

Aid Effectiveness Confessions

By Neal Forster

The Question

Why can't aid projects always report clearly and simply, in a robust way, whether they are on track to achieve their final objective/outcomes?

Basis for The Question

- ▶ From 2012 to 2016 I was Regional Aid Effectiveness Specialist with the Australian aid program.
- ▶ Undertook quality appraisal of aid project annual progress reports across the Vietnam, Laos , Cambodia, Myanmar and SE Asia Regional aid programs.

Why is this an important effectiveness issue?

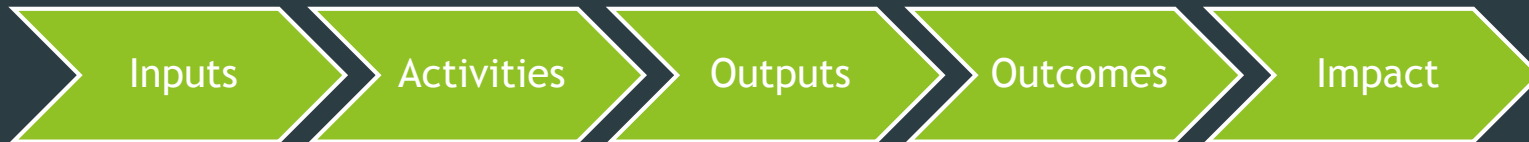
- ▶ How can projects manage and make decisions if there is little clarity as to whether the project is on track?

How did we get to this point?

- ▶ Is it capacity?
- ▶ Is it incentives?
- ▶ Is it convenience?
- ▶ Is it simply that real life is too complicated?

The Problem

Program Logic

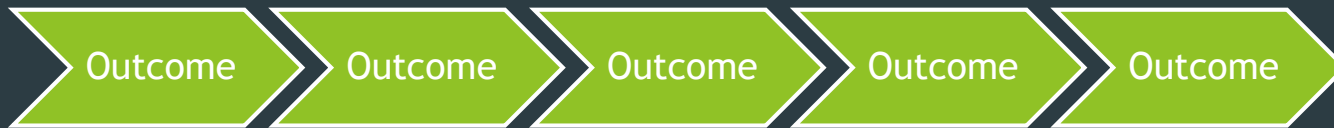


The Good News

- ▶ There is a lot of effort trying to change the input-output-outcome mindset.
- ▶ There are examples of partners and projects trying new approaches but it just doesn't seem to be resonating across-the-board within the aid sector.

The Solution

Program Logic



What is an Outcome?

- ▶ A positive change in the state of mind, behaviour, actions, or well-being of aid project partners/ stakeholders

The Way Forward

The Outcome Roadmap

- ▶ Sequential outcomes
- ▶ Time-based
- ▶ Focus on quality

Financial Inclusion Outcome Roadmap



Financial Inclusion Outcome Management System

Outcome	By When / Quality
Better use of financial services	Sep 2016
Increase in financial services demand	Jun 2016
Increase in supply of financial services	Mar 2016
Costs of financial services expansion reduced	Jan 2016

Outcome Management

Outcome	By When / Quality
Costs of financial services expansion reduced	Jan 2016
Contractual agreement reached between donor and financial institution	Sep 2015
Expression of interest from financial institution	Jul 2015

What else needs to happen for the approach to work?

- ▶ Get the contract right
- ▶ Have the technical expertise necessary to assess quality of reported outcomes

Thank you

Some Further Reading

- ▶ Contracts for adaptive programming
(Overseas Development Institute, 2016)
- ▶ Strategy Testing: An Innovative Approach
to Monitoring Highly Flexible Programs
(The Asia Foundation, 2015)