation of the Plan of Action. Australia indicated that it would support this further work by COMSEC on gender.

COMSEC was part of efforts at the 2009 CHOGM that played a useful consensus-building role on climate change prior to the Copenhagen conference. Nevertheless the environment is not a major focus or crosscutting issue for COMSEC programs or activities.

COMSEC has undertaken some activities in relation to people with disabilities, including convening a seminar in India in early 2011 on disability rights. But disability is not a major focus or crosscutting issue for COMSEC programs or activities.

<b>d) Performs effectively in fragile states</b>	<b>STRONG</b>
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Overall, COMSEC's record of working in fragile states is positive, although budgetary limitations are a constraint to effectiveness.

COMSEC has undertaken a range of activities in fragile states on issues such as peace-building, elections, law and justice and human rights. Working with others (for example, USA, EU, UN) the Commonwealth has helped to resolve conflicts in several countries, for example, Uganda, Kenya, Sierra Leone.

Each year COMSEC organises several missions of observers or experts to strengthen elections in Commonwealth states, including some fragile states. Its reputation on

election monitoring and strengthening is generally sound, although feedback from stakeholders suggests the success of its election missions varies.

COMSEC does not have formalised policies for working in fragile contexts. It does, however, have a process (Secretary-General's Good Offices) for helping to resolve internal conflicts; and a mechanism, the Commonwealth Ministerial Action Group (CMAG), for dealing with serious or persistent violations of Commonwealth values (see 3b below). At the Perth CHOGM, Leaders agreed to a range of steps to enable CMAG to take a more pro-active and preventative role on upholding Commonwealth values.

### **3. Contribution to the wider multilateral development system**

**SATISFACTORY**

COMSEC has been quite effective in promoting collaboration among development partners in niche areas such as debt management and trade negotiation. However, the small size of its development programs means COMSEC cannot play a pivotal or influential development role at global or national levels.

While COMSEC is a small player in international development efforts, it has developed norms and standards outside mainstream development sectors, which are useful. COMSEC sets standards, explicitly or implicitly, for the Commonwealth's core values and principles including democracy, just and honest government and fundamental human rights and the rule of law. It is one of the few multilateral organisations with a mandate to work in these areas.

COMSEC has produced some useful policy and knowledge work in areas related to democracy, human rights and teacher migration issues relating to small developing states.

#### **a) Plays a critical role at global or national-level in coordinating development or humanitarian efforts**

**SATISFACTORY**

The small size of COMSEC's development programs means that COMSEC cannot play a pivotal or influential development coordination role at global or national level.

In some important areas (debt management, trade negotiation, maritime boundaries) COMSEC has been quite effective in promoting collaboration among development partners.

But the CFTC evaluation (2008) found that 'at the national level there is limited evidence that CFTC programming is integrated with, or planned in conjunction with, the work of other development partners'.

#### **b) Plays a leading role in developing norms and standards or in providing large-scale finance or specialist expertise**

**STRONG**

It is difficult for COMSEC to play a leading role in setting norms and standards in mainstream development sectors due to its limited ability to mobilise large-scale financial resources. However, COMSEC does set standards, explicitly or implicitly, for the Commonwealth's core values and principles: 'democracy, democratic processes and



institutions which reflect national circumstances, just and honest government and fundamental human rights, the rule of law and the independence of the judiciary, freedom of expression and the enjoyment of such rights by all individuals regardless of gender, race, colour, creed or political belief' (Harare Declaration). These cutting-edge, often difficult, policy and institutional areas are basic determinants of broader development performance. COMSEC is one of the few multilateral agencies with a mandate to work in these areas and deserves credit for doing so.

The Commonwealth, assisted by COMSEC, deserves praise for taking up complex and important issues affecting global development such as Climate Change (the 2009 Port of Spain Climate Change Consensus was influential in shaping climate change financing for small states) and Food Security (the 2011 Perth Declaration on Food Security Principles calls for timely and coordinated emergency relief efforts to deal with immediate crises and medium-term practical measures).

COMSEC's expert assistance in areas such as youth, maritime boundaries, and debt management, the CFTC technical experts program, and the 'Hubs and Spokes' trade negotiating program have been particularly valued by developing members.

<b>c) Fills a policy or knowledge gap or develops innovative approaches</b>	<b>SATISFACTORY</b>
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Key areas of comparative advantage for COMSEC are democracy, human rights, gender equality and small developing states issues. Greater focus should be placed on these areas in the next Strategic Plan.

COMSEC has achieved some good results on complex issues, particularly in relation to the special challenges facing low income small states.

<b>ORGANISATIONAL BEHAVIOUR</b>	
<b>4. Strategic management and performance</b>	<b>SATISFACTORY</b>

COMSEC's record on strategy and planning has been historically poor, with a lack of prioritisation of activities across its broad mandate reducing its effectiveness and impact. COMSEC has introduced measures designed to improve this, including implementing a results-based planning and budgeting system designed to reallocate significant resources to higher priorities from lower priority work. The effectiveness of this has not yet been evaluated.

COMSEC's Board of Governors and Executive address the many critical issues affecting the organisation and its performance, but the absence of adequate performance reporting makes it difficult to exercise full oversight and provide clear guidance.

The organisation faces challenges in consistently monitoring and evaluating program performance but senior management is implementing improvements. For example, COMSEC has introduced ARTEMIS (an integrated project design and management information system), and is strengthening its evaluation function.

COMSEC's leadership is attempting to drive reform on other fronts also. During consultations at Headquarters, senior management provided significant detail on reform efforts initiated over the previous 12 months. COMSEC has faced challenges in the area of human resources over recent years. These are being addressed through the implementation of a new human resource competency framework and finalisation of a staff handbook. However, as noted by the Eminent Persons Group, COMSEC faces challenges in attracting and retaining the best staff given its current terms and conditions of employment.

Momentum for reform was reinforced at the Commonwealth Heads of Government Meeting held in Perth, where leaders gave instructions on reforming the organisation and tightening its mandate. At this point it is too early to judge the success of these efforts, although the Chair of the Audit Committee gave a positive report on the direction and pace of reform at the Meeting of the Board of Governors in May 2011.

**a) Has clear mandate, strategy and plans effectively implemented**

**SATISFACTORY**

COMSEC suffers from a wide set of mandates which reduces the effectiveness and impact of its activities. Many of the mandates are cast in vague terms, which has made it difficult for the current COMSEC's Strategic Plan to be targeted and results-oriented. At the 2011 Commonwealth Heads of Government Meeting in Perth, leaders instructed COMSEC to focus its Strategic Plan more, tighten its mandates, and this weakness may therefore be addressed in the near future.

Progress against the Strategic Plan is monitored, with a six-monthly progress report against the Strategic Plan presented regularly to COMSEC boards, as well as progress against the CFTC review.

The Secretariat's complex fund structure (drawing on the COMSEC, CFTC, CYP budgets) also leads to challenges for programming and administration. This has been recognised by management. It was positive to see the Secretariat commission a review of budget and fund structures in 2011, and then implement its more significant recommendations to address these challenges.

COMSEC's policy and planning frameworks were weak but are improving. Improvements could still be made in increasing coherence across the democracy and development goals, between programs and across activities within the same program.

**b) Governing body is effective in guiding management**

**SATISFACTORY**

COMSEC's Board of Governors meets annually and its Executive Committee meets three times a year. These governing body meetings address the many critical issues affecting the organisation and its performance, but implementation of some decisions and program reforms can be slow. Efforts are being made to streamline some of the meetings.

The *UK Multilateral Aid Review* found that the governing bodies were performing effectively. This assessment concurs with that general finding, but would add that the absence of adequate performance reporting against results make it very difficult for the governing bodies to exercise proper oversight and provide clear guidance on many issues.



<b>c) Has a sound framework for monitoring and evaluation, and acts promptly to realign or amend programs not delivering results</b>	<b>WEAK</b>
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COMSEC has recently introduced a Performance Implementation Framework, which is defined and set out in the Strategic Plan, and includes a results hierarchy. A results framework with defined programme level indicators is in place, against which reporting is provided (although improvement is needed in the reporting of results and impact). The system for monitoring and evaluation has shortcomings, but senior management is implementing improvements. The ARTEMIS project management system is now up and running and moving into its second phase. A Results-Based Management and Planning Adviser has been employed and mandatory Project Completion Reports have been (re-)introduced. However, the challenges in this area are also in part a consequence of the overly broad work programme, which is unsustainable at current levels. Hence, a more focussed Strategic Plan should bring benefits in this area as well.

<b>d) Leadership is effective and human resources are well managed</b>	<b>SATISFACTORY</b>
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COMSEC's leadership is attempting to drive reform on a range of fronts. During consultations at headquarters, senior management provided significant detail on reform efforts that have been initiated over the past 12 months. At this point it is too early to judge the success of some of these efforts.

Management has sought to improve human resources policies in 2011, including the proposals to introduce new terms and conditions of employment at the May Board of Governors meeting, but much remains to be done in this area, especially in ensuring that the Secretariat is able to attract and retain the quality of staff needed to meet the performance aspirations of Commonwealth members.

<b>5. Cost and value consciousness</b>	<b>WEAK</b>
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COMSEC's management attention to cost control, value for money and cost effectiveness is not systematic and needs strengthening. Cost control and value for money are of ongoing concern to its governing bodies. These governing bodies regularly scrutinise budgets, but cannot always assess value for money due to gaps in financial and performance information. COMSEC management has instigated some measures to focus on cost efficiencies, such as a recent Travel Audit which found weaknesses that management has accepted and committed to address. But there remains scope for more systematic attention to means of improving cost effectiveness.

COMSEC's effective work on debt management has helped some members improve aspects of their budgeting and disbursement. For example, its public sector management program promotes value for money and cost effectiveness, and has provided useful public financial management tools and training.

<b>a) Governing body and management regularly scrutinise costs and assess value for money</b>	<b>WEAK</b>
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Cost control and value for money are of on-going concern to the governing bodies. They regularly scrutinise budgets, but are usually not able to assess value for money due to gaps in performance information.

Budget underspends in previous years have been a concern. COMSEC management has looked to address this by commissioning a review of COMSEC's fund and budget structures. The review, completed in March 2011 by PricewaterhouseCoopers, was presented at the May Board of Governors meeting.

<b>b) Rates of return and cost effectiveness are important factors in decision making</b>	<b>WEAK</b>
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The nature and small size of most of COMSEC's activities mean that rate-of-return analysis is generally not relevant.

COMSEC has weaknesses in its cost control systems. Feedback from COMSEC staff suggests that cost effectiveness is now considered more formally in activity appraisal and approval although the Australian Multilateral Assessment found limited direct evidence of this.

<b>c) Challenges and supports partners to think about value for money</b>	<b>SATISFACTORY</b>
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COMSEC's effective work on debt management has helped some members to improve aspects of budgeting and disbursement. The public sector management program promotes value for money and cost effectiveness, and has provided some useful public financial management tools and training.

<b>6. Partnership behaviour</b>	<b>SATISFACTORY</b>
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Positive feedback from developing countries suggests COMSEC works constructively with most member governments. Its ability to adapt assistance and advise on partner priorities and capabilities is a strong point.

COMSEC's alignment with partner country priorities and systems is hard to assess. The 2008 CFTC evaluation concluded that, although it is usually responsive to member Governments' needs, there was little evidence of other Paris Principles (such as formal donor coordination) being applied at country-level. The review recommended the creation of Technical Cooperation Frameworks to assist in addressing this. COMSEC is currently developing these frameworks, however it remains too early to assess how effective these efforts will be.

Developing country governments have a strong voice in COMSEC's governance and programs.

<b>a) Works effectively in partnership with others</b>	<b>STRONG</b>
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COMSEC has working relationships with all Commonwealth members, the Commonwealth family of organisations (mostly civil society), the UN and some of its organisations, the World Bank (for example, on debt management), and other MDBs (for example, Caribbean Development Bank), with Commonwealth donor agencies, and with the private sector (through the Commonwealth Business Council).

Positive feedback from members suggests that COMSEC is able to work constructively with them (or at least most of them). Its ability to adapt assistance and advice to partners' priorities and capabilities is a strong point.

COMSEC's relations with other official organisations (mostly on an issue/subject basis, for example, small states, debt management, international trade, climate change) appear to be reasonably effective.

The Secretary General is keen to nurture strategic partnerships with other intergovernmental organisations and entities on the basis of outcomes rather than as a source of funds. He has identified the EU, PIF, CARICOM, and G20 as priorities for future engagement. At the Perth CHOGM Australia offered to contribute to a Commonwealth/G20 senior official's conference to strengthen the Commonwealth's engagement with the G20.

<b>b) Places value on alignment with partner countries' priorities and systems</b>	<b>SATISFACTORY</b>
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COMSEC's alignment with partner countries' priorities and systems is hard to assess. In some instances COMSEC has responded reasonably rapidly to emerging priorities in member countries (and has a better record on this than better-resourced development organisations). However, some of COMSEC's development work is 'supply driven', particularly at regional and pan-Commonwealth levels. It is not systematically filtered by central aid coordination authorities in many members, or coordinated with the work of other development partners. One of the recommendations of the CFTC Review 2008 is the strengthening of the role of national Primary Contact Points, and this is being pursued actively.

<b>c) Provides voice for partners and other stakeholders in decision making</b>	<b>SATISFACTORY</b>
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Developing members make up the bulk of the Commonwealth's total membership (50 out of 54 states). They have a significant, and in many cases determinative, voice in governing body consensus decisions. Individually and collectively they can call COMSEC to account on program and activity design and implementation.

**7. Transparency and accountability****SATISFACTORY**

COMSEC's record on transparency in resource allocation, budget management and operational planning is improving off a low base. While COMSEC does not have a formal information disclosure policy, it publishes summary information on its activities, programs and results, including audited financial statements, evaluation reports and progress reports. Much of this is descriptive and does not link to allocations, however.

COMSEC has a large number of activities and operations underway at any one time and it is difficult to track expenditure and attribute expenditure correctly.

Until recently, COMSEC had a rather poor record in aspects of its financial management (for example, underspending), risk management (for example, information technology security) and fraud prevention (for example, fraudulent claims associated with official travel). It has taken steps to strengthen budget and other corporate systems and processes. Examples include adopting International Public Sector Accounting Standards, developing a new budget framework based on best international practice, adopting a risk management framework and implementing better procurement processes.

The Australian Multilateral Assessment found limited evidence that COMSEC promotes transparency and accountability with partners, although some of COMSEC's activities and tools in financial management and public sector management help to promote accountability.

**a) Routinely publishes comprehensive operational information, subject to justifiable confidentiality****SATISFACTORY**

In addition to the Annual Performance Reports and six-monthly Progress Reports (see above) COMSEC publishes 'Commonwealth Secretariat Assistance to Member Countries' annually (six month lag). This contains summary, descriptive information on assistance by program, region, country and individual activity. The Secretariat's Audited Financial Statements are publically available online, although the most recent available statements are of the 2005–06 financial year. The various evaluation reports of the Secretariat's work programme are also made available online.

COMSEC is not a signatory to IATI, and does not appear to have a formal information disclosure policy.

**b) Is transparent in resource allocation, budget management and operational planning****WEAK**

COMSEC's record on transparency in resource allocation, budget management and operational planning is weak but improving.

COMSEC's budgeting is complex (three separate, but operationally linked, budgets), it has a large number of activities/operations underway at any one time, it is difficult to keep track of expenditures and to attribute them correctly, and members have difficulty in interpreting the numbers.

COMSEC's procedures for operational planning are similar to those of other technical assistance agencies, but some of its terminology is unique (for example, Points of Contact, Primary Contact Points). It has moved from an annual to a biennial planning cycle, enabling divisions to take a longer-term approach to program planning and budgeting.

<b>c) Adheres to high standards of financial management, audit, risk management and fraud prevention</b>	<b>SATISFACTORY</b>
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Audited financial statements are provided by an external auditor. These are available on the website.

Until recently, COMSEC had a rather poor record on financial management (for example, underspending), risk management (for example, IT security) and fraud prevention policies. It also had a qualified audit on its 2005–06 financial statements. Some improvements have occurred in the past year, for example adoption of International Public Sector Accounting Standards, a new budget framework based on best international practice, adoption of a risk management strategy and better procurement processes and audited accounts.

<b>d) Promotes transparency and accountability in partners and recipients</b>	<b>SATISFACTORY</b>
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The Australian Multilateral Assessment did not find clear evidence that COMSEC promotes transparency and accountability with partners, although some of COMSEC's activities and tools in financial management and public sector management help to promote accountability.