FINAL REPORT

Evaluation of the NZAID Multilateral and Regional Assessment Framework (MARAAF)

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Evaluation of the Multilateral and Regional Assessment Framework (MARAAF)

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Acronyms and abbreviations

AAA	Accra Agenda for Action
ADB	Asian Development Bank
ADF	Asian Development Fund of ADB
AEF	Agency Engagement Framework
ALNAP	Action and Learning Network for Accountability and Performance
APF	Asia Pacific Forum of Human Rights Institutions
CFTC	Commonwealth Fund for Technical Co-operation
CROP	Community of Regional Organisations of the Pacific
CSC	Commonwealth Science Council
CTF	World Bank Consultant's Trust Fund
CGIAR	Consultative Group on International Agricultural Research
CSO	Civil Society Organisations
DAC	Development Assistance Committee of OECD
DPM	Development Programme Manager (NZAID)
FIAS	Foreign Investment Advisory Service
GHD	Good Humanitarian Donorship
IADT	Internationally Agreed Development Targets
ICRC	International Committee of the Red Cross
IFRC	International Federation of the Red Cross
IFAD	International Fund for Agricultural Development
IPPF	International Planned Parenthood Federation
KPI	Key Performance Indicators
MARAAF	Multilateral and Regional Agency Assessment Framework
MDG	Millennium Development Goal
MES	Multilateral Engagement Strategy
M&E	Monitoring and Evaluation
MFAT	Ministry of Foreign Affairs and Trade
MO	Multilateral Organisation
MOPAN	Multilateral Organisation Performance Assessment Network
Montreal Protocol	Multilateral Fund for Implementation of the Montreal Protocol
MDB	Multilateral Development Bank
NGO	Non-Government Organisation
NZ	New Zealand
NZAID	New Zealand Agency for International Development
NZODA	New Zealand Official Development Assistance
OCHA	Office for the Co-ordination of Humanitarian Assistance
OHCHR	Office of the United Nations High Commission for Human Rights
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PEDF	Pacific Enterprise Development Facility

PFTAC	Pacific Technical Assistance Centre
PRO	Pacific Regional Organisation
RBM	Results Bases Management
RO	Regional Organisation
TATF	WB/International Finance Corporations Technical Assistance Trust Fund
TIAF	Trade and Investment Facility
TOR	Terms of Reference
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCDF	United Nations Capital Development Fund
UNDP	United Nation Development Program
UNIDO	United Nations Industrial Development Organisation
UNICEF	United Nations Children's Fund
UNFPA	United Nations Population Fund
UNHCR	United Nations Commissioner for Refugees
UNIFEM	United Nations Development Fund for Women
UNMAS	Commonwealth of Learning United Nations Mine Action Service
UNRWA	United Nations Relief and Work Agency for Palestine Refugees in the Near East
WB	World Bank
WB (IDA)	World Bank International Development Association
WTO (GTF)	World Trade Organisation (Global Trust Fund)
WFP	World Food Programme

Executive summary and recommendations

Introduction

The NZAID Multilateral and Regional Agency Assessment Framework (MARAAF) was developed in 2002 in response to the Cabinet minute establishing NZAID, which directed NZAID to more closely target its efforts towards agencies aligned with NZAID's poverty focus. The primary stated purpose of the MARAAF was to 'help determine where NZAID should be directing its development and humanitarian effort via multilateral and regional organisations'. This included potentially reducing the number of agencies that NZAID was engaged with.

The purpose of this evaluation is to evaluate the MARAAF in terms of its **effectiveness, efficiency, and relevance**. The evaluation was also tasked to identify NZAID's **future needs for decision making** about engagement with multilateral organisations (MOs) and regional organisations (ROs), and to **determine the next steps** towards a process for assessing engagement with MOs and ROs.

Information for the evaluation was gathered through a review of written documentation, and engagement with a range of stakeholders including NZAID staff, former MARAAF reviewers, other donors and MOs.

Findings

1   The evaluation found that the MARAAF was largely **effective** in fulfilling the purpose for which it was designed, despite a number of weaknesses that were identified during the MARAAF process. NZAID withdrew from engagement with five MOs largely as a result of MARAAF reviews. Furthermore the MARAAF reviews informed the prioritisation of, and engagement with MOs.

2   The MARAAF was considered by NZAID staff to have been **efficient** in terms of value for money (for assessing MOs). It was relatively inexpensive to conduct the desk-based reviews, and it was considered that the outcomes of the MARAAF could not have been achieved for less cost.

3   The MARAAF did not achieve its intention to assess both multilateral and regional organisations. The MARAAF was not considered to be **relevant** or appropriate for ROs.   NZAID primarily engages with ROs in the Pacific for which NZAID has both membership obligations and donor commitments, and withdrawing funding is not an option. The need has been (and is) for a review process for ROs, rather than assessment to decide prioritisation of engagement.

4   The MARAAF was also **relevant** for purposes not originally anticipated when it was developed: MARAAF reviews guided NZAID's role at board

level; the MARAAF reviews facilitated improvements in the organisations' performance; and the MARAAF provided transparency and rigour which reduced risk and transaction costs of funding. The MARAAF enabled learning within NZAID, and lead to improved relationships with MOs.

Comment on the MARAAF Framework and Process
Strengths were that:
- the MARAAF was up to international standards at the time it was developed
- the framework included useful assessment criteria
- the process encouraged positive interaction with stakeholders
- reviews were transparent, unbiased and factual, and provided useful data to inform arguments and decisions
- reviews were light and simple, and relatively inexpensive.

Weaknesses were that:
- the quantitative analysis recommended in the MARAAF document was not useful
- the definition of sectors and the criteria listed in the MARAAF document had weaknesses
- reports were variable in quality, and sometimes information used was outdated, limiting the robustness and usefulness of the reports
- the reports did not explain the methodology that was used for review and it was difficult to tell if the processes recommended in the MARAAF (e.g. consultation and donor collaboration) had been carried out
- the MARAAF review reports were not stored systematically, and finding the reports was difficult.

Identification of these weaknesses led to modifications during the three to four years of the MARAAF process.

Lessons learned from the MARAAF process included that:
- an agency framework tool such as the MARAAF has considerable advantages for NZAID
- the MARAAF was used for purposes beyond those for which it was originally designed and which were anticipated
- a framework such as MARAAF cannot on its own inform decisions
- a qualitative assessment system where organisations are reviewed on an individual basis is more useful than a quantitative ranking comparing organisations, especially if key issues are clearly summarised in reports
- a assessment or review framework needs to be thoroughly tested before finalisation
- information for desk reviews needs to be up-to-date
- a reliable system for storage is necessary
- it is difficult to have a one-size-fits-all framework
- relationships with organisations are important in the review process.

Future Directions

A new framework for reviewing MOs and ROs should be designed rather than modifying the MARAAF. The international development context has changed since 2002 when the MARAAF was designed. This has implications for the way in which NZAID would assess or review organisations in the future.

With the development of NZAID policies, better coordination and collaboration with other donors, and enhanced access to MOs' and ROs' own monitoring and evaluation information, future reviews should be more up-to-date, accurate, and informative, using MO's own monitoring and evaluation material to a larger extent. While Pacific Regional Organisations (PRO) reporting could supplement reviews, PRO M&E systems need to be further developed to provide sufficient information for a detailed review.

A new framework for reviewing MOs and ROs would be of benefit to NZAID. The framework would set out the reasons why reviews might be carried out, the criteria that might be included in a review, as well as a process for reviewing organisations. The framework should draw on the strengths of the MARAAF, overcomes its weakness, learn from the lessons and address contextual issues that have arisen since 2002.

A new framework needs to be a reviewing mechanism rather than an assessment tool. As such neither a quantitative or ranking system are recommended. A flexible list of review criteria and questions would make the framework appropriate for different types of organisations, and the purpose of the review. Reviewers could then assess the weighting that should be given to each question as appropriate for the organisation they are reviewing.

Summary of recommendations (see also Section 6.2)

1. It is recommended that a group (or committee) consisting of staff from the NZAID multilateral team, the NZAID Pacific regional team and NZAID Strategy, Advisory and Evaluation Group (SAEG) develop a process to address recommendations 2-7.

2. NZAID designs a new framework for reviewing multilateral and Pacific regional organisations.

3. NZAID considers its commitment to the Paris Declaration, Accra Agenda for Action (AAA), and Pacific Principles of Aid Effectiveness and ensures a new framework describes appropriate processes.

4. NZAID ensures that part of any review includes an assessment of NZAID's own performance in terms of its engagement with the organisation including, for humanitarian organisations, its commitment to the principles of Good Humanitarian Donorship (GHD).

5. NZAID conducts reviews (or light reviews/updates) of PROs every three years, and of MOs in line with their planning horizon (unless specific reasons for a review arise).

6. NZAID considers other existing frameworks for assessing new agency partners and reviewing existing MOs and RO partners (see Section 4.3) for aspects that other donors and reviewers consider important in assessment/review frameworks and that could be relevant to NZAID.

7. NZAID considers whether or not to join MOPAN (based on the advantages and disadvantages set out in Section 5.8, and other relevant aspects), and ALNAP. A submission to AID Management (NZAID) proposing that NZAID join ALNAP is currently being drafted by the Evaluation Team (SAEG).

1. Introduction

1.1 Background

The Cabinet minute (CAB (01) 28/8) establishing NZAID as a semi-autonomous agency of the Ministry of Foreign Affairs and Trade (MFAT), directed the agency to consider the dispersed nature of its multilateral engagements with a view to more closely targeting its effort to agencies and areas aligned with NZAID's poverty elimination focus. Subsequently (2002), the Multilateral and Regional Agency Assessment Framework (MARAAF) was designed to establish an analytical framework and process to help determine where NZAID should be directing its development and humanitarian effort via multilateral and regional agencies. Beyond that, the MARAAF reviews were also intended to inform decisions regarding appropriate levels of core contributions to, and engagement with, multilateral and regional agencies.

The primary focus of the MARAAF was to review agencies or allocations funded primarily through core grants, under NZAID's International Agencies appropriation, and regional agencies funded through core grants, in the Pacific and Asia, under NZAID's Pacific Regional or Global Regional appropriation.

Over a period of 5 years, the MARAAF was applied to 30[1] multilateral and regional agencies, funds and programmes resulting in recommendations being put to Ministers on NZAID's relationship with these agencies.

The final outcome of the whole MARAAF process was recorded in the 2005-2010 Multilateral Engagement Strategy (MES) which provided a strategic framework for why NZAID should provide Official Development Assistance (ODA) through the multilateral system and how it should do so in order to maximise effort to achieve international development goals. The MES further prioritised all multilateral agencies with which NZAID engaged, the nature of that engagement, and the thematic and sector areas of engagement.

1.2 The purpose and scope of this evaluation

The purpose of this evaluation is to evaluate the overall MARAAF analytical framework[2] and process[3] in terms of its effectiveness, efficiency, and relevance[4], and to identify NZAID's future needs for decision making about engagement with multilateral and regional organisations. The evaluation will inform NZAID and other relevant stakeholders of the next steps towards an appropriate and 'fit for purpose' process on which future NZAID decisions and

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[1] MARAAF review reports were identified as having been completed for 30 organisations, and 29 of reports (some with additional updates) were found and summarised (in Appendix 16).
[2] In this report 'framework' is defined as a written 'tool' which may include aspects such as the purpose of the framework, the criteria organisations will be assessed on, and process to be used in assessing or reviewing organisations.
[3] In this context 'process' is the way in which the MARAAF framework and was used within NZAID.
[4] Effectiveness and relevance are included in Objective 2 of the evaluation, while efficiency is covered in Objective 3.

judgements on engagement with multilateral and regional organisations can be based, and inform the review of the Multilateral Engagement Strategy to be conducted in 2009.

The evaluation has been undertaken internally, and is principally for NZAID's learning and improvement and to ensure accountability of NZAID. The evaluation will also be of interest to other stakeholders. The Terms of Reference (TOR) for the evaluation are in Annex 1.

1.3 Objectives of the evaluation and report structure

The evaluation objectives (in summary) are to:
1. Describe the present context of NZAID's multilateral and regional engagement (as relevant for this review).
2. Assess the extent to which the MARAAF as a tool and a process achieved its original purpose, and identify lessons learned from using the MARAAF framework and process.
3. Briefly assess whether the MARAAF process provided value for money.
4. Determine NZAID's present and future needs to make decisions and judgements on engagement with multilateral and regional organisations.
5. Provide recommendations on, and identify next steps towards, developing tools and/or a process that meets NZAID's needs identified in Objective 4.

Objectives 2 and 3 are addressed first in Section 3 of this report where the MARAAF framework and process is examined. Objective 1 is then addressed in Section 4 where contextual issues, and the implications of these for the way forward, are discussed. Objective 4 (NZAID's present and future needs) is addressed in Section 5 which also discusses the way forward (next steps) for NZAID. Recommendations (Objective 5) are based on the key findings of Sections 3, 4 and 5 and are summarised in the conclusion (Section 6).

2. Methodology

A summary of the evaluation plan (NZAID # 1395071) is in Annex 2.

The MARAAF document, relevant submissions and other correspondence were analysed. The MARAAF review reports were located, summarised, and analysed. A matrix (Annex 3) was used to facilitate the analysis of the MARAAF review reports. A review of contextual literature was conducted.

The most appropriate methods of information gathering, and the stakeholders who could provide the information, were identified for each of the evaluation questions (Table 2, Annex 2). The main stakeholder groups included: NZAID staff, MARAAF reviewers, other donors, and multilateral organisations (MOs). A list of stakeholders who participated in the evaluation is in Annex 4. Information gathering methods included: literature and document review, semi-structured

interviews – face to face or by phone, email questionnaires and a workshop with NZAID and MFAT staff. During interviews, detailed notes were taken which were used systematically in the report. Data was crosschecked between different stakeholders, and different information gathering methods.

Interview and email participants were provided with an information sheet and confidentiality was assured, or participants were warned they may be identified and asked to state if they wished not to be. In one case permission was gained from a participant to include their comment in the report (the comment was easily attributable). Risks were identified in the evaluation plan and mitigated.

Limitations of the evaluation were that:
4. Some knowledge of the MARAAF had been lost through NZAID staff changes and reviewers no longer being available.
5. Participants sometimes had difficulty remembering detail from years ago.
6. Some NZAID staff members believed (and stated) that the MARAAF informed their decisions and actions. However, it was more likely that the prioritisation of multilaterals in the Multilateral Engagement Strategy (MES) which was informing the decisions and actions rather than the MARAAF itself (which informed the prioritisation). This caused some confusion.
7. Some of the MARAAF review reports were difficult to locate. Further, it is unclear whether some of the reports found are the final versions, and whether all the reports were found.

3. Assessment of the MARAAF Process and Framework

3.1 The purpose and intention of MARAAF

3.1.1 The MARAAF document
The 2002 MARAAF document (NZAID #684730) sets out the objective, scope, key focus and process of the MARAAF process and framework. The stated purpose of the MARAAF was to 'establish an analytical framework to help determine where NZAID should be directing its development and humanitarian effort via multilateral and regional organisations'. The MARAAF document also noted that there are 'inherent differences between regional and multilateral agencies' and that the MARAAF is intended to 'better inform consultations with the (regional) agency in question'. The MARAAF was to be applied to all core contributions (ie budget support) by NZAID over $100,000.

The key focus of the MARAAF (Paragraph 8) was to assess the agencies' activities in terms of their relevance to:
- NZAID's guiding principles and sectoral/sub-sectoral priorities
- New Zealand's national priorities and interests
- Other donors' and partners' views of the agency
- Other policy considerations

The MARAAF assessment was also to take account of the agencies' effectiveness and efficiency; affordability; acceptability to beneficiaries; and comparative advantage when compared to like agencies. The relative impact of a New Zealand (NZ) contribution was also to be assessed. For regional institutions the agency's relevance to the region, value to regional partners and applicability of its programmes in a regional context were considered important.

The MARAAF document noted that experiences and assessments of other donors should be taken into account to avoid duplication, and this could be formalised over time. It was anticipated that each agency be assessed every three years.

3.1.2 NZAID staff's understanding of the purpose of MARAAF

Most of the NZAID staff interviewed said the cabinet minute, directing NZAID to rationalise its focus on multilateral engagement was the main driver of the MARAAF. At the time (2002) NZAID was a new agency able to challenge the status quo, and needing to distinguish itself from MFAT and build relationships with multilaterals. A review in 2001 had identified there was no policy basis to the multilateral engagements and NZAID therefore needed to know more about the agencies: why they existed and what NZAID was getting from its relationship with them. NZAID needed to reduce the number of multilaterals NZAID engaged with, in order to direct its efforts.

3.2 The MARAAF process and framework

The 30 MARAAF reviews (and four updates of MARAAF reviews) that have been identified (listed in Annex 5 and summarised in Annex 16) were conducted between the end of 2002 and early 2006 in three tranches. According to submissions to the Minister of Foreign Affairs and Trade the reviews were first expected to be complete by July 2004, (later revised to the final quarter of 2005). Some MARAAF reviews were updated, (eg Commonwealth of Learning (COL), Trade and Investment Facility (TIAF), Commonwealth Fund for Technical Assistance (CFTC) and World Food Programme (WFP). Only agencies where NZAID took a lead role were MARAAFed.

The 2002 MARAAF document set out a staged process for the assessment and decision making (Paragraphs 12-24):
1. A filtering process with 'filters' (relating to the key focus of MARAAF) described in Paragraphs 12-17 of the MARAAF document and a 'flow chart' (NZAID #684728).
2. A quantitative ranking of the agency.
3. A qualitative assessment to support the quantitative ranking system.
4. An overview process: similar agencies discussed and compared, funding levels (and for multilaterals other Organisation for Economic Cooperation and Development (OECD) members contributions) discussed, political and

historical considerations considered, and MFAT and other relevant departments consulted to ensure a coherent NZ approach.

5. Ministerial agreement sought if NZAID was considering withdrawing, or supporting an agency which had not previously been funded.

MARAAF reviews were initially both a qualitative and quantitative desk-top review and (apart from some updates) were conducted by contracted consultants, working to the relevant NZAID Development Programme Managers (DPMs). It was originally intended that DPMs conduct the reviews. The quantitative ranking was intended to provide an objective assessment of each criteria but scores were not intended to be added to give an aggregate score.

MARAAF reviews provided a light desk top tool to tap into other information and consult stakeholders but were not regarded as a 'joint effort' with others. The draft MARAAF reviews were provided to the organisations being assessed for comment on errors of fact or omissions, and differences in interpretation. Comments were then intended to be incorporated into the report prior to it being circulated to interested stakeholders such as other United Nations (UN) agencies, donors, NZ government departments, academics, and civil society organisations for consultation.

3.3 The MARAAF review reports

3.3.1 Filtering and quantitative analysis in MARAAF reports
A MARAAF reviewer noted that the filtering was supposed to provide sufficient information about the organisation to decide whether NZAID should be engaging with it, without necessarily having to do a full MARAAF review for each organisation. However, in the end full MARAAF reviews were regarded as necessary, and were done.

The 'filter' sections in the MARAAF are: first 'NZAID Guiding Principles', second 'NZAID Sectoral Priorities' and third 'NZAID Sub-sectoral Priorities'. The section on NZAID Guiding Principles mentions poverty elimination as well as cross-cutting principles (gender, environment and human rights), and partnership and sustainable development. Five key sectoral 'baskets' are identified: health, education, governance and rights, sustainable livelihoods and resource management, and emergency/disaster relief.

The reports mostly addressed the topics in the hierarchy of 'filters', and the questions initially designed for a quantitative analysis, as criteria for discussion in the report, placing different priority on different aspects. For example the first question under 'criteria' in the quantitative analysis in the MARAAF document is: 'How relevant is the agency's mandate to the principles underpinning NZODA' (then lists poverty elimination, human rights, gender equity, partnership/national ownership and sustainable development).

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The earlier MARAAF reports (2002 and 2003) used the quantitative ranking system. However, the results of the quantitative analysis were not for public release. During 2004 the usefulness of the quantitative ranking was questioned, and ceased. According to NZAID staff members and a reviewer, the quantitative ranking was abandoned because with different reviewers and different people managing the reviews, inconsistency in the use of the quantitative tool meant that comparison between agencies was not valid; it did not add value to the qualitative sections of the reports; and the quantitative assessment was regarded as risky in that if the quantitative scores were published, agencies might compare themselves with others, using scores that were not robust.

A MARAAF reviewer noted that the questions in the MARAAF document (quantitative section) were difficult to answer and certainly difficult to grade quantitatively. The questions were too specific and information was not available to answer them for all the agencies MARAAFed. The reviewer said the quantitative grading was meaningless without a description of the context.

3.3.2 Criteria assessed in the MARAAF reviews

The criteria most consistently addressed by reports are those that are listed in the MARAAF quantitative 'desk top' assessment tool. However, a reviewer noted that earlier reviews were difficult to follow so the reviewer developed headings (criteria) and a format to follow which was accepted by NZAID staff. This format seemed to guide the reviews that followed.

In terms of NZAID Guiding Principles, while most of the reports addressed whether the agency's mandate included poverty elimination, very few MARAAF reviews addressed whether and how organisations incorporated cross cutting issues (gender, human rights and environment) in a useful and meaningful way unless these issues featured in the organisation's mandate (Table 1).

While the MARAAF document (Paragraph 3) mentions that the MARAAF will inform decisions regarding appropriate levels of *core contribution* to institutions, some of the MARAAF reports discuss both core and non-core funding providing information that could inform other types of NZAID funding (e.g. bi-lateral and humanitarian). However, the MARAAF was not designed to assess country-level engagement or humanitarian incidents.

Table 1 (next page) summarises the extent to which the reports addressed the focus areas in Paragraph 8 of the MARAAF report.

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Table 1 The extent to which the MARAAF reviews addressed criteria noted in the MARAAF document

NZAID's guiding principles and sectoral/sub-sectoral priorities (as they are described in the MARAAF document)	The reports (apart from ADF) address the alignment of the agencies to NZAID's guiding principles and sectoral/sub-sectoral priorities. However, discussion regarding sectoral/sub-sectoral alignment is superficial in most reports, and does not address the way in which the agency aligned with NZAID sectoral policy (NZAID policies were in most cases not available at the time of the reviews) or address cross-cutting issues in depth.
New Zealand's national priorities and interests	Few of the reports assess whether the agency is relevant to New Zealand's (NZ) priorities and interests (an exception is the UNIDO report which questions whether withdrawal from UNIDO would be in NZ's best interests).
For regional institutions the agency's relevance to the region, value to regional partners and applicability of its programmes in a regional context were also considered important.	Most of the reports assess whether the agency has a Pacific presence or focus, although the MARAAF document (paragraph 8) intended that this criteria only be applied to regional organisations.
Other donors' and partners' views of the agency	Other donors' and partners' views of the agencies are sometimes taken into account and sometimes not in the reports - variable.
Other policy considerations	Other policy considerations are rarely assessed.
Effectiveness and efficiency	Efficiency and effectiveness of the agency is addressed in most reports, however the level of detail and the extent to which the information is up-to-date varies considerably.
Affordability	This was addressed in most reports only in terms of the amount of assessed and voluntary funding NZAID provides. It was not addressed in terms of cost effectiveness or affordability.
Acceptability to beneficiaries	Acceptability of the agency to beneficiaries is rarely specifically and/or systematically addressed in the reports.
Comparative advantage when compared to like agencies.	Comparative advantage is addressed, at least to some extent, in most reports.
The relative impact of a New Zealand (NZ) contribution	The relative impact of NZ's contribution is addressed in most reports in only terms of the comparative contribution of NZ as compared with other countries, but not the impact this has.

3.4 Extent to which the MARAAF reviews followed the MARAAF process

The extent to which the reviews followed the processes set out in the MARAAF document varied. The MARAAF review process evolved and was adapted.

3.4.1 Consultation, and harmonisation with other stakeholders
Paragraph 10 of the MARAAF document describes consultation with stakeholders and harmonisation with other donors in the assessment process. It was difficult to ascertain the level of consultation in the MARAAF review reports. Several of the reports indicate that stakeholders' views are to be added later, and while this may have happened, it is not evident in the reports. The level of consultation is not always clearly reflected in the reports as, according to a reviewer, sometimes the results of the consultation were woven into the text.

A reviewer noted that some organisations (eg United Nations Population Fund (UNFPA)) sent valuable comments that were included in the reports, and the NZ Family Planning Association also responded to the consultation on UNFPA. Dialogue with Foreign Investment Advisory Service (FIAS) had provided useful feedback. An NZAID staff member said there had been significant attempted dialogue with stakeholders regarding Consultative Group on International Agricultural Research (CGIAR). However, whether there was a response from the agencies depended to some extent on NZ's influence on the agency and the work of staff at post.

NZAID's consultation with NZ civil society groups over the MARAAF reviews was good according to an evaluation participant involved with CSOs. However, because the reviews often came two or three at a time, it was difficult for CSOs to give them enough time for a thorough consultation process.

However, there was concern from several evaluation participants about the level of consultation. One of the MARAAF reviewers noted that consultation varied greatly in the reviews and was 'patchy'. Lack of responses from stakeholders to was a 'gap' in the review. Furthermore, a letter to the NZAID Executive Director from the Commonwealth Secretariat in 2005 regarding the MARAAF review of the CFTC noted that earlier and wider consultation with the Secretariat would have improved the quality of the review and would have taken into account the benefits from recent reforms.

There was little donor harmonisation, although occasionally other donor assessments were used. A MARAAF reviewer noted that MARAAF reports were shared with AusAID as an agreed exchange process, but AusAID did not always respond. Two reports clearly indicate that donors' experiences or assessments have been taken into account, and in a few other reports this appeared to have occurred to some extent (e.g. donor reports are cited).

3.4.2 Use of organisations' own monitoring and evaluations

More than half of the reports clearly stated that agencies' own evaluations or reporting had been used to inform the assessment. Sometimes these evaluations/reports were done by the agency themselves and sometimes they were independent evaluations done for the agency.

3.5 Quality of MARAAF reports

The nature and quality of the MARAAF reports varies considerably in part due to different DPMs managing the process, and different reviewers, over a period of around 5 years. One reviewer did the first tranche of reviews (ten), and then another reviewer was contracted for more than two years to complete the second and third tranches of reviews (although other reviewers also helped at this time). Earlier MARAAF reports were brief, not analytical, based mainly on the quantitative ranking supported with some text, and were often without conclusions or recommendations. From 2004 reports were more analytical, some with 'issues for consideration', 'tentative conclusions' and almost all with recommendations.

Being a desk tool, the depth of analysis and robustness of findings depended on availability of up-to-date and reliable information (e.g. recent independent evaluations), whether or not the agency has an evaluation department providing reliable data, and the quality of agencies' web sites. This clearly varied considerably between agencies.

3.6 Use of the MARAAF reviews

The MARAAF reviews did not *on their own* lead to withdrawing from funding of organisations, the prioritisation of engagement with MOs or the amount of funding to be provided to MOs. However, interviews with NZAID staff, and a review of documents indicated that the MARAAF process did fulfil the purpose for which the MARAAF was designed by:

4. Providing legitimate reasoning to recommend withdrawing from, cease engaging with, or suspending funding to MOs or multilateral funds, or to recommend shifting the responsibility for MOs to other NZ Ministries.
5. Informing decisions on increased funding for some agencies.
6. Helping to prioritise NZAID's effort and basis for partnership as in Pages 18-20 of the NZAID Multilateral Engagement Strategy (MES) 2005-2010.
7. Helping to inform, and provide a knowledge base for, the nature of relationships and engagement with organisations (as documented in the Agency Engagement Frameworks (AEF) with MOs).

Further, the MARAAF reviews were used in ways not explicitly anticipated in the MARAAF document by:

- Guiding NZAID in their role at board level with multilaterals and alerting people to the importance of engagement in governing bodies and being able to put forward NZ's stand on issues.
- Helping NZAID to decide on the relationship with agencies not previously engaged with (eg Joint United Nations Program on HIV/AIDS (UNAIDS)).
- Providing transparency in the process around NZAID's prioritisation of agencies, and an assessment of the agency that improves the credibility of NZAID's funding and engagement, and reduces the risk and transaction costs around funding of MOs. Formalities around NZAID funding to MOs were minimised (eg letter of contribution) knowing the governance of the organisation is sound, there is assurance of value for money, and knowing that NZAID has board representation and can follow up problems.
- Providing guidance to bilateral and humanitarian programmes on agencies where funding can be provided and relationships formed at a more strategic level (although this is likely to be indirectly through the MES prioritisation).
- Guiding other staff on whether they should be doing briefings etc with agencies (likely to be indirectly though the MES prioritisation).

The MARAAF also provided unanticipated benefits such as:
- Provided an identity for NZ in terms of foreign policy, and an analytical tool (that is respected by other donors) for planned decision making.
- Created attention from MOs which has led to opportunities for high level dialogue and valuable relationship building (e.g. through visits).
- Contributed to considerable learning within NZAID.
- Where organisations had not been MARAAFed, this could be used to turn down agencies asking to be funded.

MOs were asked in email correspondence how the MARAAF reviews had influenced their organisation's relationship with NZAID. The responses from five agencies which are prioritised in the 'top ten' (high priority) and one in the medium range in the MES indicted that the MARAAF reviews had led to an increase in NZAID's engagement with the MO (3 responses), identified issues and/or provided guidance on areas that the organisation has since made an effort to improve (5 responses), and influenced strategic direction and helped build the confidence of the organisation. One MO reported that MARAAF review had fostered a results-based management culture and created an opportunity for stock-taking, and another noted that the MARAAF review had helped to strengthen the organisations partnership in the Pacific. One MO said the MARAAF review had helped the organisation to understand the rationale used by NZAID for funding decisions.

3.7 Extent to which the MARAAF fulfilled its purpose

In order to fulfil the MARAAF's purpose (Section 3.1.1) of determining where NZAID should be directing its development and humanitarian effort, this section

will consider whether the MARAAF was able to reduce the number of organisations NZAID funded, and to what extent the MARAAF facilitated the prioritisation of other organisations.

3.7.1 Extent to which MARAAF facilitated withdrawing engagement

In terms of reducing the number of funding arrangements with organisations the MARAAF fulfilled its purpose to a certain extent. According to submissions to the Minister of Foreign Affairs and Trade, NZAID recommended withdrawal from, or suspending funding for, nine organisations as a result of the MARAAF process (Annex 6). In summary, of those nine organisations:

- NZAID withdrew from, or suspended funding to, five organisations following MARAAF reviews (IFAD, two World Bank Trust Funds, UNCDF, and Population Council).
- Two organisations ceased operating (Commonwealth Science Council (CSC) or were 'folded' into another agency (TIAF) (not a result of the MARAAF).
- In two cases where NZAID recommended transferring the agency to another NZ Government department (Montreal Protocol, and UNIDO) recommendations were not accepted by Ministers.

NZAID withdrew from two further organisations but these were not MARAAFed as they were under the funding threshold described in the MARAAF document - UNDCP was transferred to another NZ Ministry, and NZAID withdrew from WHO Tropical Diseases Research Fund. In summary, NZAID ceased funding nine organisations in total, but only five were as a result of MARAAF.

3.7.2 Extent to which MARAAF facilitated prioritisation of NZAID's focus

Although NZAID staff had some concerns that the robustness of some of the information from MARAAF reviews may have been compromised by the quality of some of the reports, the MARAAF reviews provided useful information to inform prioritisation of the remaining organisations (reported in the MES).

Although the MARAAF document intended that the review process be objective, quantitative and rigorous, leading to objective decisions, the MARAAF information could not, on its own, lead to all prioritisation decisions. Analysis of the reports and the prioritisation decisions that were made indicated that even where organisations did not meet criteria described in the MARAAF document, engagement with the agency was in some cases regarded as important for other reasons (e.g. outreach to Africa, Latin America and/or Asia, as a good global citizen, for political reasons, or for humanitarian purposes). Annex 7 includes a very brief description of recommendations from the MARAAF reports and the priority of NZAID for engagement with these agencies from the MES. No agency where the MARAAF suggested reducing or cutting funding was prioritised in the 'top ten'. However, some agencies where increased funding was recommended (eg ICRC) were prioritised as 'medium' engagement.

Furthermore in some cases where performance fell short according to the MARAAF report (eg UNICEF) these agencies are prioritised in the 'top ten'.

3.8 Appropriateness of MARAAF for different types of organisations

The MARAAF was used for both funds and agencies and with flexible use, was suitable for both. The MARAAF was designed to be used for assessing both regional and multilateral agencies. The regional organisations MARAAFed were:

- Specific to the Pacific: Pacific Technical Assistance Centre (PFTAC) and Pacific Enterprise Development Facility (PEDF) (both linked to international financial institutions).
- Asia/Pacific organisations: Asian Development Fund (ADF) of Asian Development Bank (ADB), Asia Pacific Forum of Human Rights Institutions (APF) and Asia Pacific Regional Office (APRO) of FIAS.

According to NZAID staff the MARAAF model was appropriate for these assessments.

One NZAID staff member said that NZAID mostly engages with Asian regional organisations at a programme level in bilateral arrangements. NZAID does engage with ASEAN at a multilateral level, but ASEAN is funded by its own members (NZ is not a member). It is unlikely NZAID's engagement with Asian regional organisations will change in the foreseeable future.

Pacific Regional Organisations (PROs) (other than those noted above) were not MARAAFed. Some NZAID staff perceived differences in NZAID's relationships with PROs (compared with MOs) and cited this as a reason why the MARAAF was not appropriate for PROs. For example NZAID staff said that NZAID is a 'strategic partner' and a member of PROs and that NZAID is not able to make a decision not to fund some PROs. NZAID staff described complexity in NZAID's engagement with PROs compared with MOs due to NZAID's 'domestic interest' and dual governance and funding role, and sensitivity around the way NZAID assesses PROs and engages with them. An NZAID staff member said that MARAAFing the PROs may have been 'risky' because of the 'yes/no' nature of the MARAAF. At the time of the MARAAF process, strong Pacific regional support was needed (eg for RAMSI) and MARAAFing PROs could have been misinterpreted.

NZAID staff also noted the difference in the level of influence that NZAID has with PROs (compared with MOs) because of the size of NZAID's stake in the organisation. For example NZAID has a one in 16 stake in the Pacific Forum, compared with a one in 194 stake in UNDP. In the Pacific Forum, our funding weighting is 37% of assessed contributions. It was noted that funding to PROs (or lack of it) is noticeable whereas NZAID funding to multilaterals maybe insignificant.

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Some NZAID staff said that some of the questions NZAID would ask when assessing PROs are different to those in the MARAAF. With PROs there may be questions about performance, because NZAID has a responsibility to make the agencies work. However, the questions are not about whether or not NZAID should be engaging with the organisations, but rather how NZAID should use its position on the governance board to influence the direction of the agency. One NZAID staff member noted that there are better processes for doing organisational evaluations of PROs than the MARAAF with an aim to improve organisational performance. A joint triennial review (AusAID and NZAID) of PROs has recently been conducted to examine strategic and funding issues (Hewitt, P and Constantine, J 2008 Australian and New Zealand Approaches to Supporting Pacific Regional Organisations (PROs)).

The MARAAF was designed to assess agencies in order to inform funding decisions and prioritise engagement. To this end it was not regarded by some NZAID staff as relevant or appropriate for PROs.

3.9 Value for money

The MARAAF was considered by NZAID staff to have been a cost effective and 'value for money' exercise. The MARAAF process had satisfactory outcomes and was relatively inexpensive due to the desk-based nature of the reviews. The desk reviews were estimated by a reviewer to take him from 10-15 days each. There was no travel involved. The time spent by DPMs and other staff was not able to be estimated by the evaluator. NZAID staff considered that it was unlikely that any savings could have been made by using other methods.

The MARAAF reviews allowed NZAID to withdraw funding from five agencies. According to submissions to the Minister of Foreign Affairs and Trade, withdrawing from the World Bank consultants' funds 'saved' $975,000 per annum (out of a total budget for multilaterals at the time of $26 million). Suspending IFAD contributions 'saved' $2.1m over 3 years. However, money 'saved' was diverted into funding other organisations NZAID prioritised highly as part of the MARAAF process (through the MES), and cannot therefore be compared with the cost of the MARAAF process to determine value for money.

No other donors were able to provide an accurate assessment of the costs involved in carrying out their assessments of MOs, although DFID noted that updating their Multilateral Development Assessment Summaries (MDES) was estimated to take about 2 weeks per MDES (similar timing to the MARAAF reviews) and they have updated 15 of these.

3.10 Strengths and weaknesses of the MARAAF tool and process

Strengths and weaknesses of the MARAAF were identified through interviews with NZAID staff and analysis of the MARAAF documents and reports:

Strengths of the MARAAF framework:
- The MARAAF document listed areas to be covered (criteria) in the MARAAF reviews. The criteria noted in the MARAAF which were considered highly relevant to the multilateral team (noted in a short document written by the multilateral team on the relevance of the MARAAF) were alignment, effectiveness, efficiency, and whether the organisation is helping poor people in the Pacific or elsewhere.
- Processes to be followed in MARAAF reviews (e.g. consultation, and follow up to the reports) were recommended (although not rigorously, or in detail).
- The MARAAF encouraged positive interaction with civil society and multilateral partners during the reviews, facilitating ongoing relationships between NZAID and agencies that NZAID has decided to engage with.
- The MARAAF was up to international standards. It stood up to international scrutiny and provided visibility for NZAID with other donors.
- The MARAAF document recognised that regional agencies had 'inherent differences' to multilateral organisations and suggested that the MARAAF could be used as a basis to better 'inform consultations with the agency'.

The strengths of the MARAAF reviews:
- The MARAAF reviews are factual and transparent.
- Some of the MARAAF reviews were robust and of high quality.

The strengths of the MARAAF process
- The MARAAF reviews were a 'light touch' and did not put excessive burden on the agencies being assessed, or NZAID.
- MARAAF activities were relatively inexpensive to conduct.
- Consultation with the organisations ensured the MARAAF process was transparent. This was especially important where findings were adverse.
- Outside contractors gave a different perspective.

Weaknesses of the MARAAF framework:
- The quantitative analysis was not useful, and was abandoned from 2004.
- The MARAAF document did not provide a clear framework for qualitative analysis.
- The definition of sectors in the MARAAF did not reflect the activities carried out by NZAID. Some criteria to be assessed in the MARAAF model were unable to be assessed, or were not logical or relevant.

- The MARAAF did not include criteria to assess how NZAID could improve its performance, or learn from the organisations.
- The MARAAF was not generally used for assessing PROs, as the purpose of the MARAAF was not appropriate for these organisations.
- The MARAAF document only addressed core funding aspects but NZAID staff would like to know more about other aspects of MOs in order to make decisions on other types of engagement (e.g. bilateral and humanitarian).
- The MARAAF document does not cover reviewing groups of MOs (e.g. Banks, Humanitarian, Development agencies, organisations working in a sector or thematic area etc) to assess MOs contribution to sectors.

The weaknesses of the MARAAF review reports:
The MARAAF reviews are of variable quality:
- In some reports contextual and qualitative analysis was lacking.
- Cross cutting issues were poorly addressed in the reports.
- Some reports are limited by information available. Written information used in the MARAAF reviews was often dated and of variable quality.
- It was difficult to accurately assess the culture of the organisation in a desktop review (according to a reviewer).
- In some reviews insufficient consultation lead to outdated conclusions.
- It was not clear whether consultation or collaboration had occurred.
- In some cases data sources of information were not consistently clear.

The weaknesses of the MARAAF process:
- Where issues with an agency were identified, the MARAAF process did not check the extent to which agencies had implemented recommendations for improvement unless updates were completed.
- There were no formal peer review or appraisal processes for the reviews.
- The final MARAAF review reports were sometimes not stored systematically. The evaluator had considerable difficulty locating the MARAAF reviews.
- Some reports were not completed or updated. Several reports said 'stakeholders' views to be added' (or similar wording) indicating there was still more information to come.
- The MARAAF activities were time consuming for NZAID staff.
- The MARAAF activities (2002-2007) were mostly conducted by contract staff. Institutional knowledge and experience, and opportunities for relationship building were lost.
- NZAID staff movements and different reviewers meant variation in the reports.
- The MARAAF model suggested taking into account 'experiences and assessments of other donor agencies' and 'did not preclude a multi-donor approach'. However, as one NZAID staff member pointed out,

with a lack of clear direction on donor harmonisation 'opportunities could have been lost to work with other donors on some common issues'.

3.11 Lessons learned from the MARAAF activities

1. A framework (such as the MARAAF) can provide credibility and transparency, and has advantages for a small donor such as NZAID, including the capacity to enhance relationship building, and influence the direction of organisations. A formal review framework can include processes (eg consultation, collaboration) as well as criteria for review.

2. The MARAAF has in some respects been held up to be more than what it is, and it is questionable whether the robustness and breadth of the MARAAF reviews was sufficient for some of the ways in which the MARAAF was said to have been used. For example, NZAID staff use the MARAAF both indirectly (through the use of the MES priority list) and directly (by using the fact that an agency has been MARAAFed) to inform bilateral and humanitarian activities. When an organisation has a good MARAAF, bilateral programmes sometimes take that as an indication that they can co-fund a programme with the organisation. However, MARAAF reviews rarely assessed 'on the ground' performance, and the MARAAF was designed to inform decisions on core funding. NZAID staff need to be clear on how reviews can be used.

3. A framework such as the MARAAF cannot, on its own, inform decisions about engagement with organisations. Decisions are also based on political considerations, and unexpected funding requirements may arise. For example the decision to fund the Global Fund for AIDS, TB and Malaria came directly from the Minister (this agency was not MARAAFed and is prioritised as 'low' in the MES).

4. MARAAF review reports were written by different reviewers, and managed by different DPMs who influenced the reviews in different ways leading to considerable variation.

5. Variation in the format and quality of review reports, lack of clarity around methodology (especially in terms of information sources), difficulty in attributing findings to sources and gauging the level of consultation, lack of emphasis on crosscutting issues, and lack of formal peer review or appraisal processes reduced the robustness and usefulness of the MARAAF reviews.

6. Comparing organisations objectively through a quantitative or ranking assessment system proved problematic due to the differences between organisations, and variation between reviewers. A qualitative assessment system addressing the characteristics of the organisation, and highlighting issues of importance (or for consideration) was found to be more useful.

7. Frameworks such as the MARAAF need thorough testing before finalisation in order to be robust, useful and reduce variability between the resulting reviews. The MARAAF reviews evolved over the years, through an informal modification process, indicating that the framework itself needed modification and clarification to meet the purpose for which it was designed.

8. The desk review process has advantages in terms of cost effectiveness and less burden on organisations being reviewed. However, processes need to be comprehensively described in a framework to ensure up-to-date information is available and adequate consultation consistently takes place.

9. It is difficult to have a 'one-size-fits-all' model (e.g. for regional organisations and MOs) where the purposes for which assessments and reviews are different. The MARAAF was not regarded as appropriate for assessing PROs, as the purpose of the MARAAF was primarily about funding and prioritisation decisions (not appropriate for regional organisations).

10. Relationships with organisations are an important consideration in assessments. The MARAAF tool provided information to influence the effectiveness of the organisations, and build relationships.

3.12 Key findings from Section 3 which will inform the way forward

1. To an extent the MARAAF fulfilled its purpose of determining where funding and engagement should be directed in relation to MOs. It was very useful in informing the prioritisation of MOs in the MES, which is used extensively in NZAID. It was not generally used for regional organisations. The MARAAF was also used for purposes that were not anticipated when it was designed (Section 3.6). These broader purposes may inform the way forward for NZAID in terms of reasons why NZAID may wish to review MOs and PROs now and in the future.

2. On the basis of the wide range of uses, and advantages for NZAID that arose from the MARAAF, NZAID would benefit from having a formal framework for reviewing MOs and regional organisations which includes process as well as criteria to guide reviews, and that would be designed with due regard to the changing context discussed in the next section.

3. It is difficult to design a 'one-size-fits all' framework. Because it is unlikely NZAID will engage with Asian regional organisations in a core-funding arrangement in the foreseeable future, a new review framework is likely to be more effective if it were to focus on being appropriate for Multilateral Organisations (MOs) and Pacific Regional Organisations (PROs). A new framework should be designed rather than trying to modify the MARAAF (which evolved from its original format), and should take into consideration

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the triennial review process for PROs conducted jointly in 2008 by NZAID and AusAID.

4. A revised framework should build on the strengths, address the lessons learned, and mitigate the weaknesses of the MARAAF. On that basis a future framework should:
   - Be light, desk-based (if appropriate) and simple.
   - Be designed to minimise variability in quality by including very clear guidelines for reviewers on the process of the review (consultation, role of the partner organisation, and multi-donor processes) and the criteria to be addressed, and provide a comprehensive framework for qualitative analysis e.g. a 'flow chart', or a list of questions.
   - Emphasise criteria related to organisations' approach to crosscutting issues (in particular gender, human rights and environment).
   - Include criteria relating to NZAID's performance.
   - Address in detail how and when multi-donor assessments, or collaboration with other donors will be conducted and used.
   - Emphasise relationship building as part of the review process by strengthening the rigour around consultation and feedback processes and be called a **'review'** framework rather than an 'assessment' framework.
   - Indicate processes and mechanisms additional to the review for making decisions on engagement with organisations.
   - Be designed to address both headquarters and field-based activities of organisations if it is to be used by NZAID to effectively inform bilateral and humanitarian decisions.
   - Not be designed to compare organisations, but rather assess each organisation on its own merits and for the type of organisation it is
   - Include processes for sectoral or thematic reviews of organisations if that is deemed to be appropriate.
   - Be thoroughly tested and modified before finalisation, and the final document be written as an NZAID tool and integrated fully into the NZAID systems for the activity cycle.
   - Be conducted by NZAID staff if there are sufficient resources, supported by contractors in order to retain institutional learning.
     - Emphasise the necessity of a methodology section in review reports so that readers can assess the independence and the level of stakeholder input into the review, and the robustness of the information is evident.
     - Include processes for peer review and appraisal of review reports, feedback of the reviews, and storage of final review documents.

4. Contextual Issues – changes since MARAAF was designed

In this section changes and developments since 2002 (when MARAAF was designed) to the international development context and NZAID, other donor's organisational assessment processes, and organisations' M&E systems will be examined. Findings in each subsection will inform implications for NZAID's future review process for MOs and PROs. Unless otherwise stated, information in this section is from written material listed in Section 7 of this report.

4.1 International Development Context

4.1.1 Aid Effectiveness
International aid efforts have often been fragmented and unsustainable, administrative and reporting requirements by donors have placed a heavy burden on developing countries, and there are limitations in terms of partner countries institutional capacity and policies. Since 2002, a series of high-level international forums[5] have helped to determine the way forward for both donors and international partners to improve aid effectiveness. The Paris Declaration formulated at the High Level Forum on Aid Effectiveness, in Paris in March 2005 committed the international development community to an 'action-orientated roadmap' organised around five key principles:

- Ownership - partner countries exercise effective leadership over their development policies, and strategies, and co-ordinate development actions
- Alignment – donors base their overall support on partner countries national development strategies, institutions and procedures
- Harmonisation – donors actions are more harmonised, transparent and collectively effective
- Managing for Results – managing resources and improving decision making for results
- Mutual accountability – donors and partners are mutually accountable for development results.

[6]The Paris declaration contains a framework for monitoring progress on these commitments. Seven of the 12 indicators in that framework apply to multilateral donors (both MOs and bilateral donors): aid flows are aligned; strengthen capacity by co-ordinated support; use of country public financial management systems; use of country procurement systems; strengthen capacity by avoiding parallel implementation structures; aid is more predictable; use of common arrangements or procedures; encourage shared analysis. A 2008 survey, which covered 2007 aid flows, found there is wide variation between MOs on their

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[5] Monterrey Consensus (2002), High Level Forum on Harmonisation, Rome (2003), Marrakech Roundtable on Managing for Development Results (2004), High Level Forum on Aid Effectiveness, Paris (2005), Third International Roundtable on Managing for Development Results, Hanoi, (2007), High level Forum on Aid Effectiveness, Accra (2008)

[6] Information for this paragraph is from the 2008 DAC Report on Multilateral Aid

progress, with World Bank and IFAD scoring above average in seven indicators, and UN agencies (the survey did not distinguish between them) above average in only one indicator: shared missions and analysis (Indicator 10). However, UN organisations (together) have shown progress on all the indicators since 2006.

The Pacific Principles on Aid Effectiveness (Annex 8), adopted by Pacific Island countries and development partners in July 2007, is a result of efforts to translate the Paris Declaration to reflect the Pacific region's situation. The Pacific Principles provide a guide to more effective aid management practices, and, together with the associated indicators, allow Pacific Island countries to monitor their performance and that of development partners to ensure better outcomes at both the national and regional levels.

At the High level Forum on Aid Effectiveness in Accra in September 2008, the Accra Agenda for Action (AAA) was set to accelerate progress towards aid effectiveness. Three major challenges were identified to accelerate progress on aid effectiveness:
- Country ownership
- Building more effective and inclusive partnerships (including with civil society (CS) groups and private sector)
- Delivering and accounting for development results

4.1.2 Good Humanitarian Donorship (GHD)
The Principles and Good Practice of Humanitarian Donorship were endorsed in Stockholm in 2003 by seventeen OECD countries. The 23 principles cover the objectives and definition of humanitarian action, general principles and good practice in donor financing, management and accountability. In terms of good practices, and relevant to this report, donors should support learning and accountability, encourage regular evaluation of international responses to humanitarian crises (including assessment of donor performance), and ensure accuracy, timeliness and transparency in donor reporting of humanitarian assistance spending (encouraging the standardisation of such reporting).

Indicators on GHD were revised in 2007. These indicators represent a tool to be used in measuring collective donor performance against the 23 principles of GHD. Indicators are grouped under the headings of 'Flexibility and timeliness' (of funding); 'Donor and agency funding for CHAPs and CAPs'; 'Donor advocacy and support for coordination mechanisms, needs assessment methodologies and M&E'; and 'Donor practices and standards'.

4.1.3 Millennium Development Goals (MDGs)
Since 2002 there has been considerable research and discussion in relation to the monitoring and assessment of progress towards the MDGs. It is now evident that progress is very uneven. Improvements in some development

areas are substantial, in others very poor; in some countries progress is noticeable in others there has been a decline.

4.1.4 Implications
MDGs

NZAID now has the opportunity to use the data available on MDGs to inform engagement with MOs. For example, a consideration in future might be to focus on engagement with multilateral and regional organisations which have a comparative advantage in a geographic area or for particular MDGs where progress is slow. The new data on MDGs also provides the opportunity for reviews to be far more specific in relation to the MDG–focus of organisations' activities, if this was considered to be an appropriate criteria to review.

Aid Effectiveness

A future NZAID review framework needs to reflect commitments made in Paris and Accra, and the Pacific Principles on Aid Effectiveness: for example, ensuring that the framework aligns with the Monitoring and Evaluation (M&E) systems of the multilateral or regional organisation, and that NZAID harmonises with other donor organisations in its reviews. In terms of an emphasis on ownership and mutual accountability, in a new review framework NZAID should consider ways to include partner countries more directly in reviews and consider how to meet their information needs.

Any NZAID assessment of humanitarian organisations should consider NZAID's performance as a donor against the principles and indicators of GHD.

A new NZAID framework should also be designed to address commitments made at the Marrakesh Roundtable (which focussed on managing for development results) by:
- using simple methodologies and performance indicators to facilitate ease of analysis and interpretation
- addressing NZAID's governance responsibilities for holding multilateral and regional organisations accountable for managing for results
- supporting MOs and PROs to develop their Monitoring and Evaluation (M&E) systems to facilitate organisational learning
- being designed as a partner collaborative management exercise, as opposed to a bilateral donor measurement exercise
- being designed to engage organisations in a learning and improvement process, and build relationships

Furthermore, NZAID should consider whether the organisations it engages with adopt outcome-focused approaches, align and harmonise with their development partner country's policies, processes and plans, and M&E systems. Note however, that for some humanitarian and emergency organisations there may occasionally be difficulties in working in partnership

with countries when humanitarian or emergency aid needs to be distributed directly to affected groups, by-passing governments.

4.2 Changes in NZAID

4.2.1 Changes in NZAID resources
Since 2002 NZAID's operating budget has increased from $NZ 239 million (2002-03) to $NZ 429m (2007-08), and staff numbers have increased by around 25%. There are also considerably more staff at post, and in Wellington, now than in 2002.

4.2.2 Changes in Relevant NZAID Policies and Strategies
The MARAAF was developed in 2002, in the absence of specific policy framework or guiding strategy for engagement with MOs, or PROs. Since 2002 the Multilateral Engagement Strategy (MES) 2005-2010, and the Pacific Strategy (2007-2015) have been developed. The MES states '…our intention is to engage substantively with a small number of agencies that share our priorities and policy settings, and to work in areas in which we feel we can make a difference'. The MES, provides clear guidance on the way in which NZAID wishes to engage with MOs and how this will be achieved. The Pacific Strategy notes that 'NZ will continue to encourage co-ordination and harmonisation amongst Pacific regional agencies', and 'will support improved governance to increase accountability and improve their performance'. The Pacific Strategy also notes that 'NZ will continue to be a lead donor and will prioritise, where appropriate, multi-year funding arrangements'.

In 2002 the MARAAF noted that multilateral and regional organisations would be assessed on how well the organisations align with NZAID's core principles, namely: poverty elimination, human rights, gender equity, sustainable development and partnership. The importance of alignment of organisations that NZAID engages with to NZAID principles has not changed. However, since 2002 policies and strategies have been developed in NZAID which provide specific guidance and detail on a range of aspects important to NZAID. The key aspects of some relevant NZAID policies, that were not available in 2002, are summarised in Annex 9.

Inherent within all of NZAID's policies and strategies is a 'partnership' approach to ODA. The focus on a 'partnership' approach emphasising local ownership to encourage leadership and self-reliance, and to build relationships based on mutual respect and mutual accountability, has been recognised and re-emphasised under the Paris Declaration in 2005.

4.2.3 Implications
The MES has identified the MOs that NZAID will engage with. NZAID staff thought it unlikely that the MOs that NZAID currently engages will change

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unless there is unexpected directive or change in circumstances. However, the nature of engagement may alter, and new MOs may appear to be considered.

There is more funding allocated to multilateral and regional organisations, and more staff available to monitor and administer the funding, and be involved in assessing and reviewing the organisations. There are now staff at post who have the opportunity to engage with organisations, and have a deeper and more informed understanding of the organisations. With more human and financial resources available it should be possible to examine aspects in a review in more detail. Staff at post can assist in reviews of both head quarters and field operations of organisations, and ensure recent and relevant information is available and appropriate consultation is conducted.

Questions asked of the multilateral and regional organisations in relation to alignment between organisations' mandate and activities, and NZAID policies (including NZAID's policies on cross cutting and mainstreamed issues) can now be more focussed on the policy documents that are now available.

The MAARAF model described 5 key sectoral 'baskets' which should be considered when assessing the alignment of MOs and ROs - health, education, governance and rights, sustainable livelihoods and resource management, and emergency/disaster relief. This should now also include trade as well as conflict and peace-building.[7] Furthermore emphasis is needed on cross-cutting issues: gender, human rights, environment, conflict prevention/peace building and HIV/AIDS. Policies on gender, environment and human rights, and tools on mainstreamed and crosscutting issues, will provide background for assessing the way crosscutting issues are included within organisations that NZAID engages with.

A draft NZAID policy on Humanitarian Action (Annex 9) is in preparation which will have implications for the assessment of humanitarian agencies. The AID Modalities Policy will have implications for assessing the modalities that organisations use in delivering their programmes. In relation to aid modalities, any revised review framework NZAID would need to question:
- whether the funding arrangement that NZAID has with the organisation is in the High Order Modalities in the NZAID Aid Modalities Policy
- whether the aid modalities used by the organisations that NZAID engage with (in their activities) are appropriate, and in alignment with NZAID's Aid Modalities Policy.

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[7] See following NZAID documents: 'Preventing Conflict, Building Peace'; 'Harnessing International Trade for Development'; 'Five Year Strategy – 2004/5 – 2009/10'

4.3 OECD Donor Processes for Assessing MOs

Since 2002 when MARAAF was developed, other OECD donors that NZAID has relationships with have changed the way in which they assess MOs. Details of the current assessment procedures of selected donors is in Annex 10.

4.3.1 Individual donor's processes for assessing MOs

Through the examination of bilateral donor procedures for assessing MOs (Annex 10), it is evident that a wide range of tools and mechanisms are used. Some of these use a 'corporate' approach, with the majority of methods drawn from the corporate/business sector, regular assessment cycles and the involvement of personnel from the 'corporate' level (e.g. Performance Management Framework (PMF) Danida). Others use an 'experimental' approach (e.g. Multilateral Development Effectiveness Summary (MDES), DFID) with an assessment approach which may be relatively new and innovative. Experimental models are often implemented in conjunction with an established corporate model.

Comparative analysis[8] of some Donors' assessment approaches (a summary table is in Annex 11) indicates that in general, all the assessment processes:

- focus on demonstrating accountability and influence funding and engagement decisions, and secondarily address organisational learning and change (organisations' or donors'), or relationship building
- recommend multiple sources of data, pulled together under one framework
- have a common set of four criteria: domestic policy relevance, international policy relevance, internal performance and external performance, but vary in how these are arranged
- have some sort of ranking system – coloured traffic lights, satisfaction scale, or numeric ranking
- overlap in relation to key performance indicators (KPI) with a common frame of reference focused on strategic, operational, relationship and knowledge (monitoring, results and evaluation) management, but the complexity, and the number of questions and KPIs vary considerably (with DFID's MEFF having 72 and DANIDA's PMF the lowest at 21)
- struggle to maintain sustainability within the donor agencies – while all assessment approaches recommend regular assessments, this is generally not happening because of the burden on the donor agencies.
- each donor assessment procedure is designed to reflect an international development focus as well as donors' own domestic policies and priorities.

4.3.2 MOPAN

The Multilateral Organisation Performance Assessment Network (MOPAN) was created in 2002 and is a network of like minded donors committed to developing

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[8] Some of the points noted here are from Meier, W. 2007 Assessing Multilateral Organisation Effectiveness

a joint approach to assessing the performance of MOs. Current MOPAN members include: Austria, Canada, Denmark, Finland, France, Ireland, The Netherlands, Norway, Sweden, Switzerland and the United Kingdom. Australia, Spain, Korea, Germany and the EC have recently applied to join.

The aim of MOPAN is to provide better information on, and dialogue with MOs as one means of seeking improvement of overall MO performance at a country level. To date the main activity of MOPAN has been to undertake an annual perception survey on MOs partnership behaviour towards national stakeholders as well as towards other international development organisations. Each year surveys are conducted on three or four MOs in eight to ten countries. To date, the MOPAN Survey has released four synthesis reports assessing eleven multilaterals – AFD (ADB) (twice), ADB, IADB, ILO, FAO, UNAIDS, UNDP (twice), UNPFA, UNICEF, World Bank, and WHO (twice). The survey aims to provide details on how aligned a particular MO is to the national government's policies and priorities; the quality of policy dialogue; the level of capacity development; and the commitment given to lending, stimulating and broadening public debate on poverty and development issues. The survey is not an evaluation and is designed to compliment donors' multilateral M&E activities.

In addition to the 'perception survey', and in recognition of many individual donor assessment practices being neither sufficient nor effective, MOPAN members in 2006 agreed to join efforts and begin moving towards a Common Approach for assessing the effectiveness of MOs. The objective of the Common Approach is to reduce duplication of performance measurement activity by the different donors with the same MOs, and increase the amount and scope of information available on the effectiveness of those institutions. One output of this agreement for a Common Approach is the 'Balanced Scorecard' questionnaire which considers four key dimensions of effectiveness namely: **strategic management** (corporate governance, corporate strategy, and county level strategies), **operational management** (financial resources, human resources, quality assurance/control, country portfolio management), **knowledge management** (performance monitoring, evaluation management, performance reporting, lessons learned) and **relationship management** (donor harmonisation, country partner alignment). The questionnaire aims to collect data on 20 key performance indicators to assess performance on the ground, and to track organisational change over time. The idea is for this information to feed directly into donors' and MOs' results based management (RBM) systems.

Data will be collected from multilateral self-assessment checklists, MOPAN member surveys, and government questionnaires at both headquarters and country levels. Secondary data collected from existing sources and multilateral reports will also play an important role in populating the MOPAN Balanced Scorecard. MOPAN makes explicit that the aim is to use existing information within the organisations RBM system. MOPAN proposes to conduct assessments of up to six multilaterals along with one RBM organisational

assessment from 2009. It is the intention that the coverage should be comprehensive within a short span of time, thereby eliminating the need for MOPAN members own assessment systems.

4.3.3 MOs perceptions of donor assessments

An email questionnaire sent to MOs indicated that the larger MOs are happy to be assessed, seeing it as necessary for obtaining voluntary funding, and value feedback from stakeholders. However, MOs that are guaranteed funding, or small MOs with only small amount of funding from NZAID, are less welcoming of assessment. Furthermore, email correspondence with one of the OECD donors noted that in their experience MOs are 'wary of being compared as they have different mandates, different geographical coverage and different operational procedures'.

Generally the MOs thought that donor assessments should be coordinated (for example through MOPAN) as this approach can be more time effective where there a large number of donors, that sometimes have 'conflicting priorities'. One MO response said: 'Multi-donor meetings and consultations allow for a wider range of questions and ideas from several perspectives which is beneficial for all parties involved' and another said that independent donor assessments impose 'considerable burden … and create confusion because of lack of consistency in methodology and questions '. However, some MOs felt that joint evaluations can take up a lot of the MOs time (in comparison one MO that considered MARAAF a 'light touch'). DIFID email correspondence agreed, noting that 'multilateral agencies also resist a unilateral approach to evaluation from donors as it is a burden on their own resources'.

One MO noted that decisions are distinct from country to country so donors will still do their own donor assessments, and multi-donor assessments make it more difficult for MOs to understand the perception of individual donors. The MO noted that a better 'avenue to explore' might be individual donors doing their own assessments using a common framework.

There was concern from one MO that there are weaknesses in the MOPAN assessment (this was in reference to the perception survey) including that there was 'mixed knowledge level of the MOPAN members filling out the questionnaire'. Another MO expressed concern that assessments may misinform if outdated data was used.

There was general agreement from the MOs that they would like donors to align assessments with MOs own monitoring and reporting processes, and use independent evaluations that have been carried out on their organisations and are sometime summarised in a separate report or published on their websites.

4.3.4 Implications

Some donors have designed complex and time consuming assessment procedures for assessing MOs which may not be institutionally sustainable for their organisations. NZAID should learn from this lesson and keep any future review framework simple.

Each individual donor approach to assessing multilateral effectiveness only gives a partial picture of effectiveness. NZAID needs to consider both strengths and limitations to individual donors' assessments of MOs[9], and consider which aspects of these would be useful in any new NZAID review framework. NZAID needs to ensure a review framework synthesises information from a range of sources, and ensure that:

- common standards for assessing effectiveness of MOs are developed through international networks such as MOPAN
- there is a clear rationale for conducting any separate NZAID reviews of multilateral and regional organisations
- reviews are normally conducted collectively with other donors (eg informally or through networks such as MOPAN) rather than separately
- ideally, NZAID use their role on the governing boards to improve organisations' reporting on effectiveness so that eventually individual donor assessments become redundant.

NZAID needs to decide how it can best harmonise with other donors.

4.4 NZAID and AusAID process for reviewing Pacific Regional Organisations (PROs)

The Hewitt and Constantine 2008 Joint Triennial Review which examined Australian and New Zealand approaches to supporting Pacific Regional Organisations recognised that in the past NZAID's and AusAID's respective multilateral assessment frameworks (e.g. MARAAF) were limited in addressing PRO-specific governance, policy alignment, accountability and capability issues. As a result, the review team developed a high-level framework specifically for the PROs to assess the agencies' corporate capability (Annex 12). Noting Australia and New Zealand's role as influential members of the Pacific agencies, the PROs 'Program Funding Capability Framework' aims to identify areas where further discussion with the agency might be required in relation to program funding rather than just assessing PROs on policy alignment and performance. It includes criteria under the headings of leadership, governance and management and assesses the PROs on the agency's corporate capability including the agency governance, capacity to implement planned member mandated regional priorities and reporting, responsiveness and accountability to members. The report noted that enhancing the ownership of the agencies by member countries is an important factor in improving

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[9] DANIDA's 2008 report: Assessing Multilateral Organisation Effectiveness

governance of PROs. NZAID can best facilitate this by improving its performance as a member of the governing councils of the agencies rather than aligning to regional priorities as a donor.

The framework developed for the Hewitt and Constantine 2008 Joint Triennial Review which examined Australian and New Zealand approaches to supporting Pacific Regional Organisations, provides criteria appropriate for reviewing PROs, and can form a basis of ensuring that a future NZAID review framework is appropriate for both MOs and PROs.

4.5 Multilateral and regional organisations' own evaluation processes

4.5.1 MOs' and PROs' own monitoring and evaluation

MOs are responsible for their own reporting on performance and most MOs have developed their own systems for this. However, MOs own reporting on effectiveness is often focussed at the operational level, and for accountability to their governing boards. There is criticism that this information is 'fragmented and of varying quality' and focussed on inputs and activities[6]. Some MOs do not have corporate RBM targets to be monitored and reported against[10]. Thus most of the information available is measurement orientated and does not address organisational learning achievements or provide results-based reporting.

There is much variation amongst the MOs in terms of their evaluative activity. The DAC Evaluation Network and the UN Evaluation Group have recently collaborated to establish an internationally recognised form of peer review of the evaluation function of MOs[6] (EVALNET). Discussions amongst NZAID and AusAID staff concluded that Multilateral Development Banks (MDBs) are 'better' at internal evaluations than UN agencies, possibly because of a culture of 'competition' between the Banks (see also Section 4.4.2). However, more M&E units within MOs are providing evaluative material on their web pages, and since 2002 when the MARAAF reviews began there is better access to up-to-date information.

An email questionnaire to MOs indicated that some MOs have improved their Results Based Management (RBM) approach and reporting systems since the MARAAF reviews were conducted. Examples of current M&E and reporting systems are in Annex 13.

Four out of the six PROs reviewed by Hewitt and Constantine in the NZAID and AusAID joint triennial review in 2008, had no specific M&E frameworks. Reporting was output and activity-based, or did not include outcome/impact indicators and means of verification in four of the six PROs. One organisation was described as having M&E processes, and an M&E framework that is under development. One of the PROs had a corporate plan which had performance

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[6] DANIDA's 2008 report: Assessing Multilateral Organisation Effectiveness
[10] DAC Report on Multilateral Aid 2008

indicators for outputs and outcomes that are reported against to the board. A lack of sufficient robust data may make desk reviews of PROs difficult.

4.5.2 Multilateral Development Banks - COMPAS

In 2003, the Multilateral Development Banks (MDBs) formed a Working Group on Managing for Development Results. It developed the Common Performance Assessment System (COMPAS) in 2005, which produces an annual report on the performance of the five MDBs. COMPAS aims to provide managers and shareholders of the MDBs with information on how they are contributing to development results and improving their contributions over time. COMPAS focuses on RBM practices and results, but also includes aspects of partnership and evaluation. The MDBs evaluate themselves against 30 performance indicators grouped into seven categories that relate to results orientation at the partner country level, institutional level and global partnership level. COMPAS is the first joint, publicly available self-assessment amongst multilateral peers.

4.5.3 United Nations

At the United Nations World Summit in 2005, High Level Plenary Meeting, comprehensive policy guidance was provided for the ongoing work of the Secretariat and the United Nations agencies, funds and programmes. Commitments were made to step-up efforts to achieve the MDG's. In 2006 the UN Secretary-General's High-Level Panel on System Wide Coherence recommended that the UN should "deliver as one" at country level, with one leader, one programme, one budget and, where appropriate, one office. All UN programme activities will be consolidated at the country level, where the country wishes it. The UN Secretary-General's High-Level Panel on System Wide Coherence recommended that a UN system-wide independent evaluation mechanism should be established by 2008 to monitor how system-wide goals are being delivered under the 'One UN' policy. This has now started with a few pilots in 2008.

4.5.4 IFAD - RIDE – an example of an individual MO evaluation system

In 2007 IFAD produced the first annual report on its development effectiveness, or Report on IFAD's Development Effectiveness (RIDE). The purpose of the RIDE is to assess the relevance of its mandate and its organisational effectiveness and efficiency. Its scope is broader than development effectiveness reports from other multilaterals in that it is not based exclusively on evaluation data. It also incorporates portfolio monitoring information, internal corporate performance monitoring, the budget, and recent initiatives relating to the broader international harmonisation and alignment agenda. The RIDE provides a brief, synthetic report on its organisational and development effectiveness, from project to corporate level.

4.5.5 Implications

In terms of UN organisations, it would be expected that the policy guidance and commitments made at the UN World Summit in 2005, and the 'one UN' policy would enhance the performance of UN agencies. Future assessment/reviews on UN organisations should consider the extent to which the organisation has implemented the One UN policy, and the commitments made at the United Nations World Summit in 2005.

NZAID needs to harmonise and align with systems that do exist when assessing or reviewing organisations, and use organisations' own M&E in the first instance. NZAID needs to exert any influence it can to improve the M&E systems of organisations towards managing for results, and providing useful information on their own organisations.

4.6 Active Learning Network for Accountability and Performance (ALNAP)

ALNAP is a network of individuals and organisations across the humanitarian sector that is dedicated to improving the accountability and quality of humanitarian action by sharing lessons, identifying common problems and building consensus. Membership of ALNAP fosters active learning on the exchange of good practice. Furthermore ALNAP Full membership entitles members to access to the Evaluative Reports Database which is fully searchable on the internet and contains over 700 reports.

ALNAP membership includes donors and MOs as well as other organisations and individuals. It comprises a two tier membership structure (Full and Observer) and a secretariat hosted by the Overseas Development Institute (ODI) in London. Full membership is restricted to 60 members in order to develop a sense of community and encourage constructive and open debate. Membership costs are either voluntary financial or 'in kind' contributions or a combination. NZAID is not currently a member of ALNAP although a submission to AID Management (NZAID) proposing that NZAID join ALNAP is currently being drafted by the Evaluation Team (SAEG). NZAID will need to apply for membership. Some of the key responsibilities of full members of ALNAP are: bringing issues to the attention of the network; disseminating relevant ALNAP products; making available to ALNAP their own organisations evaluative reports for posting on the ALNAP database; and contributing to ALNAP activities with financial or in-kind support.

4.7 Key findings arising from contextual analysis

Change in the international development context since 2002 when the MARAAF was designed includes commitments to improving aid effectiveness (Paris Declaration and AAA), as well as developments in donor processes for assessing MOs, MOs own systems for monitoring and evaluating their agencies, and development of the ALNAP which promotes the dissemination of

evaluative reports on humanitarian action. Furthermore there is now considerably more data available on progress toward the MDGs and UN reforms. This contextual change has implications on the process and criteria that NZAID should consider when reviewing MOs and regional organisations.

With the development of NZAID policies, better coordination and collaboration with other donors, and enhanced access to MOs' own monitoring and evaluation information, future reviews on MOs should be more up-to-date, accurate, and informative. However, some MOs and most PROs' M&E systems need to be further developed to enhance the usefulness of information.

In response to issues identified in this contextual section, a new framework for reviewing multilateral and regional organisations would need to:
1. Build on aspects of the processes, standards and tools used by other donors for assessing MOs which appear to be appropriate for NZAID.
2. Ensure aid effectiveness commitments (Paris Declaration and AAA) are reflected by describing processes for:
   - aligning NZAID's review with organisations' own M&E systems, and using the organisations own independent monitoring and evaluations
   - using generic assessments of organisations which can be sourced through harmonised donor activity (eg perhaps through MOPAN if NZAID decides to join – see Section 5.8)
   - including partner countries in assessments where appropriate
   - collaboration with the organisation being reviewed which encourages learning, improvement, and relationship building for both NZAID and the organisation
   - encouraging organisations to focus their M&E activities on results-based reporting and organisational learning
   and
   - keep information gathering processes simple.
3. Include criteria for assessing the organisation's commitment to aid effectiveness Paris Declaration or the Pacific Principles of Aid Effectiveness, and AAA, in the way they work with their partners.
4. Include criteria around the alignment of organisations to NZAID policies, principle and values and assess the appropriateness of aid modalities utilised by NZAID and the organisations.
5. Include criteria related to the progress of MDGs targeted by the organisation, and how the organisation is contributing to the MDGs and measuring the results of their work towards the MDGs.
6. Address to what extent UN agencies have adapted the reforms agreed at the 2005 United Nations World Summit, and the 'One UN' policy, and encourage/support the development of agency cohesion.
7. Include criteria to ensure that NZAID's performance as a donor is also assessed (and for humanitarian organisations that NZAID's performance is in line with the principles of GHD Section 4.1.2).

5. The way forward for NZAID – participants' perspectives

This section addresses the way forward for NZAID, based on participants' perspectives (NZAID staff and MOs).

5.1 An NZAID framework to review multilateral and regional agencies

The MARAAF, while to a certain extent fulfilling the purpose for which it was designed, evolved over time, and is outdated in terms of international development and NZAID context. Furthermore, the MARAAF was not appropriate for PROs, and the reasons why NZAID may review organisations have changed from when the MARAAF was designed (Section 5.2).

The value of a framework such as MARAAF is not only in the information that it provides, but also other benefits that accrue (Section 3.6). NZAID staff agreed that some sort of NZAID framework to guide reviews of MOs and PROs would be of advantage to NZAID. Several NZAID staff emphasised that a new framework should be simple and desk-based, to reduce burden to NZAID staff and the organisations being reviewed. A new framework could inform any NZAID institutional assessment framework that may be developed in the future.

A new framework for reviewing organisations needs to describe the reasons for NZAID conduct organisational reviews, the review processes, as well as the criteria to be reviewed. Clearly, in responding to commitments to the Paris declaration, and in line with NZAID's policies and values, processes for obtaining information (e.g. consultation, collaboration and using organisations' own M&E systems), are as important as the criteria used in the review.

5.2 The purpose of a future framework for reviewing both MOs and ROS

In designing a framework for the future to inform engagement with multilateral organisations (MOs) and Pacific regional organisations (PROs), NZAID needs to ascertain what sorts of decisions and judgements it needs to make, and the purposes for which it might use a review framework. In others words: what are the reasons for reviewing organisations?

To consider whether there is commonality in the reasons why MOs and PROs would be reviewed, first the differences and similarities between their characteristics (in relation to NZAIDs engagement and funding) were identified, summarised and compared in a table. A MARAAF workshop with NZAID and MFAT staff discussed, and further modified this table (Annex 14). The workshop concluded that characteristics of MOs and PROs are similar but that the scale of the characteristics is different i.e. the proportion of NZAID's membership in the organisation, the proportion of funding for the organisation from NZAID, and the level of NZAID's influence on the organisation. There is also a difference in

the political dimension (Section 3.8). The NZAID/MFAT MARAAF workshop discussed reasons why NZAID may wish to review MOs and PROs. The workshop (conclusions are in Annex 15) concluded that funding (ie whether or not to fund) and prioritisation of organisations in terms of NZAID's engagement (the focus of the MARAAF), is no longer a primary reason for reviewing MOs (except for new MOs), and is not a reason for reviewing PROs.

Interviews with NZAID, and discussion at the MARAAF workshop identified the following two main reasons why NZAID would review both MOs or PROs:

1. For *accountability and audit* purposes: to put rigour and transparency around funding and engagement.
2. For *learning and improvement*: for checking that the organisation is achieving what it is supposed to be achieving, functioning well and identifying issues around governance and leadership in order to inform NZAID of how it can best engage with the organisation and facilitate learning, and improvements (leverage).

More specifically, interviews with NZAID staff indicated that NZAID may wish to review organisations to find out or inform:

Regarding accountability: the level of contracting and formal documentation necessary for funding of different types of organisations NZAID engages with and how NZAID can minimise the risk of core funding, through appropriate funding agreements based on rigorous reviews of organisations. Whether NZAID should engage with and fund organisations that it is not currently engaging with.

Regarding learning and improvement: what is the nature of the engagement with the organisation (eg to inform the AEFs for MOs) and how NZAID can best develop and/or improve relationships with organisations as a member as well as (or rather than) a donor (especially in order that the performance and effectiveness of the organisation be enhanced); what role NZAID should have on the governance boards of the organisations we engage with; and how NZAID can most effectively positively influence the performance of organisations that we are funding (leverage).

Other reasons why NZAID may wish to review multilateral organisations (MOs) include: reprioritisation (or checking prioritisation) of engagement with MOs (as per the MES) to achieve the outcomes that NZAID has prioritised, and possibly which MOs should NZAID engage with to achieve coverage of subsectors with in one particular sector or thematic area. NZAID may also wish to review whether NZAID should engage in relationships with MOs through International Pooled Funding arrangements (this is a 'high order' modality in the NZAID AID Modalities tool) or other similar arrangements (NZAID currently engages with prioritised MOs through strategic partnership/organisational support modality). Where core funding and engagement was suspended NZAID may wish to

review whether the organisation has improved their performance or realigned their mandate in such a way that NZAID should consider resuming funding and/or engagement, NZAID may wish to review its level of engagement with MOs in programmes and projects at a bilateral level in the different partner countries in which we work, and engagement with MOs for humanitarian and emergency assistance.

NZAID staff mentioned that reviews must analyse organisations to allow meaningful conclusions, provide good evidence-based decision making for NZAID, and draw out of major issues and other understanding of the organisation that can lead to a better relationship and knowledge of how NZAID can make a difference to the organisation if necessary.

5.3 NZAID funding arrangements for multilateral and regional agencies

According to a NZAID Management Services Group (MSG) staff member, in order that a simpler 'contribution funding' arrangement be used (as is currently used for MOs) there needs to be confidence that an organisation has strong governance, sound financial and accounting systems, credible auditing, a good history of timely reporting, and has been 'monitored' to check it is delivering. The MARAAF has provided confidence that NZAID is monitoring the MOs adequately and they are providing value for money - it is likely that MOs that have been MARAAFed will continue to be funded through a 'contribution funding' arrangement. However, it is not certain that funding arrangements for PROs would change from the current 'grant funding' arrangements if PROs were to be reviewed through a new framework for both MOs and PROs.

5.4 Criteria for reviewing multilateral and regional organisations

Based on the criteria that NZAID staff (interviews and workshop) and MOs noted, NZAID needs to gather information:
- that is specific to the needs of NZAID and therefore needs to be gathered or compiled by NZAID, and tailored to meet NZAID's needs
- that is also of interest to other donors and stakeholders, and would be available through collaboration with others donors, from organisations' own M&E, or through joining an organisation such as MOPAN

For PROs there may not be such a distinct dichotomy, as most of the information collected would be of interest to AusAID and other members.

The criteria that NZAID needs to use in assessing or reviewing MOs and PROs needs to provide information to meet the purposes of a review (as identified in Section 5.2). NZAID staff agreed that where criteria were common between organisations and donors, NZAID should coordinate with others to review and assess these criteria, or use existing information that has assessed these criteria.

Criteria identified for a framework for review in the future should address whether or not, and in which respects the Development Assistance Committee of OECD (DAC) criteria for evaluation (efficiency, effectiveness, relevance, sustainability and impact) are relevant to reviews of MOs and regional organisations.

5.4.1 Criteria unique to NZ

NZAID staff mentioned the following criteria that could be considered in the design of a new framework:

- Alignment of the mandate, culture and systems of the organisation with NZAID policies and strategies, including priorities, sectors, themes, principles and values.
- Impact on the poor and vulnerable, and elimination of poverty as per NZAID's Policy statement.
- Whether the organisation has a special area of expertise that makes it stand out from other similar organisations, or has a difference from other organisations in the geographic, sectoral or thematic area in which it works (comparative advantage) that matches NZAID's priorities.
- NZAID's role in the governance.
- Level of influence NZAID has with the organisation.
- Funding 'architecture' of the organisation and whether or not it aligns with NZAID's funding mechanisms, and NZAID's High Order Aid Modality.
- Risk assessment for NZAID
- Whether the organisation is active in the Pacific region, or if not whether the organisation provides 'outreach for NZAID', is active in a region where NZAID wishes to have a presence, or provides service in a sector or thematic area where NZAID particularly wishes to be involved.

5.4.2 Criteria of interest and value to other donors and stakeholders:

- Performance at head-quarters level – relevance, impact, sustainability, effectiveness, and efficiency (one NZAID staff member noted a SWOT anlaysis would be good).
- Performance at country (field) level:
  - How well does the organisation work at on the ground – performance, results, and whether the organisation is meeting the needs of the beneficiaries on the ground
  - Is the organisation working at country level in areas (geographic, thematic and sectoral) that NZAID has prioritised at country level
  - To what extent does the MO work in partnership with donors and the country government?
- Strategic plan and policies.
- Leadership and governance issues.
- How well organisations work on the ground in different countries.

- Fungability – to what extent is the money donors provide to the MO being used for what the MO states it is being used for.
- Alignment with the Paris declaration principles in its programmes and management.
- Extent to which MOs respond to new thinking, changes in the international development context, new approaches and new mechanisms for delivery.
- Extent to which the agencies are incorporating the mainstreamed and crosscutting issues of gender, human rights and environment.
- Institutional capability and leadership.
- Human resource issues, staff motivation and staff quality.
- Which MDGs and Internationally Agreed Development Targets (IADT) the organisation is addressing, the extent to which the organisation is successful in supporting progress towards meeting the MDGs and IADTs, and detail around the measurement of their performance in that area.
- Readiness of organisations to fulfil their mandate.

5.4.3 Indicators for criteria
Several NZAID staff noted that NZAID needs indicators (e.g. key performance indicators (KPI)) for the framework so reviewers are clear as to what aspects of the criteria NZAID are most concerned with, and there is consistency between reviews. However, NZAID staff also noted that this may be problematic as different types of organisations would require different indicators, and a future framework may have to have very general indicators, or a range of criteria and/or indicators for reviewers to choose from. Another suggestion was that reviewers develop their own indictors as part of the review.

5.4.4 Perception of MOs on criteria for assessment and review
In email questionnaire responses, MOs noted the following criteria they believed they should be assessed/reviewed on:
- satisfaction of other member countries with the MO
- the MOs results (delivered in annual and periodic reports) and realisation of planned outcomes
- mandates
- participation in national and regional donor consultations
- member contributions and funding sourced by the MO
- MO reporting (particularly RBM)
- relevance of the organisation's activities to the target population
- self assessment of NZAID in relation to the MO – e.g. how are the evaluative products used, timeliness of funding appeals etc.

One MO also noted that criteria for assessment should be provided to the MO in advance of reviews.

5.5 Information required in reviews of MOs and ROs

NZAID staff identified a range of information (other than criteria in 5.4) needed to inform the decisions and judgements:
- the perceptions of the donor community
- extent and quality of the organisations' own M&E systems and RBM
- the results of any evaluations carried out by the organisations themselves, other independent evaluations on the organisation, or peer reviews done by the organisations (and evidence of implementation of recommendations)
- perceptions of NZAID staff at posts in Geneva, New York, Washington and London who have close connections with the MOs, Pacific Island posts that have close connections with regional organisations, and bilateral country posts that understand the organisations' work on the ground
- total amount of money being provided by NZAID to MOs (through core funding, regional/ bilateral activities and humanitarian/emergency funding) to give an indication of which organisations are receiving the most relative to the priority ranking in the MES.

MOs stressed that on-going dialogue, feedback on their work, and interaction with NZAID are important in addition to assessments, to NZAID's decision making.

5.6 Using MOs' own evaluations to inform NZAID reviews

Independent and robust evaluations that are available from MOs and PROs can be used to inform NZAID's review process. This includes peer reviews of MOs (such as COMPASS) which give a level of commonality in process and connectivity between the evaluations, and robust independent evaluations from organisations. However, one NZAID staff member noted that whole of agency reviews (of MOs) may only happen when the agency is in crisis and donors put pressure on them for a review. While a time of crisis is not necessarily the best time to conduct a review, such reviews are relatively independent and can therefore engender 'buy in' around results. According to one MO staff member, there are evaluations conducted independently (such as the global accountability survey conducted by One World Trust) which 'don't have an agenda' and are 'a good way to go'.

5.7 Partner countries' involvement in NZAID's reviews

An NZAID staff member noted that partner country's views on 'on the ground effectiveness' of MOs and ROs may add value to future NZAID reviews. NZAID now has more resources in-country to involve partner countries in reviews than was the case in 2002 when MARAAF was designed.

5.8 Collaboration with other donors

At present NZAID engages and collaborates intermittently with other donor agencies on reviews of multilateral and regional organisations. AusAID and NZAID recently formally joined forces for the review on PROs (see report: Hewitt and Constantine, 2008). Ireland has recently approached NZAID to discuss opportunities for collaboration with NZAID and other donors in assessing MOs. In a recent meeting between AusAID and NZAID, AusAID mentioned that there may be an opportunity to collaborate with NZAID on assessments of 'second tier agencies (MOs)' where there are not formal partnership arrangements between the agency (MO) and AusAID, and that another option may be for NZAID and AusAID to meet to discuss assessments before finalising formal partnership arrangements with the organisation. DFID also noted in email correspondence there may be opportunities to develop 'joint engagement strategies' with NZAID or collaborate through MOPAN or the DAC. However, with changing staff and other administrative issues, informal collaboration is challenging.

Two NZAID staff suggested that multi-donor funding for multilateral and regional organisations to do their own assessments/reviews is possibly better than multi-donor assessments which can be overly powerful.

An option is for NZAID to apply to join MOPAN which would reduce NZAID effort in information gathering, reduce overlap with other donors, increase a common understanding of core effectiveness criteria and improve dialogue both within and between a range of development organisations and donors. NZAID could use staff at post (e.g. Paris) to fulfil NZAID functions of MOPAN to avoid excessive travel. However, MOPAN assessments would not provide information on criteria that are unique to NZAID.

Advantages and disadvantages of joining MOPAN were discussed at a recent meeting between AusAID and NZAID staff. DFID also shared in an email its understanding of advantages and disadvantages to DFID of collaboration with other donors. Advantages to NZAID of joining MOPAN include:
- Access to a potentially robust multi-donor assessment process that is the most appropriate formal collaborative alternative available at present.
- Access to the frequent, independent, unbiased and thorough assessments done by MOPAN which would enhance understanding of MOs, inform decision making around NZAID's engagement with MOs, provide information for parliamentary and public scrutiny on MO engagement effectiveness, and could feed into partnership arrangements between NZAID and MOs.
- Access to MOPAN perception surveys on country-level activities of MOs.
- More influence on MOs' direction and change - members of MOPAN have a common and transparent view, giving the group power to influence.
- Access in the future to the MOPAN 'Balanced Scorecard' system of assessment.

- Being part of an assessment mechanism that responds to the Paris Declaration.
- Opportunities for building relationships with other donors around MOs.
- Being able to influence the direction of MOPAN to overcome some of the disadvantages and criticisms of the MOPAN group (see below).

MOPAN is a group of OECD donor countries (sometimes referred to as a 'club') - it is exclusive (donors need to apply to join), powerful, has no developing country membership or proposals to find ways to include developing countries. Disadvantages for NZAID of joining MOPAN:

- NZAID is accepting the exclusive and powerful nature of MOPAN.
- MOPAN is about OECD M&E of MOs, rather than MOs monitoring and evaluating themselves.
- The cost of around $NZ150,000 per annum to join MOPAN.
- The cost of NZAID staff's time in fulfilling the obligations of MOPAN.
- MOPAN assesses MOs that NZAID may not be interested in engaging with and MOPAN does not currently focus on the Pacific region.

5.9 Aspects of other donors' processes that can (or cannot) inform the way forward for NZAID

Section 4.3.1 described and analysed other donors' procedures for assessment of MOs. Some of the key findings that could inform the way forward for NZAID are listed in the contextual section of this report (Section 4.5). However, NZAID's purposes for assessing and reviewing MOs and PROs (Section 5.2) are both similar and different from those of other donors (Annex 10 and 11), and therefore it is important that NZAID designs its own review criteria and processes while (as pointed out by many NZAID staff) ensuring it responds to the Paris Declaration and AAA.

While other donors seem to favour a ranking or 'traffic light' system for criteria, NZAID has found qualitative reviews more useful than scoring in the past (Section 3.3.1), and nothing from the evaluation indicated that ranking or 'traffic lights' might be useful in the future. Moreover, what has emerged from this evaluation is that ranking and scoring is problematic, consistency an issue, and comparing organisations has little value. With the purposes of reviews since the MARAAF changed (Section 5.2), ranking does not seem necessary for future reviews. Rather, the system used in later MARAAF reviews, where 'issues for consideration' were identified seems a more appropriate way of identifying and 'flagging' areas of concern, lessons learned, or contentious issues.

5.10 Frequency of review on MOs in the future

NZAID staff noted that it is not practical, and unlikely to be cost effective to reassess (or re-review) all the organisations already assessed within the MARAAF process. Furthermore where there is a very low level of engagement

with organisations, or NZAID is not going to fund the organisation, it is not cost effective to conduct a review. Some NZAID staff said reviews should only be done if there was a specific reason for doing one, and thus frequency would vary depending on why the organisation was being reviewed. It was noted during the MARAAF workshop that PROs should be reviewed every three years assuming funding is for three years and that this would also line up with strategic planning. However, at present funding is on a one year basis. A three yearly review of PROs may not necessarily be a full review and could just be a light review of monitoring data if a satisfactory monitoring system was in place.

Other specific situations cited by NZAID staff regarding when a review may be necessary included: for new agencies, for organisations NZAID has concerns about, for organisations that are making significant changes, for organisations where funding has been suspended, or where NZAID is developing a formal strategic partnership or organisation support with an organisation.

NZAID staff said that the existing MARAAF reviews could be updated with light reviews to inform the AEFs, check NZAID's priorities, provide a more coherent and up-to-date understanding of the agency and capture changes. One MARAAF reviewer noted that 'the situation or culture (of the organisation) can change, and leadership can change'.

During the MARAAF workshop it was noted that reviewing in line with MOs planning horizon would work well, for example at the end of a planning period so NZAID could have some influence on the next planning cycle.

Questionnaires returned by email from MOs varied in their perception of appropriate frequency of assessment of their organisations by NZAID. They noted that assessment in the first year of the cycle would capture results from the previous cycle, and allow some influence in the current cycle. However, one MO noted that seven or eight year intervals would be enough (small MO) while another noted that assessments should not be spaced more than three years apart because of the dynamic nature of the MOs work.

5.11 Key findings on the way forward

1. A new framework for reviewing MOs and regional organisations is needed that describes why reviews are needed, the criteria to be reviewed and the process of a review. The reasons for reviewing organisation have changed since 2002 when the MARAAF was designed, and funding decisions are not now likely to be the focus of a review of organisations except where NZAID may consider funding a new agency. Reviews now and in the future can provide information:
   - for accountability
   - for learning and improvement

2. The reasons why reviews would be conducted need to be confirmed before criteria for a new framework are selected. It is likely that criteria would be similar for MOs and PROs but the emphasis needing to be placed on different criteria will vary between organisations. The criteria noted in Section 5.4 could be considered for a new framework. Criteria will include some that are unique to NZAID and some that are of interest to NZAID and other stakeholders.

3. Indicators for criteria are important, but would need to be developed to suit all types of organisations that NZAID engages with, and would thus there would need to be some general and inclusive indicators. Reviewers could then develop indicators as part of a review to suit the circumstances (or could refine general indicators).

4. NZAID should review organisations when there is a specific need for a review. However, in addition, PROs should be lightly reviewed every three years (assuming their funding arrangements are for three years), and MOs' reviews should be updated at the end of a strategic planning period so that NZAID can have some influence over the new planning period.

5. NZAID has both similar and different reasons for its reviews compared with other donors. It is important therefore that NZAID design its own system, although features and criteria that other donors use may inform a new system. No reason was offered during the evaluation for NZAID to adopt a ranking system or 'traffic lights' (see Section 5.9) as most other donors have done, and lessons from the MARAAF indicate that a qualitative review works well if key issues for consideration are clearly identified.

6. In terms of process in a new framework NZAID needs to conduct a review in a way that responds to the Paris Declaration, AAA and International Development Targets:
   * collaboration with other donors in any review,
   * using organisation's own M&E wherever possible
   * including perceptions of partner countries' views which is now more feasible with increased NZAID resources
   * including perceptions of donor community, NZAID staff at post, and other stakeholders
   and according to NZAID's values and principles.

7. NZAID needs to consider the advantages and disadvantages of joining MOPAN, and decide whether or not to apply to join.

6. Conclusions and Recommendations

6.1 Conclusions

The purpose of the MARAAF was primarily to determine where NZAID should be directing its effort via multilateral and regional organisations. The evaluation found that despite weaknesses in the MARAAF framework, process and reviews, the MARAAF largely fulfilled the purpose for which it was designed. NZAID withdrew from engagement with five multilateral organisations (MOs), mostly as a result of the MARAAF, and the MARAAF reviews informed prioritisation of engagement with other MOs. The MARAAF was considered by NZAID staff to have been efficient in terms of 'value for money' (for assessing MOs). The way in which relevant organisations were assessed evolved, due to weaknesses in the original framework and process described in the MARAAF document.

However, the MARAAF was not generally used for Pacific regional organisations (PROs), or Asian regional organisations although the MARAAF document intended that it do so. The purpose for which the MARAAF was designed was not considered to be relevant or appropriate for PROs. The MARAAF was not generally used for Asian regional organisations and NZAID does not engage with Asian regional organisations at a core funding level at present. Therefore a future framework for review and assessment would be focussed on MOs and PROs, although it is likely to also be appropriate for Asian regional organisations.

The MARAAF was used in ways, and for purposes, that were not anticipated when it was developed in 2002. Some of these unanticipated uses inform how the MARAAF is likely to be used in the future. The MARAAF also provided unanticipated benefits to NZAID.

The original purpose of the MARAAF is no longer valid for either MOs or PROs. Furthermore, changes in the international development and NZAID context mean that the process of conducting the MARAAF reviews needs to be revisited and revised.

The evaluation concludes that characteristics of MOs and PROs (in relation to NZAID's engagement with them) are similar but at a different scale (for example the proportion of funding to organisations from NZAID, level of influence on boards). The reasons why NZAID may now wish to review both MOs and PROs are also common and are around accountability, and about learning and improvement.

A new framework for reviewing MOs and PROs would be of benefit to NZAID. The framework would set out the reasons why reviews might be carried out, the

criteria that might be included in a review, and processes for reviewing organisations. Some reasons are outlined in Section 5.2. The framework should draw on the strengths of the MARAAF, overcomes its weakness (Section 3), and address contextual issues that have arisen since 2002 (Section 4). The new framework needs to be a reviewing mechanism rather than an assessment tool. As such a neither a quantitative or ranking system are necessary. A flexible list of review criteria and questions would make the framework appropriate for different types of organisations, and the purpose of the review. Reviewers could then assess the weighting that should be given to each question as appropriate for the organisation they are reviewing.

6.2 Recommendations

1. It is recommended that a group (or committee) consisting of staff from the NZAID multilateral team, the NZAID Pacific regional team and NZAID Strategy, Advisory and Evaluation Group (SAEG) develop a process to address the following recommendations. The process should ensure NZAID staff and other stakeholders with a specific interest in multilateral organisations and Pacific regional organisations are included in fulfilling the recommendations. As a first step in this process there needs to be further clarification of:
   - the reasons that NZAID might want to carry out reviews of organisations (both MOs and PROs) and what specific criteria (and foci) NZAID would include in a review framework (see Section 5)
   - whether such a framework should include review of field-based as well as headquarters level organisational activities
   - whether it is appropriate to include sectoral-based reviews.

Based on the key findings of Sections 3, 4 and 5 of this report, it is recommended that:

2. NZAID designs a new framework for reviewing multilateral and Pacific regional organisations that:
   - includes clear guidance on reasons for reviewing, criteria and process
   - emphasises criteria for assessment of organisations' approach to crosscutting issues (in particular gender, environment and human rights)
   - includes a rigorous process for consultation and collaboration with other donors, partner countries and/or the organisations being reviewed
   - is desk-based wherever appropriate, using existing material from other donors and the organisations (the appropriateness of desk reviews for PROs should be further discussed)
   - is simple and light
   - is designed to assess each organisation separately (qualitatively) rather than to compare organisations
   - takes into account feedback from MOs in 5.4.4

- includes processes for peer review, appraisal, feedback of reviews and storage of final review documents
- is thoroughly tested before being finalised, is written as an NZAID tool, and is integrated into NZAID systems for the activity cycle.

3. NZAID considers their commitment to the Paris Declaration, AAA, and Pacific Principles of Aid Effectiveness and ensures a new framework describes processes to:
   - align NZAID's review process with the organisation being reviewed
   - prioritise using organisations' own M&E systems and material where it is sufficiently reliable, robust and available
   - use generic assessments of organisations through donor harmonisation
   - include partner countries in reviews where appropriate
   - encourage learning, improvement and relationship building as part of the review framework
   - encourage development of organisations RBM and reporting
   - includes criteria on assessing the organisations commitment to aid effectiveness principles in the work they do.

4. NZAID ensures that part of any review includes an assessment of NZAID's own performance in terms of its engagement with the organisation including, for humanitarian organisations, its commitment to the principles of Good Humanitarian Donorship (GHD).

5. NZAID conducts reviews (or light reviews/updates) of PROs every three years, and of MOs in line with their planning horizon (unless specific reasons for a review arise).

6. NZAID considers other existing frameworks for assessing new organisation partners and reviewing existing MOs and PRO partners (see Section 4.3) for aspects that other donors and reviewers consider important in assessment/review frameworks and that could be relevant to NZAID.

7. NZAID considers whether or not to join:
   - MOPAN - based on the advantages and disadvantages set out in Section 5.8, and other relevant aspects.
   - ALNAP - a submission to AID Management (NZAID) proposing that NZAID join ALNAP is currently being drafted by the Evaluation Team (SAEG).

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Annex 1 Terms of Reference for the Evaluation

Background
The Cabinet minute (CAB (01) 28/8) establishing NZAID as a semi-autonomous agency directed the agency to consider the dispersed nature of its multilateral engagements with a view to more closely targeting its effort to agencies and areas aligned with NZAID's poverty elimination focus.

Subsequently, the MARAAF was designed to complement the Bilateral Assessment Framework, which determined which countries should qualify as core bilateral aid partners, and the Regional Assessment Framework, which determined what regions should qualify for regional programming assistance.

The purpose of the MARAAF, finalised in May 2002, was to establish an analytical framework and process to help determine where NZAID should be directing its development and humanitarian effort via multilateral and regional agencies. Beyond that, the MARAAF review outcomes also informed decisions regarding appropriate levels of core contributions to, and engagement with, multilateral and regional agencies.

The primary focus of the MARAAF was to evaluate:
- Agencies or allocations funded primarily through core grants, under NZAID's International Agencies appropriation
- Regional agencies funded through core grants, in the Pacific and Asia, under NZAID's Pacific Regional or Global Regional appropriations

The MARAAF did this by assessing the relevance of activities to the guiding principles and sectoral priorities which Ministers had endorsed for NZAID, New Zealand's national priorities and interests (political, historical, and economic), other donors' and partners' views of the agency, and other relevant policy considerations.   The assessment process also took into account agency efficiency and effectiveness, acceptability to beneficiaries, and comparative advantage when compared to like agencies.   Agency relevance to the region, value to regional partners, and the applicability of programmes in a regional context were also examined as was the relative impact of a New Zealand contribution.

Practice was initially for a qualitative and quantitative desk-top review conducted by a consultant, working mainly to the relevant NZAID Development Programme Managers who managed the relationship with particular agencies. A desk top review report and evaluative matrix of each agency was completed on the basis of personal and institutional experience and knowledge of the agency, pertinent NZAID reporting and comment about the agency, and recent agency planning documents and external evaluative documents (eg. audits). Partner and host Government views of the agency added value to the process.

Desktop reviews resulted in an indicative numerical rating intended to provide a thumbnail sketch of the agency's relative strengths and weaknesses against defined criteria. No attempt was made to add up the separate section ratings to produce an aggregate score. Through experience of the ratings schedule and its subjective nature, NZAID used this score system only as an in-house tool, and did not share with the agencies under review the ratings. Each agency was however presented with a draft qualitative report for comment on errors of fact or omissions, and differences in interpretation. Agency comments were incorporated prior to circulation to interested stakeholders. These included other UN agencies, donors, NZ government departments, academics, and civil society organisations.

Over a period of 3 years (time period to be confirmed by the evaluation), the MARAAF was applied to 35 (to be confirmed by the evaluation) multilateral and regional agencies, funds and programmes resulting in recommendations being put to Ministers on how, and if so at what level, NZAID should manage its relationship with these agencies. Results were presented to Ministers on a staggered basis over the period.

The final outcome of the whole MARAAF process was recorded in the 2005-2010 Multilateral Engagement Strategy (MES) which provided a strategic framework for why NZAID should provide ODA through the multilateral system and how it should do so in order to maximise effort to achieve international development goals. The MES further prioritised all multilateral agencies with which NZAID engaged, the nature of that engagement, and the thematic and sector areas of engagement.

The context within which MARAAF has operated (both internationally and within NZAID) has changed considerably since the development of MARAAF in 2002.

The purpose
The purpose of this evaluation is to evaluate the overall MARAAF analytical framework and process in terms of its effectiveness, efficiency, and relevance, and to identify NZAID's future needs for decision making about engagement with multilateral and regional organisations.

The evaluation will inform NZAID and other relevant stakeholders of the next steps towards an appropriate and 'fit for purpose' process on which future NZAID decisions and judgements on engagement with multilateral and regional organisations can be based, and inform the review of the Multilateral Engagement Strategy to be conducted in 2009.

The evaluation will be undertaken internally, and will be principally for NZAID's learning and improvement and to ensure accountability of NZAID. The evaluation will also be of interest to other stakeholders.

The scope
This evaluation will firstly describe the MARAFF analytical framework and document the whole of the MARAAF process since 2002. The evaluation will assess the extent to which the MARAAF achieved its purpose, and assisted NZAID to achieve sound agency prioritisation. Secondly the evaluation will describe the needs of NZAID for future prioritisation, and the nature of a process for future decision making informed by the current international development context.

It is not intended that this evaluation design a new assessment tool or process, rather it should assess the information needs for making decisions regarding engagement with multilateral and/or regional organisations, and the next steps towards meeting those needs.

The evaluation will take place between October 2008 and February 2009.

Evaluation objectives (note: evaluation questions are in the evaluation plan)
Objective 1
To describe the present context of NZAID's multilateral and regional engagement, including the relevant changes to international development context since MARAAF was developed, and the relevant NZAID policies and strategies.

Objective 2
To assess the extent to which the MARAAF as a tool and a process achieved its original purpose, and identify lessons learned from using the MARAAF framework and process to inform decisions about engaging with multilateral and regional organisations.

Objective 3
To briefly assess whether the MARAAF process provided value for money when the cost is compared qualitatively with the broad outcomes, impacts or changes brought about by the process.

Objective 4
To determine NZAID's present and future needs to make decisions and judgements on engagement with multilateral and regional organisations.

Objective 5
To provide recommendations on, and identify next steps towards, developing tools and/or a process that meets NZAID's needs identified in Objective 4 for making sound decisions and judgements on engagement with multilateral and regional agency now and in the future.

Methodology

The methodology will include:

- a desk top review of all associated documentation on NZAID's files, recommendations from the OECD DAC Peer Review and Waring Report as well as relevant NZAID policies and strategies (this documentation could be collated internally and sent to the reviewer if necessary)
- research on current multilateral and regional agency assessment best practice by other donors and through (for example) the OECD DAC
- engagement with NZAID staff, ex staff and consultants involved in the MARAAF assessment process
- engagement with other relevant stakeholders (eg multilateral organisations, UNHC MFAT, donors)
- a report which will include an overview of the process used in the evaluation of MARAAF, reporting against objectives and recommendations on the way forward (see outputs section)
- debriefing to relevant NZAID staff

An evaluation plan (including development of evaluation questions and a detailed methodology) will be submitted to the manager of this evaluation. The detailed methodology should be included in the appendices of the report.

The evaluation will comply with the DAC Evaluation Quality Standards, will be informed by the NZAID Evaluation Policy Statement, and guided (where appropriate) by the NZAID evaluation principles partnership, independence, participation, transparency and capacity building. The evaluation will take place between September 2008 and January 2009. Interviews will be conducted by phone, email or in person (for those present in Wellington).

Management

A steering committee (consisting of the Team Leader (Multilateral), a member of multilateral programming team, AIDPAC representative, and the Team Leader (Evaluation) will oversee the evaluation. The client for this evaluation is the NZAID Multilateral Team. Support for the evaluation will be provided by the multilateral programming team and MES contact points as appropriate.

Evaluation team

The evaluation team will consist of an NZAID Evaluation Advisor (team leader) and a contracted researcher. Ideally, the team will have the following competencies and characteristics:

- Strong research and analytical skills
- Expertise in evaluation with experience in evaluation methodologies
- Knowledge of multilateral, regional, and bilateral development agencies and best practice
- Excellent report writing skills

Outputs

1. Debriefing to relevant NZAID staff, and incorporation of feedback into the draft report

2. A draft report of not more than 20 pages in the main body of the report (excluding appendices)

3. Final report

Timing

Evaluation plan complete	17October
Document review	October and November 2008
NZAID engagement	October, November and December 2008
Debrief	Late January 2009
Draft report	30 January 2009
Final report	February 2009

The draft report will be peer reviewed. The final report will be appraised and submitted to the Evaluation and Research Committee.

Dissemination of the Evaluation Report

The final copy of the evaluation report will be provided to the NZ Non Government (NGO) community; multilateral partners; other donors; regional agencies; and other NZ government departments. A summary of the report will be published on the NZAID website and the full report will be available if requested.

Annex 2 Evaluation Plan summary (appendices to plan not included)

See NZAID document #1395071 for the full evaluation plan

The objectives have been structured to address three of the five DAC criteria for evaluation: effectiveness, efficiency, and relevance. Sustainability and impact are not relevant in this evaluation.

1. Overall objectives and related evaluation questions
Objective 1

To describe the present context of NZAID's multilateral and regional engagement, including the relevant changes to international development context since MARAAF was developed, and the relevant NZAID policies and strategies.

Questions:
- What aspects of the international development context relevant to engagement with multilateral and regional organisations have changed since the MARAFF was designed?
- How do these changes affect NZAID's decision making regarding engagement with multilateral and regional organisations?
- What are the main aspects NZAID policies and strategies that are relevant to, and will guide NZAID's decisions about engagement with multilateral and regional organisations?

Objective 2

To assess the extent to which the MARAAF as a tool and a process achieved its original purpose, and identify lessons learned from using the MARAAF framework and process to inform decisions about engaging with multilateral and regional organisations.

Questions:
- What was the purpose and objectives of MARAAF (see #3 under Objective in the MARAAF document)?
- What activities (e.g. evaluations/reviews) were conducted under MARAAF, to what extent did these activities conform to MARAAF?
- What were the main findings of, and lessons learned from the activities conducted under MARAAF?
- Did MARAAF fulfil its purpose (ie was it effective) (i.e. to provide credible findings on which NZAID was able to make sound judgements and provide advice to Ministers regarding its priorities for multilateral and regional agency engagement)?
- Was MARAAF equally applicable (relevant) to all organisations assessed (eg multilateral and regional agencies, funds and programmes)?

- What use was made of MARAAF information (including, in the development of the MES and Agency Engagement Frameworks)?
- What were the strengths of MARAAF, what were the weaknesses and gaps in the MARAAF analytical framework and process?
- What lessons were learned from the use of the MARAAF analytical framework and process?

Objective 3

To briefly assess whether the MARAAF process provided value for money (efficiency) when the cost is compared qualitatively with the broad outcomes, impacts or changes brought about by the process.

Questions
- How does the cost of MARAAF compare with similar processes undertaken by other DAC members (taking into account the budget of the other donors for funding multilateral and regional engagement)?
- Could savings have been made (without disproportionately compromising outcomes) through different methods of assessing multilateral and regional agencies?

Objective 4

To determine NZAID's present and future needs to make decisions and judgements on engagement with multilateral and regional organisations.

Questions
- What sorts of decisions and judgements do we make regarding multilateral and regional organisations?
- Do we need to make decisions about regional organisations as well as multilateral?
- What information (other than assessments) does NZAID require to inform decisions on engagement with multilateral and regional organisations into the future?
- What criteria should multilateral and regional organisations be assessed on, to inform decisions on engagement with multilateral and regional organisations into the future?
- What other aspects are important to inform NZAID's decisions on engagement with multilateral and regional organisations eg?
  - How can multilateral and regional agencies' own monitoring and evaluation systems be used to inform NZAID?
  - How can partners be involved in NZAID's decisions on engagement with multilateral and regional organisations?
  - What tools are other donors using individually and collectively to assess multilateral and regional organisations (e.g. DAC, OECD best practice), and how relevant are these tools to NZAID's needs?

o Could NZAID usefully engage in multi-donor evaluations, or are independent assessments tailored to NZAID's needs required?
o If independent assessments are needed, is a new process or framework required for NZAID to assess multilateral and regional agencies, or can the MARAAF framework be adapted?
o What process should be applied to multilateral and regional agencies that have already been assessed under MARAAF?
o What process should be applied to new multilateral and regional agencies with which NZAID is seeking a strategic partnership?

Objective 5

To provide recommendations on, and identify next steps towards, developing tools and/or a process that meet NZAID's needs identified in Objective 4 for making sound decisions and judgements on engagement with multilateral and regional agency that are relevant now and in the future.

2. Methodology
2.1 Desk study review of literature and documents
1.1 Context and background
To provide context, and address questions in Objective 1, documents and literature related to the following topics will be identified, read and analysed.

1.2 MARAAF reviews: all the MARAAF review reports, and the summaries of these, will be read, analysed and synthesised as part of the evaluation, especially Objective 2.

1.3 Other documents related to the MARAAF reviews, and decisions made on the basis of the reviews will be read and analysed.

2.2 Stakeholder analysis and stakeholder engagement
Table 1 determines the stakeholder (or group of stakeholders) who will participate in the evaluation, their interests and 'stake' in the evaluation. Table 2 indicates which groups of stakeholders can provide information to answer the evaluation questions, and the methods to be used to engage stakeholders.

Table 1: Stakeholder Analysis – MARAAF Evaluation

Stakeholder	Interest (stake)	Type of stakeholder
Multilateral team	View on changing context, experience with MARAAF framework and process, view on whether MARAAF fulfilled its purpose (ie were they able to use it to make decisions and prioritise), knowledge of costs etc of MARAAF, view on needs for future process for decision making, prioritising. Primary interest in developing a robust system for assessing multilaterals	Primary
Multilateral and regional organisations and agencies (eg UN, Commonwealth Agencies, MFAT UNHC)	Experience with being 'MARAAFed', view on future process which provides an accurate and fair assessment, knowledge of own processes and development outcomes etc, knowledge of own evaluation systems and how they could be incorporated into an NZAID assessment	Secondary
Other NZAID staff (NZ) Ex NZAID staff NZAID World Bank Others	View on changing context, experience with MARAAF framework and process, view on whether MARAAF fulfilled its purpose, knowledge on costs of MARAAF and value for money, view on needs for future process	Tertiary
NZAID finance, contracts, risk management and systems control	Views on future processes for assessing multilateral and regional organisations	Tertiary
NZAID staff (post)	Experience with MARAAF, view on needs for future process, view on multilateral engagement in-country	Tertiary
MARAAF Reviewers	Experience with using MARAAF, view on needs for future process	Tertiary
Other interested stakeholders	Knowledge of multilateral organisations and international development context	Tertiary
Other donors (e.g. AUSAID, DFID, MOPAN OECD)	Experience of other processes for assessing multilateral and regional organisations, views on donor harmonisation in assessing multilaterals, knowledge of costs for their agencies on assessing multilateral organisations (for comparison), may have knowledge of MARAAF and could comment.	Tertiary
Partner countries	Experience with multilateral and regional organisation working in-country, need to be informed about how NZAID's decision making will be informed.	Tertiary

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Table 2: Appropriate stakeholders, and methods for gathering information

Evaluation questions	Objective #	Stakeholders that can provide information to answer the question(s) Note: applies to all questions in the 'box' on the left	Method of information gathering
• What aspects of the international development context relevant to engagement with multilateral and regional organisations have changed since the MARAFF was designed?	1		Literature/document review
• How do these changes affect NZAID's decision making regarding engagement with multilateral and regional organisations?		Multilateral team Other NZAID staff/ex staff	Interviews or group interview Interviews or group interview
• What are the main aspects NZAID policies and strategies that are relevant to, and will guide NZAID's decisions about engagement with multilateral and regional organisations?		Other interested stakeholders Donors UN agencies	Interviews Email questions Email questions
• What was the purpose and objectives of MARAAF (see #3 under Objective in the MARAAF document)?	2		Review of MARAAF documents Review of MARAAF reports
• What activities (e.g. evaluations/reviews) were conducted under MARAFF, to what extent did these activities conform to MARAAF?			Also:
• What were the main findings of, and lessons learned from the activities conducted under MARAAF?		Multi lateral team Other NZAID staff/ex staff MARAAF Reviewers	Interviews or group interview Interviews or group interview Interviews
• Did MARAAF fulfil its purpose (i.e. to provide credible findings on which NZAID was able to make sound judgements and provide advice to Ministers regarding its priorities for multilateral and regional agency engagement)?	2	Multilateral team Other NZAID staff/ex staff MARAAF Reviewers Multilateral organisations (experiences of being MARAAFed)	Interviews or group interview Interviews or group interview Interviews Email questions
• Was MARAAF equally applicable to all organisations assessed (eg multilateral and regional agencies, funds and programmes)?			
• What use was made of MARAAF information (including, in the development of the MES and Agency Engagement Frameworks)?			Also: Review of NZAID documents, MARAAF reports, MARAAF documents
• What were the strengths of MARAAF, what were the weaknesses and gaps in the MARAAF analytical framework and process?			
• What lessons were learned?			

• How does the cost of MARAAF compare with similar processes undertaken by other DAC members (taking into account the budget of the other donors for funding multilateral and regional engagement)? • Could savings have been made (without disproportionately compromising outcomes) through different methods of assessing multilateral and regional agencies?	3	Multilateral Team Other NZAID staff Other donors	Interviews Interviews Email questions Also: Literature/document review
• What sorts of decisions and judgements do we make regarding multilateral and regional organisations? • Do we need to make decisions about regional organisations as well as multilateral? • What information (other than assessments) does NZAID require to inform decisions on engagement with multilateral and regional organisations into the future? • What criteria should multilateral and regional organisations be assessed on, to inform decisions on engagement with multilateral and regional organisations into the future? • What other aspects are important to inform NZAID's decisions and judgements on engagement with multilateral and regional organisations?	4	Multilateral team Other NZAID staff/ex staff Other interested stakeholders Donors: MOPAN, OECD UN (top 10) and Commonwealth Agencies MFAT UNHC	Interviews, group interviews, and workshop (if needed, depending on the information already gathered) Email questions Phone interview/email Also literature/document review
What recommendations could be made regarding next steps forward for developing tools/and or a process for making sound decisions and judgements on engagement with multilateral and regional agency now and in the future?	5	Multilateral team Other NZAID staff/ex staff Including NZAID Finance, Contracts, Risk Management and Systems Control Donors: MOPAN, OECD UN (top 10) and Commonwealth Agencies MFAT UNHC	Interviews, group interviews, and workshop (if needed, depending on the information already gathered) Email questions Email questions Phone interview/email Also: Literature/document review

2.3 Methods of gathering information from stakeholders

Interviews

Semi-structured interviews will be held to gather information to answer evaluation questions with the appropriate stakeholders (as identified in Table 2). A checklist of questions will be developed for each group of stakeholders. The interviews are likely to last between 45min and 60 minutes. Detailed notes will be taken. Phone interviews may be used where face-to-face interviews are not practical. Where phone interviews are used, the interviewees will be emailed the checklist of questions prior to the interview.

Email questions

For stakeholders not able to be interviewed due to location or unavailability, questions will be asked in an email.

Workshop

The purpose of a workshop would be to clarify the future needs of NZAID to inform decisions and judgements regarding engagement with multilateral and regional organisations, and to inform the recommendations for steps forward (Objectives 4 and 5). It is expected that it would be attended by NZAID staff and perhaps other interested stakeholders from the Wellington area.

2.4 Data analysis

From the information collected, themes will be identified to fulfil each of the objectives. The detailed notes, and workshop results, will be coded according to each of these themes. The findings will then be written according to these themes ensuring that all the information collected is addressed. Quotes will be used to illustrate findings where appropriate, to add depth and provide 'the tone' of some comments made in the findings.

2.5 Cross checking information gathered

Information will be gathered from a range of stakeholders, and the same questions will be asked of several stakeholders. The answers to these questions will form the basis of the findings. The workshop (if conducted) will cover some of the aspects considered in the interviews. The findings will be critically discussed in the report before drawing conclusions.

3. Ethical considerations

Stakeholders who are interviewed or invited to the workshop will be provided with an information sheet (Appendix 2). The information sheet will give a background to the evaluation and explain how the information will be used. The information sheet will state that interviewees can choose not to answer any questions in the interviews, or withdraw comments after the interview up until the draft report is finalised. The evaluator will treat all the findings of the interviews with complete confidentiality. The evaluation team will take an independent view of the evaluation, and will declare any conflict of interest.

4. Risk analysis

Risk	Ways of managing risk
Difficulty retrieving documents, or vital documents missed.	Multilateral team will be asked to provide support in obtaining, and verifying the validity, of documents.
The extent to which other donors, or multilateral organisations themselves can be included in the evaluation is limited because the evaluation will not include travel outside New Zealand.	These stakeholders will be interviewed by email and/or phone. An emailed information sheet will include the usefulness of the information they can provide. Any relevant reports will be included in the desk review.
Participants may not be available for interviews or may be reluctant to be interviewed.	Participants will be invited for interviews as soon as possible to ensure they can find a suitable time over the next two months. An emailed information sheet will clearly describe the usefulness of information they can provide.
Participants may not be able to attend a workshop	A time that suits most people will be found as soon as practical.
Interview process: Questions may not be valid or miss vital aspects, responses may not answer the evaluation questions, note-taking may not capture all the responses.	Interview questions will be checked with steering committee and piloted. Participants will be asked to add other comments after the questions have been asked. Clarification will be requested where necessary. Detailed notes will be taken.
Evaluator may be side tracked with other NZAID work.	Evaluator will ensure MARAAF evaluation is given high priority
Difficulty engaging contractor for evaluation team	Evaluator to start evaluation and engage a contractor if a suitable person is available.

5. Debriefing and feedback

The evaluation team leader will present the findings and recommendations of the evaluation to the primary stakeholders (Multilateral Team) at a debriefing meeting. Further comments from this debriefing can be incorporated into the final draft report which will be presented to the Multilateral Team Leader.

Annex 3 Matrix for analysing MARAAF review reports

For MARAAF Evaluation 2008-09

Date of MARAAF_____

Title of MARAAF_____

Names of team members and roles

Regional/Multilateral?

First review or follow-up?

Background described well:

Did the MARAAF address:		Comments
Relevance to NZAID Guiding Principles		
Relevance to sectoral priorities		
Relevance to sub-sectoral priorites		
Relevance to NZ priorities/interests		
Relevance to other donors views of agency		
Relevance to other policy considerations		
Effectiveness of agency		
Efficiency of agency		
Affordability		
Acceptable to beneficiaries		

Comparative advantage to other agencies		
Relative impact of NZ contribution		
Focus on Pacific Region		
Regional – relevance to region Value to regional partners Applicability of programme in regional context		

Did the MARAAF

Use agency's own evaluations		
Consult with other stakeholders		
Consider experiences/evaluations of other donors		
Use the 'filter' system (sectoral)		
Use a quantitative review		
Useful information for a decision		

Recommend:

Comments

Annex 4 List of Stakeholders Participating in the Evaluation

NZAID staff interviewed
Seconded to World Bank: Matt Dalzell

AIDPAC: Mark Ramsden, Deb Collins, Phil Hewitt,

AIDGLO: Don Clarke, Vicki Poole, Tiffany Babington, Debbie Player, Suzanne Loughlin, Sue Lancaster, Barbara Williams

SAEG: Jackie Frizelle, Samantha Hung, Peter Zwart, Simon Williamson, Penny Hawkins

MSG: Chris Whelan

Reviewers
Michael Moriarty, Nicci Simmonds (now NZAID staff), Ross McFarlane

Donors
Chris Tinning (AusAID), Vishal Kapur (CIDA), Paul Mullard and Sam Walker (DFID), Nina Lutter (Germany - BMZ), Feilim McLaughlin (Irish Aid)
MOPAN secretary – Paul Mullard, DFID

Multilateral Organisations
WFP, UNFPA, UNICEF, OHCHR, OCHA, UNHCR, Commonwealth Small States, Commonwealth Secretariat (CFTC), ADB

Other stakeholders
Rae Julian (formerly Director of Council for International Development), Jocelyn Ng (MFAT, formerly NZAID)

Workshop
Facilitator: Jacqui Benter-Lynch
Participants:
Phil Hewitt (AIDPAC)
Sue Lancaster (AIDGLO)
Suzanne Loughlin (AIDGLO)
Vicki Poole (AIDGLO)
Andrea Stewart (AIDGLO)
Don Will (AIDPAC)
Salli Davidson (AIDGLO)
Stephanie Knight (AIDGLO)
Nik Kiddle (MFAT)
Tobias Nischalke (AIDPAC)
Tiffany Babington (AIDGLO)
Deb Collins (AIDPAC)

Annex 5 List of MARAAF Reports Identified

Organisation	Date	Author
Commonwealth Science Council	2002	Wilberg
World Bank (IDA) World Bank Consultant's Trust Fund (CTF) WB/International Finance Corporations Technical Assistance Trust Fund (TATF)	2002	Review not found
International Fund for Agricultural Development (IFAD)	2002??	Willberg
Asian Development Fund (ADF) of ADB	Oct/Nov 2002	Willberg
United Nations Capital Development Fund (UNCDF)	Dec 2002-Jan 2003	Willberg
United Nations Children's Fund (UNICEF)	Feb 2003	Willberg
United Nation Development Program (UNDP)	March 2003	Wilberg?
Trade and Investment Facility (TIAF)	2003, 2007	McFarlane (2007)
United Nations Population Fund (UNFPA)	2003	?
Population Council	2003	??
IPPF	2003	Moriarty
International Committee of the Red Cross (ICRC)	2003/04	Moriarty
International Federation of the Red Cross (IFRC)	2003/04	Moriarty
Office for the Co-ordination of Humanitarian Assistance (OCHA)	2003/04	Moriarty
Office of the United Nations High Commission for Human Rights (OHCHR)	2003/04	Moriarty
United Nations Commissioner for Refugees (UNHCR)	2003/04	Moriarty
United Nations Development Fund for Women (UNIFEM)	2004	Moriarty
Consultative Group on International Agricultural Research (CGIAR)	2004	Moriarty
Multilateral Fund for Implementation of the Montreal Protocol	2004	Moriarty
Joint United Nations Programme on HIV/AIDS (UNAIDS)	2004	Simmonds
Pacific Technical Assistance Centre (PFTAC)	2004	?
Pacific Enterprise Development Facility (PEDF)	2004	?
Foreign Investment Advisory Service (FIAS) Asia Pacific Regional Office (APRO)	2004	?
United Nations Industrial Development Organisation (UNIDO)	2004	Willberg
United Nations Relief and Work Agency for Palestine Refugees in the Near East (UNRWA)	2005	?
United Nations Mine Action Service (UNMAS)	2006	?
Commonwealth of Learning	2004, 2007	?
Commonwealth Fund for Technical Co-operation (CFTC)	2003,2006	?
World Food Programme (WFP)	2004, 2007	Zwart (2007)
Asia Pacific Forum of Human Rights Institutions (APF)	2005	Simmonds 2004 (Moriarty 2005)

? The evaluator was unable to ascertain with certainty the author

Annex 6 Information from submissions to the Minister of Foreign Affairs and Trade

(regarding recommendations and decisions on engagement with multilateral organisations informed by MARAAF)

		Recommendations to the Minister of Foreign Affairs and Trade		
Submiss-ion date	Submission title	Organisations NZAID sought to withdraw from or suspend voluntary funding :	Organisations NZAID sought to continue (or begin) engaging with/in line with NZAID development interests	Outcomes in relation to withdrawing
21/5/03	Multilateral assessment: IFAD	IFAD		**IFAD** Funding suspended
21/5/03	Assessment of International Financial Institutions	WB Consultants Trust Fund WB/International Finance Corporation Technical Assistance Trust Fund	World Bank (IDA), ADB (ADF) Concessional lending pools	**WB Trust Funds** both closed
4/9/03	Multilateral Line Allocations 2003/04	UNCDF *UNDCP *WHO Tropical Diseases Research Fund Population Council UNIDO (to be addressed in separate submission which was not available)	CFTC UNDP WFP OHCHR OCHA IPPF	**UNCDF** – withdrew (funds transferred to UNDP) **UNDCP** - transferred to NZ Police **WHO (TDR)** - withdrew **Population Council** – withdrew - funding transferred to UNFPA **UNIDO** – Recommended shift to Dept of Labour but Prime Minister asked NZAID to continue – NOT withdrawn
23/7/04	NZAID: Multilateral Allocations 2004/05	CSC	UNAIDS (new agency)	**CSC** Did not withdraw on advice of Prime Minister but the agency subsequently disbanded as a result of CHOGM decision.
Submission not found	Unknown-information gained from other submissions	Montreal Protocol COL	Not known	**Montreal Protocol** – Minister asked NZAID to continue – NOT withdrawn **COL** – not withdrawn
24/8/05	Multilateral Allocation 2005/06		In addition to above ICRC, IFRC, UNHCR, UNICEF UNIFEM, IPPF, CGIAR, UNFPA, UNAIDS	
6/7/06	Multilateral Allocation 2006/07		UNRWA, COL	

Annex 7 MARAAF Recommendations and MES Prioritisation

Organisation	Recommendation of MARAAF	* MARAAF Outcome	*Priority for engagement
CSC	Withdraw	Negative	Agency closed
World Bank (IDA)	MARAAF report not found	Positive	Medium
World Bank Trust Funds	MARAAF WB reports not found – recommended withdrawing	N/A	Withdrew
IFAD	No recommendation	Negative	Low/None – funding suspended
ADF(ADB)	No recommendation	Positive	High
UNCDF	Not conclusive –several options (including cease funding)	N/A	Withdrew
UNICEF	Improvements needed. Increases in funding justified.	Positive	High
UNDP	Questions performance, recommends funding.	Positive	High
TIAF	Suggest folding it into CFTC.	Negative	No rank
UNFPA	Increase in funding.	Positive	High
Population Council	Consider funding in relation to UNFPA and IPPF	Fair	Withdrew
IPPF	Maintain funding. Address concerns with the agency.	Negative	Medium
ICRC	Continue to fund, a case for higher contribution.	Positive	Medium
IFRC	Continue funding SUVA office of IFRC.	Positive	Medium
OCHA	May be a case for increase in core funding, more stable funding.	Positive	High
OHCHR	Further increase in funding may be justified.	Positive	High
UNHCR	Needs to convince NAID of progress on performance. Current contribution appropriate.	Fair	High
UNIFEM	Continued support to gender mainstreaming work. Increase contribution.	Positive	Medium
CGIAR	Fund at present level, consider increase. Outreach to Africa/Asia.	Positive	Medium
Montreal Protocol	Don't continue to fund from NZODA.	Fair	None
UNAIDS	Provide core funding, perhaps earmark for Pacific.	Positive	Medium
PFTAC	Increase contribution when budget allows.	N/A	Not included in list
PEDF	Finalisation of MARAAF after evaluation results known.	N/A	Not included in list
FIAS (APRO)	Support FIAS if contribution is spent on the Pacific.	N/A	Not included in list
UNIDO	Pass funding to another department.	Negative	Low/none
UNRWA	Increase funding – split between regular budget and emergencies	Positive	Low
UNMAS	Continue funding (un-earmarked)	Fair	Low
COL	Continue funding respond positively to decisions in support of COL	Fair	Low
CFTC	Increase in NZ contribution justified.	Fair	Medium
WFP	High priority in increasing contribution.	Positive	High
APF	Increase core funding (multi-year commitment, strategic engagement	Positive	High
WTO Global Trust Fund	NM		Medium
UNESCO	NM		Low
IMF	NM		Low
CW Small States Office	NM		Low
Global fund for AIDS TB Malaria	NM		Low
FAO	NM		Low
IOM	NM		Low
WHO	NM		Low
ILO	NM		Low/none
UNHABITAT	NM		No rank

*   As per MES list P18-20
NM   No MARAAF

Annex 8 The Pacific Principles on Aid Effectiveness

The Pacific Aid Effectiveness Principles are as follows:
Principle 1: Country leadership and ownership of development through an accountable and transparent national development planning and financial management system/mechanism which is adequately resourced from the national budget - including longer term operation and maintenance of donor sponsored development.

Principle 2: Multi-year commitments by development partners and countries aligned nationally identified priorities as articulated in national sustainable development strategies, or the like, with agreement on performance indicators and monitoring and evaluation mechanisms.

Principle 3: Greater Pacific ownership of regional development, Development Partners' Pacific Regional Strategies designed and formulated with the Pacific Plan and other Regional Policies as their corner stone.

Principle 4: Pacific Development Partners and Countries pursue a coordinated approach in the delivery of assistance. Encouraging harmonization will be a priority for both.

Principle 5: Strengthened institutional mechanisms and capacity in countries to enable increased use of local systems by development partners.

Principle 6: (i) Provision of technical assistance (TA), including in aid coordination/management, in such a way that ensures that capacity is built with tangible benefits to the country to support national ownership. Provision of an appropriate level of counterpart resources through established procedures and mechanisms. (ii) Short term TA, that address local skills gaps to conduct studies, are culturally sensitive.

Principle 7: Use of an agreed monitoring and evaluation framework that will ensure joint assessments of the implementation of agreed commitments on aid effectiveness.

Annex 9 Summary of key policies that will inform a future review framework

Draft Humanitarian Action Policy
The DRAFT Humanitarian Action Policy statement outlines the rationale for New Zealand's response to emergencies and disasters and the allocation of resources for humanitarian need. Responding to humanitarian need, whether arising from natural disasters or conflict is one of New Zealand's obligations as a good international citizen. It is also a vital aspect of NZAID's role and everyday work.

NZAID leads the New Zealand Government response to humanitarian crises in developing countries, normally in response to requests from governments of the countries concerned. The policy seeks to advance NZAID's core mandate of working for a safe and just world free from poverty, and to address NZAID's core geographical focus – the Pacific.

The policy rests within NZAID's endorsement of, and commitment to, the promotion and implementation of international humanitarian and human rights law, and the principles and conventions of, and best practice in, humanitarian action. It recognises that responsibility for the safety, security and well being of affected populations rests with national governments or the international community where a government is unwilling or unable to assist.

Conflict Policy:
The provision of immediate humanitarian assistance following conflict and natural disasters, and post-conflict reconstruction. Activities aimed at preventing conflict, supporting communities, and addressing conflict triggers.

Economic Growth and Livelihoods Policy:
Pro-poor economic development; ensuring globilisation works for the poor; creating an enabling environment to make markets work better for the poor; and improving food security.

Education Policy:
The provision of quality basic education, especially for girls; including teacher training, education resources and curriculum development. Developing priorities for the effective delivery of basic education and maintaining support for education up to tertiary level.

Environment Policy:
Enhanced capacity of poor people to manage and govern their environment, including: sustainable management of terrestrial, marine and freshwater resources; preparation for, and response to, natural disasters; preparation for, and response to, long-term environmental change such as climate change; accessing of environmentally sound and locally appropriate technologies, including for energy, water and waste management; developing locally appropriate policy, legislation, structures, processes and strategies for land and resource planning within accountable governance frameworks; assisting in the resolution of land and resource ownership issues, including access and benefit

sharing, and reducing environment-related conflict; achieving locally appropriate environmental protection and enhancement.

Gender Policy:
Enhance a community's capabilities to eliminate gender disparity in education and health; provision of resources, opportunities and services in relation to leadership by women and to secure sustainable livelihoods; improve human security by reducing gender-biased violence and address differential impacts from conflict.

Health Policy
Improve access to and provision of primary health care including health promotion, health protection and disease prevention; provide limited specialist care for some Pacific countries through mechanisms that are cost-effective and strategic in focus; and promote a multi-dimensional view of health through collaboration across sectors.

Trade Policy:
Provide trade-related programming that supports developing countries' ownership of trade policies, participation in multilateral trade processes, trade access and efforts to develop policies and institutions to harness trade for development.

Aid Modalities Policy
In line with Paris Aid Effectiveness targets, NZAID is seeking to move much more of its activity support to the higher order modalities, i.e., international pooled funds, national poverty reduction support, sector support and organisational support/strategic partnership. Increasingly, NZAID expects to see such modalities as the default, rather than the exception.

Core values

The core values that guide NZAID's work:

NZAID values
• We place people at the heart of our activities
• We are responsive to people and communities in developing countries
• We act ethically, fairly and with respect to all partners
• We are practical, flexible and adaptable
• We are strategic and long-term in our approach
• We are focused on the effectiveness of New Zealand's development assistance.
NZAID policy statement: Towards a Safe and Just World Free of Poverty

Annex 10 Details of some other donors' assessment and review processes for MOs

Australia AusAID
At recent meeting, AusAID staff indicated that the Multilateral Assessment Framework (MAF) adopted in 1998 is no longer used by AusAID. The MAF process was time consuming for those at post, and did not result in information that was 'value for money' for AusAID. The MAF focussed on country level performance of MOs, with compilation of reports from post in Canberra.

Recently AusAID has applied to join MOPAN. MOPAN assessments, together with Annual Performance Program Reports (APPRs) for the multilateral program, and reports for all activity at country level will provide information for AusAID's with regard to engagement with MOs.

The APPR is an annual report which discusses Australia's multilateral contributions managed by AusAID and in particular the 55% of total funding provided as core contributions. The 2007-2008 report includes assessment of AusAID's performance in pursuing its objectives in relation to UN, and World Bank and ADB (rather than the performance of the MOs themselves) - these agencies together account for 89% of AusAID's core contributions. However, the report also notes that in future APPRs, performance of the MOs may be included.

Ireland – Irish Aid
Email correspondence with Irish Aid noted that Ireland is a member of MOPAN. Ireland has prioritised engagement which MOs on the following criteria: effective and efficient management; commitment to reform; and partnership with developing country governments. On the basis of these criteria, and an external review in 2006 Irish Aid designated priority partners within the UN development system. Ireland participates in peer-group assessments of multilaterals - in 2006 Ireland chaired the evaluation of UNICEF's M&E systems. Where possible, Irish Aid has joined multi-donor groups which relate to specific bodies - the Rubens' Group with respect to the OHCHR and the UNHCR Large Donors' Group. The lessons from these have led Ireland to recently approach NZAID to look at a joint approach to the ExCom agencies. Irish Aid presently holds joint bilateral consultations with OHCHR with other Nordic-plus countries. As a relatively small player in global development Irish Aid has found cooperation with other donors to be an important means of expanding their reach.

Britain DFID
Email correspondence with DFID staff noted that DFID aims to develop a more strategic approach to multilateral organisations but as yet there is no systematic mechanism for informing their engagement across all multilateral agencies. DFID has a strong commitment to working through the multilaterals, with a strong level of scrutiny and demand for value for money and results. DFID is undertaking an analytical review of multilateral resource allocation processes. DFID aims to take a more rigorous approach to resource allocation, based on evidence of effectiveness and mandate for each organisation. A number of data sources are used to assess effectiveness, including the DFID Multilateral

Development Effectiveness Summaries (MDES) and the Multilateral Organisation Performance Assessment Network (MOPAN). Institutional Strategies have been developed (and are available on the DFID website) for each of DFID's major multilateral partners. These set out DFID's relationship with the organisation, including levels of funding and policy priorities, and inform the evaluation of partner effectiveness. DFID has recently introduced Performance Frameworks as part of the Institutional Strategy for a number of UN agencies. These tie funding and replenishment decisions to progress made against the agencies' own objectives (as agreed with the agencies in DFID's Institutional Strategies). DFID has an IDA 15 Monitoring Process, to monitor whether the World Bank is fulfilling its IDA 15 commitments and to strengthen their evidence base and ability to improve the World Bank's effectiveness. External surveys also inform DFID's engagement, e.g. work by the Overseas Development Institute (ODI) and the OECD-DAC Multilateral Aid Report.

MEFF

Internet sources indicated that during 2003-04, DFID established the Multilateral Effectiveness Framework (MEFF) for assessing the organisational effectiveness of multilaterals that it supports from headquarters. Its objective is to provide information for public accountability, and as an input into policy and financing decisions related to particular multilaterals. Using a Results Based Management (RBM) approach, the MEFF assesses the effectiveness of each multilateral from three perspectives: internal performance, focus on country-level results, and partnership. For each perspective, it evaluates eight corporate management systems by using a checklist with 72 questions, and then creates a scorecard using a traffic light system[11] to score an agency's effectiveness in each area. DFID developed the system internally, with in-house staff conducting the assessments of twenty-three organisations. Amongst bilateral donor methodologies, the MEFF comes closest to a comprehensive measurement approach and has been considered by other donors as a good starting point for building consensus and a harmonised approach towards effectiveness measurement. However, it does not assess how well multilateral operational systems are implemented, or what results are actually achieved.

MDES

DFID also utilises the Multilateral Development Effectiveness Summary (MDES) as a tool for determining the effectiveness of Multilateral organisations (MOs). Through the utilisation of a 'Balanced Scorecard Approach' DFID collates all existing MO information and presents it in a coherent framework – this is the MDES. The balanced scorecard looks at four broad areas which are linked to the results chain: managing resources; building for the future; partnerships and country/global performance. These areas can be seen as broadly following the results chain from inputs to outputs to outcomes to impact. The MDES gives a comprehensive picture of the overall effectiveness of the organisation but does not directly measure development results. The summaries have been compiled by DFID desk officers and are based on published data sources including agency reports, donor evaluations, perception surveys, NGO reports, and the

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[11] The traffic lights indicate Red – Not Met, Amber – Partially Met and Green – Met.

Paris Declaration monitoring exercise. Despite their level of complexity, the MDES represent the first attempt to compile data from multiple sources to assess multilateral internal performance and country level relationships and results. (Email correspondence from DFID suggests that the MDES may be replaced by the MOPAN survey over time).

Canada CIDA - MERA
CIDA has developed a standard template of questions called the Multilateral Evaluation Relevance and Assessment System (MERA). It covers three different themes: relevance, effectiveness and improvement measures in the management of each multilateral organisation. MOs are rated on a scale of 1 to 5 for each of the 3 themes. MERA provides a framework for comparing MOs receiving core funding within each Directorate. Assessments are based on the submissions made by Programme Managers, supplemented by additional information, such as the institutions reports, the field surveys, and any reports indicating results achieved.

Denmark – Danida - PMF
Danida's Performance Management Framework (PMF) draws on a series of tools that combine qualitative and quantitative information gathered at three levels (Danida corporate, multilateral headquarters and multilateral country level) to assess multilateral development cooperation. Data sources include multilateral strategies, perception analyses (by its own embassy staff and through MOPAN), and assessments of MOs evaluation and reporting systems. The benefits of the PMF are its comprehensiveness in that it solicits views from multiple levels and its dual purpose of measurement and management. However, its complexity adds to the time and resources needed to conduct the evaluation for each multilateral. Danida completes a cycle of data collection each year for the three most important multilateral in each country across 15 countries.

Germany – Federal Ministry for Economic Cooperation and Development (BMZ)
Email correspondence with BMZ indicted that BMZ has no specific assessment system but uses existing surveys (particularly MOPAN, COMPAS, MEFF by DFID). Findings are the used to inform internal institution strategy papers that are prepared on regular basis for all multilateral organisations. Until now BMZ has had little cooperation with other donors but is planning to join the MOPAN network from 2009. From MOPAN BMZ expects the following benefits: less expensive than BMZ's own assessment system; less burden for donor representatives, multilateral organisations, and partner governments who are expected to prepare information on organisations performance. The annual contribution for MOPAN from next year will be 70,000 to 80,000 Euros.

Annex 11 Cross-Case Comparison Table of Multilateral Assessment Approaches[12]

Name	MAARAF	MEFF	MDES - BSC	MERA	PMF
Bilateral Donor	NZAID	DFID	DFID	CIDA	Danida
Inception Year	2002	2004	2007	2006	2003
Frequency	3-yearly (intended)	Once	Once	Once	Annual
No. of MOs per year	2002 - 7 2003 – 10 2004 – 10 2005 – 2 2006 - 1 Updates in 2006-7 - 4	23	N/A	22	3 MOs/yr/country across 15 countries
Objectives	To help determine where NZAID should be directing its resources and activities	Provide information for agency's: a) Public Service Agreement Reporting, b) its Institutional Strategies, c) its financing strategies	To ensure senior managers have a consistent picture of the effectiveness of each MO and to help inform management decision making	To determine effectiveness and relevance with a view to directing future resources to enhance MO performance	To: a) enhance the quality of development cooperation, b) improve management and continuous learning, c) strengthen accountability
Assessment Criteria and/or Perspectives	MO's filtered through Policy Framework then 5 sectoral 'baskets', then other criteria including performance, relevance, affordability, impact of NZ contribution and service to the Pacific	8 organisational systems & their focus on a) internal performance, b) country level results and c) partnerships	4 quadrants of the Balanced Scorecard: a) building for the future, b) managing resources, c) partnerships and d) country/global performance	a) relevance, b) results, c) managing of the institution	a) Danida corporate level; b) MO HQ level; c) country level (field level)
No. of Criteria	5	8	4	3	3
International & National Priorities Addressed	Nat: NZ priorities and interests	Int: MDGs and Paris Declaration - partnership and harmonisation	Int: MDGs and Paris Declaration - partnership and harmonisation	Int: MDGs and Paris Declaration Nat: GE, Environ and RBM	Int.: MDG's, PRSPs & crosscutting issues: GE, HDRDGG, Environ

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[12] Adapted from: Assessing Multilateral Organisation Effectiveness – A discussion paper for MOPAN

Name	MAARAF	MEFF	MES - BSC	MERA	PMF
Bilateral Donor	NZAID	DFID	DFID	CIDA	Danida
Overall Methodological Approach	Assessment conducted by contractors, managed by NZAID with posts contributing & consultation with other stakeholders	Assessment initially conducted by DFID staff with various degrees of input from MOs and ending with final dialogue meeting.	Assessment initially conducted by DFID staff using various secondary data sources.	Assessment conducted by CIDA MPB Directorate staff drawing on personal perceptions and available empirical data.	Assessment lead by MFA Desk Officer using multiple lines of evidence, including Embassy staff survey and RBM assessment
Data Sources	Desk top review and qualitative consultations (originally intended to have quantitative scores)	DFID staff with various degrees of input from MOs staff and managers	Secondary data sources: MEFF, MOPAN survey, Paris Survey, DAC peer reviews, MO performance and evaluation reports	CIDA staff, available documentation and MO performance reports.	Multiple sources: MFA Desk Officers, Regional Delegations, Embassy staff, MO staff and Managers (RBM assessment)
No. of KPI/Qs	28	72	40	26	21
Type of KPI/Qs	Evaluative	Empirical	Mixed	Evaluative	Mostly Evaluative
Rating scales or tools used	Initially (until 2004) quantitative scores	Yes, three point/colour traffic lights assessment	Yes, being developed BSC with five point/colour traffic light assessment	Yes, normative numeric 1-5 for each of 3 criteria	Yes, Embassy survey uses normative rank ordered 5 point satisfaction scale: VS, S, US, VUS
Scores used to compare	No, although was originally intended to do so	Yes, coloured dashboard	No	Yes	No

Name	MAARAF	MEFF	MES - BSC	MERA	PMF
Bilateral Donor	NZAID	DFID	DFID	CIDA	Danida
Measurement or Management	Originally for measurement, but was also used for management	Measurement	Measurement	Measurement	Mixed measurement & management
Complexity of use	Simple	Fairly simple to complete checklist, even for MOs, however data analysis/reporting become complex and time consuming	Somewhat complex to compile secondary data given the variety of data sources and timing, however less time consuming to data analyse for individual MOs	Simple for Desk officers to answer questions with no additional primary data collection requirements	Complex given 3 levels, variety of data sources and collection methods. Embassy survey is fairly simple but time consuming to analyse for individual MOs
Sustainability	Yes	Not for single donor	Not for single donor	Yes	Yes

KPI = Key Performance Indicators
Qs = Questions

Annex 12 PROs Capability Assessment Framework

From: Hewitt and Constantine (2008) Joint Triennial Review. Australia and New Zealand Approaches to Supporting Pacific Regional Organisations.

Criteria, together with supporting 'sub-criteria' for the PRO Funding capability assessment framework are presented below:

Leadership

- Current Member endorsed mandate, strategic vision and core objectives
- Process for advising Ministers/Leaders on key issues for agency
- Process for incorporating and implementing Leaders/Ministers decisions
- Reporting mechanism back to Leaders/Ministerial meetings

Governance
- Governance: Formal establishment document accessible to Members
- Governance – Council: Existence and implementation of formal governing mechanism for accountability
- Governance – Council: Role of governance mechanisms defined and accessible to Members
- Governance – Council: Role for Members participating in governance mechanism defined and accessible
- Governance – Council: Timely delivery of quality reporting to Members and stakeholders against agreed reporting standards and timeframes for governing councils
- Governance – Audit: Annual independent audited accounts approved by Members prior to approval of annual budget for following year
- Governance – Audit: Audit management letter approved by Members and processes for following up and reporting on progress in addressing issues raised.

Organisational Management
- Management – Planning: Current multi-year Strategic or Corporate Plan/s
- Management – Planning: Process for reviewing (including independent reviews) and renewing the Corporate and Strategic Plan/s with approval by Members
- Management – Planning: Plan for implementation (annual or multi-year) including annual changes approved by Members for each year
- Management – Planning: Mechanism for delineation and coordination of national and regional responsibilities
- Management – budget: Balanced multi-year Budget against implementation plan approved by Members
- Management – budget: Mechanism for budget adjustment approved annually by Members
- Management – budget: Clearly defined core/programme/project budget allocations
- Management M&E: Monitoring and Evaluation framework

- Management - M&E: Regular reporting against indicators for strategic and implementation objectives through monitoring and evaluation framework
- Management – Communication: Mechanisms for engagement with other stakeholders implemented as agreed
- Management – Communication: Development & maintenance of knowledge base/s for communications & public engagement (including calendar of events)
- Management quality assurance: Implemented quality assurance guidelines for Accounting standards
- Management quality assurance: Implemented quality assurance guidelines for Audit standards?13
- Management quality assurance: Implemented quality assurance guidelines for Internal Control standards
- Management – risk: Risk management process in place and reported to Members
- Management quality assurance: Implemented quality assurance guidelines for Procurement standards

Annex 13 Multilateral Organisations' M&E systems (as per email correspondence)

- In 2007 UNICEF included the Data Companion to their Annual Report to the Executive Board. In addition UNICEF reports on major evaluations (several are independent) carried out at global, regional and country level, once a year to the Executive Board. UNICEF has an organisational plan with organisational targets and results matrices.
- UNDP do annual results reporting of financial information which is published and provided to the board. They also have independent evaluations and surveys of their organisation – a partner survey in every country where they work, and an internal staff survey of management practices. There are available on their website. They also provide a summary report of all the assessments that have been done on them.
- OHCHR has also moved to a results based focus including the establishment of a Performance Monitoring Section to monitor at global and local levels. OHCHR also does its own regular assessments to identify strengths and weaknesses in the organisation, and has a biannual Strategic Management Plan and Yearly Report on activities and results. OHCHR is currently developing indicators to use globally in future work. Independent evaluations are periodically done on OHCHR which are publically available.
- OCHA launched in 2006 a new planning and monitoring system which provides objectives for results based planning. An annual plan includes performance measurements and targets. This plan forms the basis of reporting. Evaluations of OCHA are on OCHA's website in their Evaluation and Studies section.
- UNFPA has a four year strategic plan (2008-2011) with indicators against which they will be reporting.
- WFP has a Startegic Plan (2008-212) and RBM Framework, standardised project reports, annual performance reports assessments and evaluations.
- ADB has a Board approved results framework to assess corporate performance (called ADB's results framework), and the Development Effectiveness Review (DEfR) report, which is prepared annually based on the ADB's results framework.
- UNHCR has a Global Framework and indicators.

Annex 14 Characteristics of MOs and PROs related to organisations' engagement with NZAID

Pacific Regional organisations (PROs)	Multilateral organisations (MOs)
Regional in focus	Global in focus
NZ one of a small number of members (less than 26)	NZ one of large number of members
Governing bodies consist of all members	Governing body may or may not include NZ
NZ a major donor – funding decisions have major impact	NZ may be an insignificant donor – funding decisions may have less impact
NZAID staff feel greater sense of responsibility for agency effectiveness	NZAID is realistic about level of influence
Complexity in NZAID's engagement in terms of balancing role as donor and funder	Balancing policy and partnership obligations not as complex
Some PROs are a focal point for engagement with the Pacific region (eg EU) by other donors - adds to complexity of NZAID's coordination/harmonisation of relationships.	NZAID may work with other donors on mutual/coordinated interests.
NZ engagement managed from Pacific Group – management context includes bilateral partnerships with most member countries	NZ engagement managed from the Global Group - management context includes bilateral partnerships with only a few member countries and/or regional partnerships
Withdrawing not an option (from most, especially CROP PROs)	Withdrawing not an option (from most)
NZAID aid modality – High Order Modality – Organisational support/strategic partnership	NZAID aid modality – High Order Modality – Organisational support/strategic partnership, or International Pool Fund
Works in a multidisciplinary way	May work on a sectoral basis, can be multidisciplinary

Annex 15 Conclusions from MARAAF workshop

(Detailed write-up of the workshop is in NZAID document #2079634)

Reviews are required for both PROs and MOs.

1. There are many similarities in the characteristics of MOs and PROs. There are however, the scale of characteristics (eg the proportion of funding NZAID provides, and influence NZAID has on boards), differ between MOs and PROs, and this would need to be taken into account when reviewing.

2. If the review framework is not focussed on deciding whether to fund or not (as was the MARAAF), then it is more likely to be appropriate for both PROs and MOs.

3. Need to decide why we are doing reviews before we decide on criteria.
   Why to do reviews:
   - For audit and accountability purposes – to put transparency and rigour around funding and engagement decisions. Good documentation and information to inform decisions.
   - Review: for informing engagement and relationships with organisations, checking that the organisation is achieving what it is supposed to be achieving, functioning well and to inform NZAID of how it can facilitate any improvements needed (leverage).

4. NZAID can develop a review framework that is suitable for both MOs and PROs.

5. What to include in a framework:
   - Why we are doing reviews
   - Criteria – for both accountability (audit) and review
   - How to do reviews – processes is very important including consultation, cooperation with other donors, the level of review that is needed etc

6. An institutional assessment framework relates to an activity or programme cycle – we need to be able to place MOs and PROs in this. It is important that a framework for PROs and MOs feeds into an institutional assessment framework but the 'assessment' should not be too heavy.

7. In terms of 'how often to review' it needs to be based on alignment with:
   - contractual funding arrangements (eg 3 years for PROs)
   - organisations planning horizon and planning processes. At the end of a planning cycle would be good for MOs so NZAID can see results of the planning period.