

17th March, 2016

# Evaluation of New Zealand's Development Cooperation in Tonga

## Evaluation Plan

New Zealand Ministry of Foreign Affairs and Trade



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# 1. Section One – Introduction

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This evaluation plan provides conceptual, methodological and operational guidance for the Evaluation of New Zealand's Development Cooperation in Tonga, commissioned by the New Zealand Ministry of Foreign Affairs and Trade. Section one provides background context for the evaluation, discusses its purpose and scope, and introduces the evaluation questions. Section two outlines the utilization-focused approach that will be adopted and the evaluation methodology. Section three discusses a range of evaluation management issues including scheduling, governance, quality, and risk management. Section four presents a stakeholder engagement, communication and dissemination plan.

## 1.1 Development Context

Tonga is an upper-middle income country with a ranking of 100 (of 188) on the Human Development Index (HDI), placing it in the High Human Development category<sup>1</sup>. Between 1980 and 2014 life expectancy increased 5.3 years to 72.8 years, mean years of schooling increased by 3.5 years to 10.7 years, and GNI per capita increased from \$2,543 to \$5,069<sup>2</sup>. According to the latest census, Tonga had a population of 103,352 people in 2011<sup>3</sup> dispersed over 36 inhabited islands and five main island groups: Tongatapu, Vava'u, Ha'apai, Niuatoputapu and Niuafu'ou. Due to its low lying nature and position close to the convergence of the Australian and Pacific tectonic plates, Tonga is one of the most at-risk countries in the world in terms of exposure to natural disasters, including cyclones, tsunamis, earthquakes and volcanic activity - an average of one cyclone hits the Tongan islands every year<sup>4</sup>.

Tonga's economy is characterised by large volumes of subsistence agriculture, and it relies heavily on external finance. Remittances and Official Development Assistance (ODA) remain the largest sources of GDP for the country. In 2013 remittances to Tonga accounted for 24 per cent of GDP, placing it in the top 10 globally<sup>5</sup>, and ODA (including concessional loans) is predicted to account for 53 per cent of the 2015-16 National Budget<sup>6</sup>. Tonga is a net importer of oil products and has benefited from the recent fall in the price of oil. This has put downward pressure on inflation and the budget deficit, providing timely relief at a time of moderately high external debt. One of the largest expenditure items in Tonga's budget forward estimates is for infrastructure spending relating to the South Pacific Games to be held in 2019. This expenditure may be a positive for short-term economic growth but will become a medium to long-term cost for the national budget as purpose built sporting infrastructure generally has a lower (or negative) rate of return when compared with investments in priority infrastructure that addresses identified economic constraints, for example, transport infrastructure, education, and health.

### Economic context

Tonga's GDP growth averaged 1.2 per cent annually between 2010 and 2014, which is below both the regional average (2.8 per cent) and global average (3.5 per cent).<sup>7</sup> Tonga's 2015-16 National Budget asserts that growth has recovered from the Global Financial Crisis (GFC) and is expected to

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1 UNDP (2015) Human Development Report, Tonga Briefing Note

2 Three currencies are used throughout this report. United States Dollar (USD) is used when discussing the development context and when comparing Tonga with other countries, in this case the measure is (2011 USD PPP - Source: Statistical Annex of the 2015 HDR ). The New Zealand Dollar (NZD) is also used when referring to New Zealand's investments in Tonga. The Tongan Pa'anga is used when referring to the Tongan budget and its own domestic resources; in Tonga this is colloquially referred to as a dollar (\$). Footnotes are used to describe the currency in use and the exchange rate.

3 See: <http://www.spc.int/prism/tonga/#population-statistics-including-administrative-information-and-statistical-tabulation-of-the-2011>

4 See: <http://www.unocha.org/pacific/country-profiles/tonga>

5 World Bank (2015): <http://www.worldbank.org/en/news/press-release/2015/04/13/remittances-growth-to-slow-sharply-in-2015-as-europe-and-russia-stay-weak-pick-up-expected-next-year>

6 Government of Tonga (2015) Budget Statement 2015/16: A More Progressive Tonga, Ministry of Finance and National Planning, May 2015

7 ADB (2015) Tonga Factsheet, see: <http://www.adb.org/publications/tonga-fact-sheet>

average 2-3 per cent over the next 5 years; growth is expected to reach 3.5 per cent in 2015-16. The Asian Development Bank (ADB)<sup>8</sup> predicts a more modest growth outcome of 2.6 per cent. Growth will continue to be reliant on the Australian, New Zealand and US economies due to the importance of remittances. According to the National Budget, the drivers of growth over the medium term include construction, tourism and public administration (supported by grants and concessional loans).

There are a number of Government of Tonga (GoT) initiatives that are designed to improve growth potential and macro-economic stability in Tonga. Tonga's Strategic Development Framework<sup>9</sup> (TSDF) aims to further develop the primary sector (agriculture, forestry and fishery) and tourism, while addressing human development challenges. The government is also prioritizing expenditure reform in line with recommendations from an ongoing public service remuneration review, and The Tonga Energy Road Map 2010-2020 is designed to help reduce exposure to oil price shocks and to improve energy efficiency.

With regards to the budget, Tonga is not collecting sufficient revenue to fund recurrent expenditures and to make investments that will support long-term economic growth. Tonga collects approximately 20% revenue to GDP; this is low by international and regional standards. Fiji, for example, collects almost 30% revenue to GDP. Figures 1 and 2 below compare Tonga and Fiji. Tonga's capital expenditure (the blue line) is again well below sufficient levels of investment to stimulate longer term economic development. The increase in investment around 2011 coincided with the GFC and loans from China's EXIM Bank.

The low level of revenue as a percentage of GDP can most likely be explained by the reliance on remittances and grants. Both categories are hard to tax and in the case of remittances may be used predominantly for consumption and not long term income producing investments.

Tonga relies on debt to meet the shortfall in revenue outlined above and there remains a moderate level of risk with regard to debt distress. Total public debt at 30th June 2015 was projected to be \$405.9 million<sup>10</sup> (49.8% of GDP) with external debt making up 90% of total debt<sup>11</sup>. The majority of the debt (almost 65%) is owed to China's EXIM Bank. Following the change in debt status to *moderate* risk level, the government has started to borrow on concessional terms for budget support and a few critical infrastructure projects, primarily from the ADB and the World Bank. Domestic borrowing (through bonds) has also recommenced and provides funding for private sector initiatives especially low cost loans through the Tongan Development Bank, the aim of which is to support the general improvement in bank lending and private sector investment, which is a priority in the budget<sup>12</sup>.

With regard to Public Financial Management (PFM), the 2010 Public Expenditure and Financial Accountability (PEFA) assessment<sup>13</sup> results indicate that, overall, the Tongan PFM system is mostly operating at average or above average levels when compared to international best practice. Scoring above average in all parts of the PFM system is not necessarily always desirable, appropriate or efficient in every country depending on the context. That said, the report points to some areas that are worthy of continued attention.

First, while the PFM system enforces aggregate fiscal discipline, budget credibility at the agency level is undermined by the practice of using a Contingency Fund to adjust agency budgets during the course of the year. The present approach involves bureaucratic inefficiencies in managing the iterations of budget changes and may lead to unintended short falls in the funding of priority expenditures, since unplanned reallocations might allow resources to be captured by lower priority items.

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<sup>8</sup> See: <http://www.adb.org/countries/tonga/economy>

<sup>9</sup> Note that TSDF 2 is currently being developed.

<sup>10</sup> \$ refers to Tongan Pa'anga (rate of exchange at 7<sup>th</sup> March 2016 is 1 TOP:0.66 NZD)

<sup>11</sup> Government of Tonga (2015) Budget Statement 2015/16: A More Progressive Tonga, Ministry of Finance and National Planning, May 2015

<sup>12</sup> *Ibid*

<sup>13</sup> PEFA (2010) Public Financial Performance Report, Kingdom of Tonga, see: [http://www.finance.gov.to/sites/default/files/TONGA\\_PEFA\\_2010.pdf](http://www.finance.gov.to/sites/default/files/TONGA_PEFA_2010.pdf)

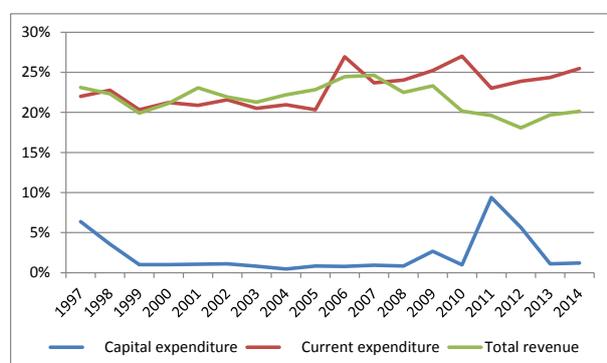
Second, the greater use of the multi-year perspective in budgeting is a positive step, although one caution is that if sector specific plans are not properly costed then the recurrent costs of investment decisions will not be properly identified, potentially undermining efficient service delivery.

Third, not presenting the budgetary impacts of policy changes could impinge adversely on the strategic allocation of resources, if costs of new policy initiatives are consistently underestimated.

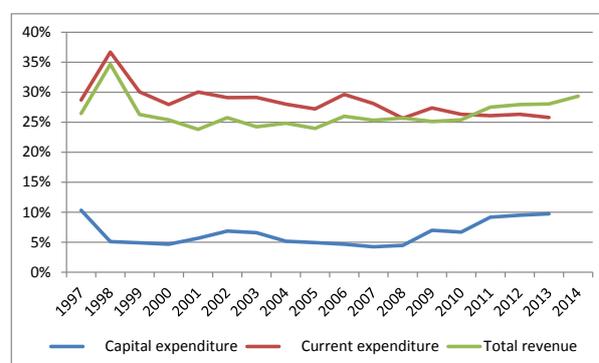
Fourth, revenue collection and enforcement efforts have improved significantly in recent years, notably with the level of tax arrears being identified and actively pursued using a risk management approach. This has led to arrears dropping sharply. The benefits of this reform include improved efficiency of tax collection and greater faith in the fairness and rigour of the tax system by taxpayers.

Fifth, the lack of transparency around the financial operations of public enterprises, procurement contracts entered into by the state, and audits performed by the Audit Office risks inefficient practices being bedded down, may waste public resources and may consequently adversely impact on service delivery provision.

**Figure 1: Tonga's revenue and expenditure to GDP**



**Figure 2: Fiji's revenue and expenditure to GDP**

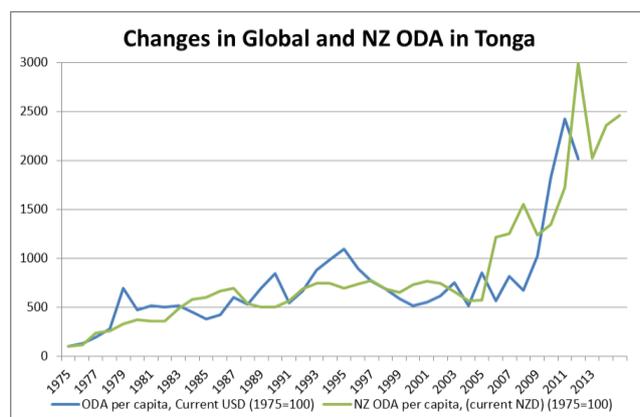


Source: ADB factsheet data, 2015

## Development Assistance

Globally, Tonga is the 4<sup>th</sup> largest recipient of aid in ODA per capita terms. Over the period 2015-16, donor funds and in-kind contributions are predicted to provide \$232.6 million to the Tongan budget of \$496.3 million; the remaining \$263.7 million is from local government revenue and budget support loans<sup>14</sup>. Since 2005 there has been a significant increase in ODA flows to Tonga - see Figure 3 below.

**Figure 3: ODA to Tonga, 1973 - 2014**



Source: OECD-DAC CRS database

14 Government of Tonga (2015) Budget Statement 2015/16: A More Progressive Tonga, Ministry of Finance and National Planning, May 2015

### **Donor funded activities**

It is not possible to provide disaggregated data on the total number of aid activities due to a lack of compliance with reporting by donors. Tonga's Budget Statement 2015/16 provides some information on the scale and number of large activities and projects. There are 47 projects listed in the budget all with a value of \$1 million or above. The total value of these projects is \$193 million, accounting for approximately 86 per cent of all ODA to Tonga. According to the Aid Coordination Division of the Ministry of Finance there are presently \$580 million worth of 'active' aid projects in Tonga.

There is limited data on aid activities by individual donors. According to internal MFAT documents there were 63 NZ aid activities in 2014-15<sup>15</sup>. The Ministry of Finance and National Planning (MoFNP) estimates that around 40% of donor assistance is provided as cash and 60% provided in-kind. There is limited to no reporting by donors to the MoFNP of in-kind activities, which constitutes the majority of development assistance. The 2010 PEFA in Tonga<sup>16</sup> found that reporting by donors to the Tongan Government was unsatisfactory, scoring a D, the lowest score possible for the *Donor Practices: Financial information* indicator.

In the lead-up to each budget MoFNP attempts to collect information on anticipated in-kind and in-cash donor assistance by sending two forms to donors. One asks for estimates of the magnitude of cash grants that will be disbursed through the Treasury system; the second seeks information on in-kind assistance. It was observed that most donors do not respond to this request and many do not provide estimates in time to be incorporated into the budget. In addition, none of the donors provide estimates using the GoT expenditure classification system.

Some donors provide assistance to regional programmes but do not advise the GoT of the proportion that will benefit Tonga. For example, the ADB has about 20 Pacific regional programmes with funding of US\$48million, but none are disaggregated by country. DFAT, MFAT, EC and JICA confirmed during the PEFA assessment that they generally do not send MoFNP estimates of the assistance they intend to provide prior to each financial year. Some donors mentioned that differences in timing of financial years and the nature of accounting systems made this difficult (the GoT uses a cash system, but some donor's use accrual accounting).

Tonga is characterised by very weak predictability and expenditure with regards to the development assistance budget. Weaknesses in both GoT and donor systems and processes contribute to this issue. For example in 2014-15 development assistance contributions to the budget were estimated at \$248.38 million, of which only \$138.71 million was expended<sup>17</sup>. Significant underspends were recorded in a number of Ministries were New Zealand provides ongoing support including the Ministry of Education and Training, which spent \$8.62 million of its allocated \$14.8 million and the Ministry of Police, Prisons and Fire which spent \$2.08 million of its allocated \$10.49 million.

### **Aid activities by sector**

In 2015/16 donors are working in 15 sectors (or 'project types') across 6 islands and at the national level. The majority of spending is directed to Tongatapu (57%) across 14 sectors and then nationally (27%) across 7 sectors (see Table 1 below). Education receives the most funding (26%), transport and storage (21%), government and civil society (14%) and construction (12%) follow in importance. Health is mentioned by the Tongan Government and development partners as one of the critical blockages to future development but only attracts 3% of donor 'development' funding.

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<sup>15</sup> MFAT (2015) Tonga Programme Consolidated Forward Aid Plan

<sup>16</sup> PEFA (2010)

<sup>17</sup> Government of Tonga (2015) Budget Statement 2015/16: A More Progressive Tonga, Ministry of Finance and National Planning, May 2015

**Table 1: 2015/16 aid projects by sector and island group and national level (\$ million)**

	Tongatapu	Vava'u	Ha'apai	'Eua	Niuatoputa pu	Niufo'ou	National	% of spending
Transport and Storage	35.27	1.21	0.71	0.51	0.35	0.15	6.01	21%
Education	16.42	-	0.01	-	-	-	38.20	26%
Government and civil society	18.02	6.80	2.00	-	0.50	-	2.07	14%
Energy generation and supply	15.37	-	-	-	-	-	1.60	8%
Construction	10.49	-	13.00	0.50	2.40	-	-	12%
Climate change	6.36	-	4.50	-	-	-	4.10	7%
Law and order	6.33	0.20	0.50	-	-	-	-	3%
Health	6.10	0.46	0.06	0.20	-	-	0.51	3%
Business and other services	3.00	-	-	-	-	-	-	1%
Multi-sector/ cross cutting	1	-	-	-	0.60	-	-	<1%
Tourism	0.72	-	-	-	-	-	4.20	2%
Agriculture	0.40	-	-	-	-	-	-	<1%
Fishing	0.31	-	-	-	-	-	-	<1%
Road	0.03	-	-	-	-	-	-	<1%
Water supply and sanitation	-	-	-	0.30	-	-	-	<1%
<b>Total</b>	<b>119.82</b>	<b>8.67</b>	<b>20.78</b>	<b>1.51</b>	<b>3.85</b>	<b>0.15</b>	<b>56.68</b>	
	<b>57%</b>	<b>4%</b>	<b>10%</b>	<b>1%</b>	<b>2%</b>	<b>&lt;1%</b>	<b>27%</b>	

Source: Figures from Tonga's Budget Statement 2015/16 - Ministry of Finance and National Planning, May 2015

### ***New Zealand's aid programme***

New Zealand has a wide ranging development programme in Tonga that has been subject to expansion since the signing of the Joint Commitment for Development (JCDF) in July 2011. The JCDF outlined the proposed scope and focus of the New Zealand aid programme over the short-to-medium term, identified priority sectors and committed both parties to a set of aid effectiveness actions. The JCDF noted that the majority of aid expenditure was to come through the bilateral programme in order to 'improve focus, reduce dispersal and focus on larger, longer investments'<sup>18</sup>. Agreed priority sectors included: energy (including support for energy efficiency and renewable energy infrastructure; tourism (including support for the Tonga Tourism Support Programme), Improved Economic Policy and PFM (through targeted sector budget support), and Partnerships. As noted in Annual Programme Reports<sup>19</sup>, changes in political priorities in New Zealand have resulted in a number of additional aid activities and the original intention to focus the programme has not eventuated. New Zealand has also provided significant support to reconstruction after Cyclone Ian which struck the Ha'apai islands on 15<sup>th</sup> January 2014.

According to MFAT's AidAMS data provided to the evaluation team, between July 2011 and June 2015 the bilateral programme funded NZD 66.45 million<sup>20</sup> worth of development activities across nine sectors in Tonga. Priority sectors and activities over this period included:

- **Energy** (NZD 23.2 million): including investments in improving transmission line efficiency and renewable energy infrastructure;

<sup>18</sup> MFAT (2011) Joint Commitment for Development, New Zealand – Tonga.

<sup>19</sup> MFAT (2015) Tonga Annual Programme Report, 23 July 2015

<sup>20</sup> AidAMS Bilateral Expenditure Summary by FAP Sector, Activity, CRS Sector, July 2011-June 2015

- › **Education** (NZD 13.9 million): including support for the Tonga Education Sector Plan II funded with Australian Aid and the Ha'apai School Reconstruction Project co-funded with the ADB;
- › **Law and Justice** (NZD 10.3 million): including support for two phases of the Tonga Police Development Programme and support for the Judiciary;
- › **Skills Development** (NZD 5.6 million): including support for TVET, various scholarship schemes and other awards;
- › **Tourism** (NZD 5.3 million): including for the 'Eua Airport construction and the Tonga Tourism Sector Programme;
- › **Economic Development** (NZD 5.2 million): including support for the Tonga Business Enterprise Centre and Tonga Forest Products;
- › **Health** (NZD 2 million): including support for the medical treatment and visiting medical specialists schemes;
- › **Emergency Assistance** (NZD 1.8 million): including support for the Cyclone Ian recovery effort; and
- › **Transport** (NZD 0.36 million): including support for aviation safety.

A large number of development activities in Tonga are funded through pathways other than the bilateral programme. For example, in 2014-15, the bilateral programme funded 15 activities to a total value of NZD 14.8 million<sup>21</sup>. This included activities in the priority sectors mentioned above. During the same year, non-bilateral funding, that is, funding that is not controlled by the Tonga Country Programme but emerges from other budget units within MFAT, totaled NZD 13.9 million, which is 48 per cent of total country aid flow. During 2014-15 the non-bilateral programme consisted of 48 separate activities<sup>22</sup> from five different funding pathways including: Economic and Human Development funds from the Sustainable Economic Development (SED) programme; Transformational Funds, also from SED; Humanitarian funds; Partnerships funds and Scholarships. These funds supported a large range of activities with regional, multilateral, New Zealand state sector and CSO bodies in a range of areas as diverse as: education, health, fisheries, private sector development, maritime safety, domestic violence, governance and rural development. This evaluation will include all of these funding pathways within its scope.

## 1.2 Purpose and Objectives of the Evaluation

According to the Evaluation Brief<sup>23</sup>, the purpose of the evaluation is to deliver an evidence base that can:

- › guide decisions regarding improvements to be made to the Tonga Programme (by MFAT, Government of Tonga, and other key internal and external stakeholders);
- › identify lessons to apply to on-going and future work in Tonga;
- › contribute to informing the future strategic direction, and the most appropriate modalities and approach for New Zealand's investment in Tonga; and
- › assess the achievements of the Tonga Programme.

As is clear from the above purpose, the evaluation is intended to be largely formative in nature. Formative evaluations are usually conducted before or during a project or programmes implementation. The aim of such evaluations is to understand why something is, or is not working, with a view to fostering continual improvement. Unlike a project, which typically has a start and end date, country programmes are complex, strategic interventions that play out over many years and even decades. Unless a donor is exiting from a country, evaluations at this level will almost always be

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<sup>21</sup> MFAT (2015) Tonga Programme Consolidated Forward Aid Plan.

<sup>22</sup> *Ibid*

<sup>23</sup> Tonga Country Programme Evaluation Brief

formative in nature as the donor seeks to improve the delivery of its entire programme over time. Due to the longitudinal and complex nature of country programmes, the key to conducting focused and useful formative evaluations at this level is to identify the appropriate temporal scope for the evaluation and its objectives.

At the request of MFAT, this evaluation is adopting an utilisation-focused approach that seeks to involve priority users and stakeholders in all aspects of the evaluation, including the setting of the objectives and scope of the evaluation. This approach is outlined in Section 2.1. To this end, a scoping mission was undertaken to New Zealand and Tonga between the 9<sup>th</sup> to 17<sup>th</sup> February, and over 50 stakeholders from both governments were asked to provide feedback on the potential objectives and scope of the evaluation. Stakeholders were asked to reflect on the New Zealand aid programme and identify questions and issues that they ask themselves about that programme; questions that they would like to see addressed through this evaluation. The aim of this exercise is to produce an evaluation that is as useful as possible for both parties while fulfilling the above-mentioned evaluation purpose. Table 1 provides a summary of the main evaluation objectives that were identified by Tongan and New Zealand stakeholders. These were summarised in full in an *Aide Memoire* submitted to MFAT on 3<sup>rd</sup> March, 2016.

<b>Evaluation objectives</b>	
<b>Government of Tonga</b>	<b>New Zealand Ministry of Foreign Affairs and Trade</b>
<ul style="list-style-type: none"> <li>› How can the predictability of New Zealand’s investments be improved?</li> <li>› How does staff churn within the GoT affect implementation?</li> <li>› How can NZ better support Tongan Government priorities?</li> <li>› How can NZ and Tonga better report aid flows in the financial system?</li> <li>› What are the outcomes of New Zealand’s aid programme?</li> <li>› How can New Zealand’s aid investments be more coherent in certain sectors?</li> <li>› What are the conditions for enhanced accountability in Tonga?</li> <li>› How can the burden of reporting and administration be reduced?</li> <li>› How can policy and high level strategic dialogue be improved between NZ and Tonga?</li> <li>› How can NZ activities be designed to better account for the Tongan socio-cultural context?</li> <li>› What are the characteristics of successful development programmes in Tonga?</li> <li>› How can leadership be encouraged in Tonga?</li> <li>› How can transparency be improved?</li> </ul>	<ul style="list-style-type: none"> <li>› How can we best operationalise our strategic priorities in Tonga?</li> <li>› How can we get more traction in Tonga and build ownership?</li> <li>› How can we most effectively deliver our aid in Tonga noting the institutional and human capacity constraints?</li> <li>› What is our theory of change in Tonga?</li> <li>› How can we most effectively consolidate our programme in Tonga?</li> <li>› What priorities should be applied to the process of consolidation?</li> <li>› How can we add value in the sectors we choose to operate in?</li> <li>› How can we best support sustainable economic development in Tonga?</li> <li>› How can we promote private sector development in Tonga?</li> <li>› What have the conditions for success/failure in Tonga been?</li> <li>› What effect have our programmes had on development outcomes?</li> <li>› How can we sustainably build human and institutional capacity?</li> <li>› What is the quality of our policy dialogue? How influential are we?</li> <li>› What do good exit strategies look like?</li> <li>› Why is there accountability in some sectors but not in others?</li> </ul>

	<ul style="list-style-type: none"> <li>› Are we using our resources effectively?</li> <li>› Are our programmes complementary?</li> <li>› Is our country programme coherent?</li> </ul>
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As outlined in the above table the evaluation objectives articulated by stakeholders include an array of issues, encompassing areas such as: effectiveness, aid delivery, capacity building, enhanced governance and accountability, development planning and prioritisation and strategic operational management. Stakeholders have prioritised assessing what has happened in the past and what the lessons emerging from this mean for the future.

It is clear from the above that there is a level of convergence between MFAT and GoT stakeholders with regards to the evaluation objectives. Both groups want the evaluation to review the recent history of NZ's aid programme and to delineate lessons that can be used to improve delivery and effectiveness over the medium term. The issues of relevance to stakeholders can be clustered under two categories: 'aid delivery' and 'effectiveness and sustainability'. These largely accord with the evaluation purpose.

In the area of 'aid delivery' the following issues were seen as important by stakeholders:

- › enhancing predictability and financial systems alignment;
- › fostering ownership and enhancing traction;
- › improving the coherence and complementarity of NZ's aid programme;
- › developing higher quality aid delivery options that are suited to the Tongan context and take into account the various constraints;
- › strengthening mutual accountability;
- › improving coordination within sectors; and,
- › strengthening policy dialogue and technical advice.

In the area of 'effectiveness and sustainability' the following issues were seen as important by stakeholders:

- › understanding the conditions that support effectiveness in Tonga;
- › designing options for strengthening human and institutional capacity to deliver results and ensure that outcomes are sustainable;
- › understanding the impact of exiting and phase out on results and sustainability and suggesting ways to do this effectively;
- › assessing how NZ's aid and aid *per se* can support sustainable economic/private sector development in Tonga;
- › analysing how to add value in different sectors;
- › looking at how the socio-cultural and political context affects the outcomes of development interventions;
- › assessing the effectiveness of New Zealand aid activities; and,
- › developing tools for prioritisation and sequencing within sectors to ensure better results.

### 1.3 Scope of the Evaluation

In accordance with the requests of stakeholders, including the Evaluation Steering Committee, this evaluation will include an assessment of the performance of the New Zealand aid programme over the period of the current JCFD (July 2011 – present), and drawing on these insights the evaluation will then focus on how New Zealand can better deliver its development assistance in Tonga over the

medium term<sup>24</sup>. The evaluation team understands that New Zealand's aid programme in Tonga is evolving due to various organisational, political and strategic reasons and it will aim to be as useful as possible, identifying practical ways the effectiveness of the programme can be improved moving forward.

With regards to sectoral analysis, the assessment of the programme up to the present (2011-2016) will focus on total country aid flow and all the sectors that New Zealand engages in, especially those that will be prioritised in the next JCFD. The aim of this is twofold: 1) to assess the achievements of the programme; and 2) to delineate lessons regarding effective aid delivery in Tonga that can be used to improve programme delivery going forward. The forward looking analysis will focus more specifically on how New Zealand can add value in those sectors that it seeks to prioritise over the medium term, which will be agreed to during the High Level Consultations with the GoT in March 2016. The evaluation team understands that decisions regarding sectoral support are political and strategic ones for MFAT and the Government of Tonga. As such, the evaluation will not be focusing on *what* sectors New Zealand should be funding but on *how* New Zealand should be delivering its aid once the priority sectors have been decided. Alongside this, the evaluation will provide ideas for activity prioritisation in each of the sectors where New Zealand will remain, while developing prioritisation and exit/phase out strategy tools/suggestions for those sectors where New Zealand will either exit or scale down support over time.

New Zealand Aid Programme assistance to countries is made up of: a) a bilateral allocation which New Zealand and the partner government commit jointly to agreed activities; and, b) funding that flows to the country through other programmes (e.g. Regional Activities, Scholarships, the Partnerships Fund, or Humanitarian assistance). This evaluation will examine both these forms of assistance, i.e. the 'total country aid flow', its overall coherence and direction, and MFAT's performance in delivering it. It will also consider all aid modalities including sector support, project finance, and government-to-government partnerships.

MFAT, in collaboration with Australia Federal Police and Government of Tonga, is also undertaking an evaluation of the Tonga Police Development Programme (TPDP) between December 2015 and March 2016. As such, this country programme evaluation will not include the TPDP in depth but it will still consider MFAT's total support to the Justice sector.

## 1.4 Evaluation Questions

The following section outlines the evaluation questions, provides an overview of our understanding of these questions and defines key terms. The evaluation will be guided by four Evaluation Questions. Two of these questions focus on the past, *i.e.* they focus on the performance of the New Zealand aid programme in Tonga from 2011 to the present, and two questions focus on the future, *i.e.* what the Tonga country programme should look like over the medium term. In accordance with the requests of stakeholders we have sought to achieve a balance between *ex post* and *ex ante* analysis. The aim of the evaluation is to ensure that lessons learned from the current delivery of aid in Tonga (*i.e.* lessons emerging from the exploration of Questions 1 and 2 below) can be used to inform both existing and future implementation. In line with our utilisation-focused approach, and noting the formative focus of this evaluation, the evaluation team will seek to identify lessons that are implementable within the current strategic and organisational context and those that may be more medium-to-long term in nature.

**Evaluation Question 1 is:**

*To what extent has New Zealand's aid delivery in Tonga over the period 2011-16 been of a high quality?*

Evaluation Question 1 focuses squarely on the quality of aid delivery and in doing so addresses a number of the evaluation objectives outlined in Section 1.2 above. In accordance with the evaluation

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<sup>24</sup> In this context 'medium term' refers to the period that is likely to be covered by future Country Strategies for Pacific Island Countries, which is approximately 16 years – equivalent to four country level planning cycles.

objectives and purpose, the investigation of aid delivery will involve looking at: ownership by the GoT (including coordination); alignment with Tongan government policies and systems (including predictability); coherence and complementarity within sectors and across the programme; the quality of policy dialogue and technical advice; and the issue of mutual accountability. This investigation will identify constraints to the more effective management of the country programme, particularly those constraints that may influence the achievement of results. Key evaluation criteria are defined below. There are many constraints to the high quality delivery of aid in small island states and these constraints will be taken into consideration in this evaluation. The evaluation team will not adopt a theoretical approach to the determination of high quality aid delivery but will consider it within the context of these constraints, once these have been identified and corroborated through the data collection process.

### **Ownership**

Ownership is one of the aid effectiveness principles articulated under the Paris Declaration<sup>25</sup>. It is the notion that aid is more effective if developing countries lead their own development policies and strategies, and manage and coordinate their own development work on the ground. In this context, the evaluation will review the extent to which partner country leadership has been respected and efforts made to help strengthen that leadership and management capacity. Ownership has strategic, policy and operational aspects. Recent evaluations of small island states<sup>26</sup> have shown that Pacific island countries may have strong strategic and even policy ownership but weak capacity to manage, coordinate and operationalize development work on the ground. The provisional analysis in Section 1.1, which points to significant development finance underspends across the Government, suggests that this may be a significant issue in Tonga. This evaluation will focus particularly on the capacity of the GoT to 'manage its own development work on the ground' and the constraints to this across the government. It will also look at the extent to which New Zealand's actions support or impede this process.

### **Alignment**

Alignment is another aid effectiveness principle articulated under the Paris Declaration. It is the notion that aid is more effective if donors line their aid up behind the priorities of developing countries, use partner country systems, and provide predictable aid flows<sup>27</sup>. Alignment has three elements. The first is strategic alignment, also called 'relevance' in MFAT's Programme Evaluation Framework (PEF), which is the alignment of donor programmes to the strategies and needs of partners, and to their own policies and strategic priorities. The second is policy alignment, which is a measure of the extent to which a donor modifies its own policies and planning requirements to better align to those of the recipient government (including instituting processes that improve the predictability of aid). The third aspect of alignment is systems alignment, which is a measure of the extent to which a donor has worked with and through partner government systems, and sought to strengthen those systems. The analysis of alignment will involve looking at these three aspects of alignment and the barriers and constraints to them in the Tongan context.

### **Coherence and Complementarity**

The assessment of coherence and complementarity will involve looking at the coherence of New Zealand's country programme in Tonga, and in particular, examining whether there are any attempts to integrate and build synergies between the different elements of the programme (including the bilateral and non-bilateral funds), and whether different projects and programmes reinforce each other. This involves looking at how New Zealand deploys all the financial and technical resources at its disposal to achieve its strategic priorities in Tonga. The evaluation will also examine coherence within New Zealand's sectoral investments in Tonga and the extent to which there have been efforts

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<sup>25</sup> OECD-DAC (2005/8) The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, Paris: OECD-DAC, see: <http://www.oecd.org/development/effectiveness/34428351.pdf>

<sup>26</sup> See: Carpenter, D *et al* (2015) *Evaluation of New Zealand's Aid Programmes in the Cook Islands, Niue, Samoa and Tokelau – A Synthesis Report*, New Zealand Ministry of Foreign Affairs and Trade

<sup>27</sup> See: <http://www.oecd.org/dac/effectiveness/aideffectivenessglossary.htm>

to integrate and build synergies within those sectors where New Zealand has an array of activities from different funding pathways, including in areas like: education, private sector development and justice. The evaluation will also look at the coherence of MFAT's international development policy and guidelines.

### ***Policy Dialogue and Technical Advice***

Effective policy dialogue is an important aspect of quality aid delivery and fundamental to the maintenance of a strong and coherent strategy of development cooperation. Policy dialogue is defined as “the expression of a set of values or principles that the leadership of an organisation holds to be important in delivering its mandate or in bringing about change<sup>28</sup>”. In the context of this evaluation policy dialogue includes both development cooperation and foreign policy-oriented dialogue as both enable New Zealand to express its ‘set of values and principles’. Policy dialogue is an important component of aid delivery as it can have a demonstrable influence on policy change. Policy dialogue is effective when areas of policy interest, objectives, and priorities are identified and communicated effectively, when the necessary capabilities exist to ensure engagement can be meaningful, when credible and relevant evidence is used, and when informal and formal approaches are used and power imbalances addressed<sup>29</sup>. This evaluation will examine all of these aspects of policy dialogue. The evaluation will also examine the extent to which New Zealand-funded technical advice has been influential and effective in the Tongan context in the sectors where it has played a role. It will examine the conditions for the provision of effective technical advice in the Tongan context and identify instances where technical advice has been less effective.

### ***Mutual Accountability***

Mutual accountability is another Paris Declaration principle. It is the notion that aid is more effective if donors and developing countries account more transparently to each other, to their citizens and parliaments for the impact of their aid and in the case of developing countries, their own domestic resources. In this context the evaluation will examine the extent to which New Zealand provides timely, transparent and comprehensive information on aid flows that enables Tonga to present comprehensive budget reports, and whether there has been mutual progress in implementing agreed commitments on aid effectiveness. The evaluation will also consider issues of accountability and transparency within the Government of Tonga itself. The evaluation will examine the conditions for enhanced accountability within the GoT and within sectors, and the various governance issues that shape and constrain accountability in Tonga.

### **Evaluation Question 2 is:**

*To what extent has New Zealand's development cooperation in Tonga over the period 2011-16 been effective, and how sustainable are the results of this cooperation?*

This evaluation question focuses squarely on identifying the achievements of the New Zealand country programme over the period 2011-16, the sustainability of these achievements and the factors that influence achievement and non-achievement within the Tongan context. These issues were seen as highly important by stakeholders from across the New Zealand and Tongan governments’.

### ***Effectiveness***

‘Effectiveness’ is one of the OECD-DACs criteria for evaluating development assistance and is included in MFAT's Programme Evaluation Framework; it is defined as a measure of the extent to which the objectives of an aid activity have been, or are likely to be, achieved<sup>30</sup>. Objectives are the stated goals of the New Zealand aid programme as outlined in the JCFD and in subsequent planning documents and results frameworks at the country programme level, as well as the objectives of sectoral programmes and activities within sectors. The evaluation team understands that there have

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<sup>28</sup> ODE (2013) Thinking and Working Politically: An Evaluation of Policy Dialogue in AusAID, April 2013, Department of Foreign Affairs and Trade, Office of Development Effectiveness

<sup>30</sup> <http://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm>

been some significant changes to the objectives of the country programme over the course of the current JCFD. Some interventions that were originally prioritised have been de-emphasised and others have become priorities over time. The evaluation will examine the reason for these shifts to provide some context, but this is not a major focus of the evaluation. A higher level priority is to determine why some interventions are more effective than others in Tonga and the conditions that underpin effectiveness in the Tongan context. The evaluation team will not be using a theoretical approach to the assessment of 'effectiveness' in Tonga. We realise that there are many barriers to the effective delivery of aid in Tonga and in SIDS more generally. The aim of this investigation is to understand more about what 'effectiveness' in the Tongan context looks like and what can be done within this context to improve development outcomes. The analysis of effectiveness will also focus on the extent to which outputs are of the right quality and short to medium-term outcomes are emerging.

Outputs are defined as 'the products, capital goods and services which result from a development intervention; and may also include changes resulting from the intervention which are relevant to the achievement of outcomes'<sup>31</sup>. Outputs are generated via the discrete activities of donors, and are commonly reported through activity and programme-level M&E frameworks. Since 2011 MFAT has focused significantly on results-based management, and activity and programme level results frameworks are in place for all activities and programmes. M&E documents contain a vast amount of information on the achievement of outputs (or otherwise) of country programme activities. Due to the high level nature of this evaluation, we will not focus significant resources on assessing all outputs, as these reports are already available to MFAT, and the aggregation of outputs will tell us little about the high level effects of the aid programme. We will, however, review trends in the achievement of outputs in different sectors, the quality of the outputs, and the overall output performance of the country programme between 2011 and 2016.

The evaluation will also focus on determining whether the intended outcomes, at the country programme and sectoral levels, are emerging. Where possible, the evaluation will assess the short to medium term outcomes that have arisen from New Zealand's country programme support over the last 5 years and the conditions for the emergence of those outcomes, where they have arisen. The evaluation will not look at the impact (positive or negative, intended or unintended) of New Zealand's programme in Tonga as the short temporal scope of the evaluation precludes this and the methodological challenges (such as absence of baseline data etc) are too great.

The evaluation will also consider the extent to which cross-cutting issues have been effectively integrated across the development programme. These issues include: environment and climate change, gender quality and women's empowerment and human rights. As noted in MFATs *Investment Priorities*, New Zealand aims to 'deliver better outcomes, and manage risks by taking these issues into account in the design, implementation and evaluation of activities'<sup>32</sup>. It is therefore important for this evaluation to assess whether these issues have been effectively integrated into programme activities, and if they have, whether there is evidence that better outcomes have been achieved or risks addressed.

### *Sustainability*

Sustainability is one of the OECD-DAC's criteria for evaluating development assistance and is included in MFAT's Programme Evaluation Framework. It is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. This was a key issue for both the New Zealand and Tongan governments and was identified by a number of stakeholders. Sustainable results are those that are likely to persist into the future and are resilient to economic, environmental and social perturbations<sup>33</sup>. The assessment of sustainability will take into consideration an array of factors, including:

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<sup>31</sup> OECD-DAC (2010)

<sup>32</sup> MFAT (2015) p.4

<sup>33</sup> Berkes, F. and C. Folke (1998) *Linking Social and Ecological Systems: Management Practices and Social Mechanisms for Building Resilience*, Cambridge University Press

- › whether supportive policies have been adopted by the GoT that improve the likelihood that the results of New Zealand’s development assistance can be sustained;
- › whether regulations have been adopted that create an enabling environment that is conducive to sustainability (for example in areas like private sector development);
- › whether domestic financial resources have been, or are planned to be, allocated in support of activities that were previously funded by New Zealand;
- › whether appropriate levels of human capital have been built to ensure sustainability; and,
- › whether appropriate levels of organisational capacity have been built to ensure sustainability.

**Evaluation Question 3 is:**

*How can New Zealand’s overall objective of maximizing the impact of engagement to improve the prosperity, stability and resilience of Tonga and its people best be met?*

This question focuses squarely on the various ways MFAT can maximise its impact through the delivery of aid, the furtherance of its foreign policy objectives and through trade relations. Drawing on the lessons regarding aid delivery, effectiveness and sustainability emerging from the previous two questions, this question will investigate a range of forward looking issues raised by stakeholders as evaluation objectives. These include:

- › identifying more effective modes of aid delivery over the medium term noting the various human capital and organisational constraints in Tonga (and indeed in the New Zealand aid programme);
- › identifying ways in which the Tongan country programme can be more coherent and strategic in nature;
- › identifying ways to strengthen human and organisational capacity to improve effectiveness and sustainability in the Tongan context;
- › providing a rationale for prioritizing and sequencing activities in the sectors that New Zealand will support over the medium term; and,
- › providing options for exiting or scaling down assistance in sectors that are no longer a priority for the New Zealand aid programme;
- › identifying ways New Zealand can draw on its whole of government resources to have more impact in Tonga, including through regional activities and through trade
- › identifying ways New Zealand can maximise its impact in Tonga noting the emergence of non-traditional donors and changing dynamics in the Pacific more generally.

**Evaluation Question 4 is:**

*How can New Zealand’s aid programme foster sustainable economic development in Tonga?*

This final evaluation question deals with the big picture strategic issues associated with New Zealand’s aid to Tonga. Sustainable economic development is the priority focus of the New Zealand aid programme<sup>34</sup> and a key priority of the Government of Tonga. In the New Zealand aid programme’s view sustainable economic development is development that is sustained, inclusive and resilient<sup>35</sup>.

*Sustained* refers to sources of growth that are enduring and underpinned by sound governance, strong natural resource management and a healthy environment. It also includes identifying initiatives that strengthen the enabling environment for growth, particularly growth in the private sector.

*Inclusive* refers to sharing the benefits of prosperity and ensuring that it reduces poverty. This includes increasing jobs and fostering broad-based economic participation for women and youth in particular, and ensuring that people can realise their economic, social, cultural, civil and political

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<sup>34</sup> See: New Zealand Aid Programme: Investment Priorities 2015-19, New Zealand Ministry of Foreign Affairs and Trade

<sup>35</sup> *Ibid* – page 4

rights. It also includes supporting the provision of high quality public services and infrastructure that can reduce poverty and increase well-being.

*Resilience* is the recognition that New Zealand's aid should assist countries withstand and recover from economic shocks and natural disasters, by developing economic buffers that allow countries to better respond to shocks, while strengthening adaptation to climate change.

Drawing on the abovementioned concepts of sustainability, inclusiveness and resilience, this evaluation will explore what sustainable economic development means within the context of the Tongan economy and environment and how New Zealand can operationalise its abovementioned strategic commitment within this context. Due to its utilisation-focused nature, this evaluation will not be considering these issues from a purely theoretical perspective. New Zealand has an existing aid programme in Tonga that is of a certain size and scope and the evaluation team will not be assuming that there is a clean slate with regards to what New Zealand can invest in to pursue sustainable economic development. What the evaluation will do is examine the portfolio of New Zealand's aid programme going forward, which will be agreed upon at the High Level Consultations, and drawing on the lessons emerging from Evaluation questions 1, 2 and 3, suggest practical ways in which New Zealand's aid programme can support sustainable economic development by fostering sustainability, inclusiveness and resilience in the relevant areas.

The methodology section below provides details of the analysis that will be undertaken in support of these four questions.

# 2 Section Two – Evaluation Design

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## 2.1 Approach

ASI proposes a Utilization-Focused Evaluation (UFE) approach to this country programme evaluation. In our view, evaluations are ultimately judged by their utility i.e. their actual use by ‘real people in the real world’. While independent evaluations play an important role in ensuring accountability and assessing performance, it is the salience and utility of their recommendations that are the hallmarks of a high quality evaluation. Building on ASI’s previous experience conducting country programme evaluations for MFAT, we believe that a UFE-type approach could further improve ownership of this country programme evaluations and the utilisation of findings across the agency.

A number of fundamental premises underlie utilization-focused evaluations; these include but are not limited to:

- › a commitment to use by intended users and a focus on this throughout the course of the evaluation;
- › careful and thoughtful stakeholder analysis and engagement
- › the customisation of evaluation designs based on situational issues; and
- › high quality participation<sup>36</sup>

As noted by Michael Patton,<sup>37</sup> utilization-focused evaluations should be designed situationally. There is no one ‘right’ approach. Evaluations should be designed to meet the needs of the primary intended users and the organisation at a particular period in time. Due to our early stakeholder engagement, ASI and the Evaluation and Research Group (ERG) team within MFAT, have developed a sound understanding of the situational context for this evaluation, we understand the current issues and challenges faced by the Tonga country programme team at this particular moment in time and we have sought to design an evaluation that has the best chance of usefully contributing to their work in Tonga and the broader work of the agency. In this context our UFE approach should be seen as a facilitated process for helping MFAT select the most appropriate evaluation content, models, and methods and outputs for this particular situation. The development and review of this Evaluation Plan, which has been informed by extensive stakeholder consultation, is an important element in this process. Our approach to the evaluation process is outlined below.

### **Inception Phase:**

**Thoroughly engage with stakeholders** – the Team Leader, Dr David Carpenter, along with David Osborne (Senior Economic Advisor), and Elisabeth Poppelwell from ERG have identified and engaged with over 50 stakeholders from the New Zealand and Tonga Governments’ during the Inception phase of this assignment. The scoping mission to New Zealand involved consulting with a wide range of stakeholders from across MFAT including country programme staff, the evaluation steering committee, and staff from SED, Partnerships, Scholarships and a number of other areas. Each stakeholder was asked to outline their engagement with the Tonga country programme and to reflect on the issues they think this evaluation could most usefully address, with a view to improving the effectiveness of New Zealand’s aid delivery in Tonga. The feedback from stakeholders was used to inform the development of the evaluation objectives and the questions as outlined in Section 1.2. David Carpenter and Elisabeth Poppelwell then traveled to Tonga where they engaged with over 30 stakeholders from the Tongan government and civil society, including the Finance Minister, the CEOs/ACEO’s of Ministries and other government and non-government representatives. Each

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<sup>36</sup> Patton, M (2000) “Utilisation-Focused Evaluation”, in Stufflebeam, D.L., Madaus, G.F., and T. Kellaghan (eds) *Evaluation Models*, Boston: Kluwer Academic Publishers

<sup>37</sup> *Ibid* see pp. 436-437

stakeholder was asked to reflect on New Zealand's aid programme in Tonga and to outline the issues that they thought this evaluation should address with a view to improving the effectiveness of New Zealand's aid programme in Tonga. The feedback from these stakeholders was also used to inform the development of the evaluation objectives and the questions as outlined in Section 1.2. There was a high level of convergence with regard to the issues that were considered important by both parties. The outcomes of the consultations with New Zealand and Tongan stakeholders were summarized in an *Aide Memoire* which was forwarded to the Country Programme team and Steering Committee on 3<sup>rd</sup> March 2016.

**Evaluation Planning** – the development of this Evaluation Plan is the culmination of the Inception phase. The Plan provides the conceptual, methodological and operational guidance for the conduct of the evaluation during the implementation phase. This draft plan will be shared with the MFAT Steering Group and programme team working group which includes a number of key stakeholders. It is imperative that all these stakeholders read the Plan carefully, particularly the objectives of the evaluation and the articulation of the evaluation questions. It is important that stakeholders and the evaluation team have a shared understanding of the evaluation objectives and in particular the evaluation criteria, i.e. the various evaluative terms that are defined under each question. The evaluation team will update the Plan once comments from stakeholders have been provided.

#### **Implementation Phase:**

**Field Work and Data Collection** – once the Evaluation Plan has been approved ASI will undertake field work in New Zealand and Tonga. The work plan supporting this field work is outlined in Section 3.1. ASI team members will travel to MFAT HQ in Wellington to interview key informants, as well as other informants from New Zealand government agencies, NGOs and the private sector operating in Tonga. The Team Leader and Senior Economic Advisor will then travel to Tonga to interview key informants in the capital; they will be supported by three in-country consultants who will provide support during the field work – see Section 3.1 for an outline of roles and responsibilities. The use of local consultants with extensive knowledge of the socio-cultural, political and historical context in Tonga is particularly important and will help the international members of the evaluation team contextualize the evaluation findings, it will also help with gaining access to key informants and ensuring that the international team members are apprised of the appropriate local protocol issues and customs. Focus group discussions will also be undertaken with beneficiaries; to foster participation these will be facilitated by a local female consultant who has been engaged by ASI expressly for this purpose.

**Data analysis and interpretation** – the ASI team will then conduct preliminary analysis of the data collected in the field and that collected through document analysis and quantitative sources – see below for an outline of this process. Once all the data has been provisionally analysed, ASI will facilitate a workshop with stakeholders in Tonga and New Zealand to discuss the provisional findings. The aim of these workshops is to assist with data interpretation and to understand which emerging themes and issues are of most relevance and importance to all stakeholders noting the evaluation objectives. The feedback received from these workshops will inform the development of the Evaluation Report.

**Reporting and Dissemination** – ASI will then draft the evaluation report which will include:

- Executive summary (max 4 pages)
- Evaluation purpose and methodology
- Development Context
- Findings pertaining to the four evaluation questions
- Conclusion
- Learnings
- Recommendations
- Technical appendices

In order to aid in dissemination ASI will work with the ERG to identify other products that may assist with disseminating the findings within MFAT, New Zealand and Tonga. These could include: policy briefs targeting high priority areas, a synopsis of the evaluation in the Tongan language, podcasts, vodcasts, or verbal briefings in Tonga by Tongan-based consultants. ASI will lead with disseminating

results at MFAT HQ, but stakeholders will also be provided with briefs and other dissemination tools which can assist them disseminate the evaluation findings to their respective stakeholders and work colleagues. Avenues for this type of utilisation-focused dissemination will be determined in cooperation with the ERG and Steering Committee.

## 2.2 Methodology

### Mixed Methods

Empirical information will be collected and analysed using a combination of qualitative and quantitative methods in a mixed method approach. The purpose of such an approach is to “strengthen the reliability of data, validity of the findings and recommendations, and to broaden and deepen our understanding of the processes through which programme outcomes and impacts are achieved, and how these are affected by the context within which the programme is implemented”.<sup>38</sup> These methods will be used in a complementary way to interrogate different types of evidence about the context and outcomes of MFAT’s development cooperation in Tonga. This approach is grounded in the understanding that adopting different but complementary lines of enquiry invariably lead to more robust and credible research. The specific methods that will be used during the evaluation are discussed below.

### Semi-Structured interviews

Semi-structured interview is a qualitative method of inquiry that uses a set of open questions to explore particular themes and issues pertinent to an evaluation. A semi-structured interview does not limit respondents to a set of pre-determined answers but instead prompts key informants to delve into the context and pursue issues that may not have been raised. Semi-structured interviews target key informants. Key informants are individuals who are likely to possess information and insights on the topics being investigated, especially those who have first-hand knowledge about the specific situation under investigation.<sup>39</sup> In this case these are people who have first-hand knowledge of the issues that will be investigated under the four evaluation questions. The categories of key informants for this project include:

- **Category 1 – New Zealand Government staff:** includes MFAT staff engaged in the delivery of the country programme, whether New Zealand-based or at Post (including Locally Engaged Staff), and other MFAT staff involved in policy and strategic issues that are of relevance to this evaluation; and staff from other NZ government agencies that implement programmes in country, or are involved in policy development, service delivery, or review.
- **Category 2 - Counterparts from the Government of Tonga:** employees directly or indirectly involved in the approval, implementation or review of New Zealand funded programmes; senior staff who can provide comparative overviews; technical staff who can provide an overview of macro-economic/governance issues; and staff who can provide context regarding shifts in policy and the relationship between New Zealand and the GoT.
- **Category 3 – Donors directly or indirectly involved in the implementation/co-financing of MFAT activities in Tonga:** includes key informants from the World Bank, ADB, and other multilateral development regional and bilateral agencies that implement aid activities with MFAT funding or co-finance activities, or who have an appreciation of the development cooperation context in Tonga.
- **Category 4 - Pacific development cooperation stakeholders:** includes Tongan-based civil society groups, relevant private sector organisations, church leaders, and village elders.
- **Category 5 - Third party experts:** includes experts in development cooperation, economic policy, and the political economy of Tonga.

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<sup>38</sup> Bamberger, M (2012) “Introduction to Mixed Methods in Impact Evaluation”, Impact Evaluation Notes No3. August 2013.

<sup>39</sup> Kumar K (1989) Conducting Key Informant Interviews In Developing Countries, A.I.D. Program Design and Evaluation Methodology Report No. 13, Centre for Development Information and Evaluation, Agency for International Development, Washington D.C.

- › **Category 6 – Beneficiaries:** individuals, households and organisations from Tonga who are targeted by New Zealand government-funded programmes.

It is important to classify key informants based on the type of information they can provide and the insights they have on key issues. This helps with the identification of the most important informants. Semi-structured interview guides will be developed and customised for each category of key informant. These guides will include open-ended questions that explore the issues discussed in Section 1.3, and a number of other questions that allow the interviewer to understand more about the broader context within which the key informant is situated (e.g. demographic questions, employment status, experience with New Zealand programme etc.).

## Focus Group Discussions

Focus group discussion (FGD) will be used to collect data on the perceptions of beneficiaries targeted by New Zealand aid activities. These discussions will focus on the perceived benefits of energy and education programmes in particular, they will also provide an opportunity for the evaluation team to understand more about the socio-cultural and economic context of beneficiaries at the village level and the effect aid programmes have on their lives. The focus group discussions will be sex segregated and will be facilitated by our in-country consultants – Ms Monalisa Tukuafu and Dr Taniela Fusimalohi, who both have significant experience facilitating FGDs in Tonga. The FGD's will be conducted in Tongan and the outcomes of these discussions translated into English. Dr Carpenter will conduct a short training session with the FGD facilitators briefing them on the most salient focus questions and issues of importance noting the objectives of the evaluation. Potential villages will be identified in cooperation with the relevant GoT officials and then particular villages that meet certain criteria will be purposively sampled. The criteria will include: historical association with two or more New Zealand aid programmes over the last 5 years; opportunity to conduct sex disaggregated FGDs; approval for FGDs by village heads; and geographical distribution of village (e.g. rural-urban).

## Document Analysis

This evaluation will draw on a significant amount of secondary documentation to understand the context of New Zealand's support and to assess aid quality and impact. Categories of documents available to the evaluation team include:

- › **Category 1:** Project-related documentation from the New Zealand Government, implementation partners, and partner governments (e.g. concept notes, activity design documents, annual reports, project completion reports and equivalents);
- › **Category 2:** Independent and joint evaluations at project, programme and thematic level conducted by MFAT and implementation partners;
- › **Category 3:** Strategic policy documents and analysis from the New Zealand and Tongan governments (e.g. aid priorities, national development plans, country strategies, development partnership agreements – and the various technical and analytical documents associated with these documents);
- › **Category 4:** Grey literature from development cooperation partners and CSO groups and others on topics germane to the evaluation; and
- › **Category 5:** Academic literature on issues such as: economic development in the respective countries, drivers of poverty reduction, aid effectiveness, and the constitutional relationship with realm states etc.

Due to the scope of this evaluation and the hundreds of documents associated with the programme, it will be impossible to conduct a systematic analysis of all documents. The available database of documents will be re-categorised and the documents most relevant to the evaluation will be prioritised and systematically analysed. The following documents will be prioritised:

- › Independent evaluations of projects and programmes and thematic evaluations of relevance;

- Documentation that provide insights into strategic decisions made by the NZ government vis-à-vis development cooperation in Tonga;
- Documentation for important and high value projects;
- M&E data and reports on programme and sector level performance.

## **Proliferation and Fragmentation Analysis**

The international development community recognises the negative impact of proliferation and fragmentation on the effectiveness of ODA, which is a major focus of this evaluation. Fragmentation reduces development effectiveness because it “increases the burden on partner countries, which have to manage, coordinate and monitor aid contributions”.<sup>40</sup> Both proliferation and fragmentation also increase the burden on donor agencies, affecting their ability to manage ODA programmes effectively.

The terms ‘fragmentation’ and ‘proliferation’ are widely used but often poorly defined. For example, there are several different types of proliferation. Donor proliferation is the number of donors supporting a particular partner country, or the number of donors operating in a particular sector within a partner country. Activity proliferation is the number of activities funded at the global or country programme level, for all donors or for an individual donor. Fragmentation relates to the spread of donor involvement or engagement.

The assessment of fragmentation will include analyses of sectoral spread and the number of counterparts and modalities through which New Zealand aid is delivered in Tonga. The assessment of fragmentation will include a review of the types of modalities employed in Tonga as well as policies on the use of country systems. Activity Management System (AMS) data will be analysed to determine the number of specific ‘activities’ in each sector with an associated analysis of counterparts and modalities. It may also be possible to categorise the different types of modalities based on the burden of implementation from the donors perspective, which would paint a more nuanced and context specific picture of fragmentation.

Proliferation analysis will be used to provide important context regarding the effectiveness of New Zealand’s support. The proliferation component will focus on the quantitative analysis of aid activities as reported by MFAT (and other donors) in the OECD-DAC Creditor Reporting System. This analysis will include details of the number of donors in Tonga and the number and size of activities funded by them. This will include an analysis of New Zealand’s activities. This analysis will compare these levels of proliferation with those in other PICs.

The framework described above will provide data on proliferation and fragmentation in Tonga, but it will not say much about the appropriateness of these levels within the prevailing context. Qualitative research is useful in this area, and we will employ a mixed method approach for this purpose. The quantitative analysis will help determine whether or not proliferation and fragmentation is present, and identify any contributing factors. Qualitative research will provide more contextual information on the relative importance of these elements, the incentives structures that influenced proliferation and fragmentation (or otherwise), and the influence of New Zealand’s operational policies and strategies on proliferation and fragmentation.

Information about the political and institutional context will provide evidence of the drivers of proliferation and fragmentation. Analysis of interviews, publications, and other sources will allow the team to consider the implications of fragmentation and proliferation in the development and implementation of the Tongan country programme and suggest ways to improve coherence; these findings may be of relevance to MFAT in countries programmes with similar characteristics.

## **Analysis of Development Indicators**

The evaluation team will analyse a range of economic, governance and development indicators from domestic and international sources to identify key issues of importance for the future of New

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<sup>40</sup> AusAID (2009) Annual Review of Development Effectiveness 2009. p.20

Zealand's aid delivery in Tonga (EQ 4). This analysis will also provide important context regarding the effectiveness of New Zealand's aid programme (EQ 2).

### ***Sustainable economic development***

The evaluation team will conduct an analysis of what sustainable economic development means within the Tongan context. Measuring sustainable economic development in SIDS goes beyond traditional measures of economic development like GDP. It is well known that measures of GDP do not adequately capture factors that are relevant to the sustainability of SIDS; therefore developing indicators that reflect their realities, aspirations, and sustainable development goals is required. The UN Commission on Sustainable Development established the Indicators of Sustainable Development (ISD). These indicators reflect the need, when analysing SIDS, 'to go beyond GDP'<sup>41</sup>. There are 96 indicators with 50 core indicators.<sup>42</sup> Countries are encouraged to develop indicators relevant to their unique circumstances, guided by the ISDs. Tonga established the Tonga Sustainable Development Framework (2015-2025), listing key performance indicators and targets.

The evaluation will use the UN's Indicators of Sustainable Development as a starting point, adjusting for Tonga's unique indicators and targets. Targets will be grouped under the headings of sustainability, inclusiveness and resilience, as defined earlier. This approach will allow for cross country comparisons and importantly provide an indication of progress against New Zealand's definition of sustainable economic development.

### ***Sustainability***

The sustainability of economic development is generally accepted as economic development that satisfies present material needs while maintaining natural resources and the environment for future generations. Sustainable economic growth is often looked at in two ways. The first conception is purely economic, and is concerned with identifying those conditions which foster the fastest rate of growth of production in the economy while maintaining low inflation, full employment, fiscal balance and external stability. The second conception is much broader and includes the rate at which economic growth can occur while not reducing the economy's non-renewable resources (air, forests, land, oceans and waterways) and reducing the contribution to global warming.<sup>43</sup> The evaluation will use the second interpretation. To this end the evaluation will examine natural resource management, dealing with the issues of volatility, dependency, resource exploitation; environmental management in terms of the impact on health and wellbeing; and public sector performance, including issues of corruption and participation.

Inter- and intra-generational equity also forms an important part of sustainable economic development and will feature in the evaluation. Most importantly the following questions will be addressed: will today's development benefit future generations? Are the right investments being made? May the depletion of natural resources lead to lower levels of future economic development in Tonga?

The indicators that will be analysed include those from the Tonga Sustainable Development Framework; Government Transparency Index; Tonga's international ease of doing business ranking; Marine protected areas (% of territorial waters); Terrestrial protected areas (% of total land area); Percentage of population with safe water supply; Number of plant species threatened; Tonga's international Public Sector Management and Institutions CPIA rating; and Tonga's International Freedom from Corruption Index.

### ***Inclusiveness***

Inclusiveness refers to sharing the benefits of prosperity and ensuring that it reduces poverty. This includes increasing jobs and fostering broad-based economic participation for women and youth in particular, and ensuring that people can realise their economic, social, cultural, civil and political

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<sup>41</sup> UNEP (2014), "Emerging Issues for Small Island Developing States" Nairobi: United Nations Environment Programme (UNEP).

<sup>42</sup> UN, (2007), "Indicators of Sustainable Development: Guidelines and Methodologies" New York: UN, p. 9

<sup>43</sup> UN (2016), <http://www.un.org/en/sections/priorities/economic-growth-and-sustainable-development/index.html> [accessed 15 March 2016]

rights. It also includes supporting the provision of high quality public services and infrastructure that can reduce poverty and increase well-being.

UNDP's chief economist, Thangavel Palanivel, recognized the following common features of inclusive economic growth, namely: "Growth is inclusive when it takes place in the sectors in which the poor work (e.g. agriculture); occurs in places where the poor live (e.g. undeveloped areas with few resources); uses the factors of production that the poor possess (e.g. unskilled labour); and reduces the prices of consumption items that the poor consume (e.g. food, fuel and clothing)."<sup>44</sup>

Inclusive growth is about reaching all people in economies including the most disadvantaged. The Sustainable Development Goals (SDG) Fund notes that economic growth must "...ensure the wellbeing of the entire population... [and]...requires full respect for human rights." The SDG Fund lists the following priorities: (1) create opportunities for good and decent jobs and secure livelihoods for all; (2) to add value and raise productivity; and (3) foster a stable environment that enables business to flourish.

For New Zealand to contribute to the attainment of inclusive economic growth we need to first understand the level of inclusiveness in Tonga's economy. There are a number of techniques used to measure inclusiveness, for example, the ADB's *social opportunity function* which considers two factors: (1) the average opportunities available to the population; and (2) how opportunities are shared among the population. However, this level of analysis is outside of the scope of the evaluation. We can, however, take guidance from the methodology used to understand the factors that determine inclusive economic growth and to attach relative importance to each, giving greater weight to those that benefit the poor and efforts that increase the distribution of opportunities. Factors include: employment; education; health; and basic infrastructure such as electricity, clean drinking water, and sanitation.<sup>45</sup> Note that a Gini coefficient is not available for Tonga.

Important questions for the evaluation will include: Have unemployment rates fallen? Has the participation and the quality of participation of women and youth increased? Are people able to realise their economic, social, cultural, civil and political rights? And is the access and quality of public services and infrastructure increasing?

An example indicators that will be analysed include those from the Tonga Sustainable Development Framework; Human Development Index (Inclusive HDI); Regional and global Gender Development Index; % of primary age students passing primary school; Tonga's international Press Freedom index ranking; % of people turn out for election; Number of mobile cellular subscriptions per 100 people; average total duration of power interruption per customer; Infant mortality rate per 1,000 live births.

## **Resilience**

In order to understand resilience in the Tongan context, and how New Zealand might strengthen resilience to further sustainable economic development, we need to look at Tonga's economic vulnerability and how well the country reacts and adapts to exogenous and endogenous shocks. Economic vulnerability is defined as "...the risk of economic growth being clearly and durably reduced by shocks (or the risk of the long term average rate of growth being reduced by shocks"<sup>46</sup>. The economic vulnerability of a country is often defined by the risk of a country seeing its development impeded by the natural and external shocks it faces<sup>47</sup>. There are two kinds of exogenous shocks that affect Small Island States (as noted in Section 1.1); these are natural shocks such as cyclones, and external exchange rate or trade-related shocks such as changes in commodity prices. Both are significant issues in Tonga. However, there are also a number of endogenous shocks that can have an impact on sustainable economic development; these are civil disruptions (including political

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<sup>44</sup> UNDP (2015), "What does inclusive economic growth actually mean in practice?" New York: UNDP

<sup>45</sup> Ali, I and Son, H. (2007), "Defining and Measuring Inclusive Growth: Application to the Philippines." Manila: ADB

<sup>46</sup> Guillaumont, P (2011) "Assessing the Economic Vulnerability of Small Island Developing States and the Least Developed Countries", in Santos-Paulino, A et al (Eds) *Understanding Small Island Developing States: Fragility and External Shocks*, London: Routledge

<sup>47</sup> Ibid

instability as was seen in Tonga in 2006) and decreased agricultural productivity from pests and disease attack; or health issues, such as epidemics.

Vulnerability results from three factors:

1. The size and frequency of the shocks (whether exogenous or endogenous)
2. The exposure to these shocks
3. The capacity to react to shocks, or resilience.

Resilience depends on the policy choices (and other things such as human capital and the quality of institutions) and is affected by a multitude of factors, which will be explored throughout this evaluation. In order to provide important context for the assessment of resilience, the evaluation team will review the impact of endogenous and exogenous shocks on the Tongan economy and the efficacy of responses to these shocks. Quantitative and qualitative methods will be used to explore resilience issues. Semi-structured interviews with senior policy makers will provide important context regarding the policy responses and human and institutional issues that affect resilience, while a number of economic and development indicators will be examined longitudinally to assess the response to shocks. Example indicators include those from the Tonga Sustainable Development Framework; GDP growth; unemployment rate; Government Expenditure to GDP Ratio; Exports to GDP Ratio (including disaggregated data); Remittances to GDP Ratio; and the Number of villages in Tonga with an established Emergency Risk Management Plan.

### ***Data Analysis and Triangulation***

The qualitative data from key informant interviews, FGD's and documents analysis will be analysed using standard qualitative coding techniques, including the use of orienting concepts and provisional codes that pertain to the issues articulated in the evaluation questions and other issues that are consistently emerging through the data. The qualitative data analysis software program NVivo will be used to facilitate qualitative data organisation, management and analysis across all forms of qualitative enquiry. NVivo will allow the team to track and maintain records of analytical processes and to share data and analysis between team members.

Triangulation methods will be deployed to mitigate recall bias and to corroborate the insights emerging from the qualitative data. In particular, the evaluation will review contemporaneous documentation and data relating to evidence gathered through interviews. Triangulation will be used to ensure that insights emerging from data analysis are valid and credible. Two forms of triangulation will be used in this evaluation: methods triangulation, which involves the use of both qualitative and quantitative data to elucidate complementary aspects of the same phenomena,<sup>48</sup> and data sources triangulation, which involves examining the consistency of different data sources within the same method. The credibility of this approach is improved through the consistent use of good semi-structured interview guides.

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<sup>48</sup> Patton, MQ (1999) 'Enhancing the quality and credibility of qualitative analysis', *Health Research Services*, 34:5, pp.1189–1208

# 3 Section Three – Evaluation Management

## 3.1 Roles and Responsibilities

ID	Task Description	Phase 2 Duration (Weeks)															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>1</b>	<b>Preliminary Review and Analysis</b>																
1.1	Conduct desktop review of documents																
1.2	Prepare preliminary economic analysis																
<b>2</b>	<b>Fieldwork</b>																
2.1	Prepare NZ fieldwork preparation																
2.2	Conduct NZ fieldwork																
2.3	Analyse NZ fieldwork data																
2.4	Prepare Tonga fieldwork preparation																
2.5	Conduct Tonga fieldwork																
2.6	Analyse Tonga fieldwork data																
<b>3</b>	<b>Country Programme Report and Presentation</b>																
3.1	Draft Report																
3.2	Submit Draft Report (1st July, 2016)																
3.3	Present draft NZ findings																
3.4	Present draft Tonga findings																
3.5	Finalise Report																
3.6	Submit Final Report (15th July, 2016)																

### Dr. David Carpenter – Team Leader

David will undertake field work in New Zealand and Tonga. He will conduct key informant interviews with senior government officials, experts, and other donors. He will analyse all the qualitative data, and assist in the interpretation of the quantitative data. David will be the lead author of the evaluation report and he will facilitate workshops in both Tonga and New Zealand. He will also work with ERG to identify the most appropriate modes of dissemination.

### Mr. David Osborne– Senior Economic Adviser

David will undertake field work in Tonga and New Zealand; he will conduct key informant interviews with officials from key economic ministries in Tonga and from sectoral areas in MFAT. He will undertake an analysis of economic and human development issues in Tonga, review the state of economic governance in the country, and analyse Tonga’s macro-economic performance. David will also undertake economic analysis in key sectors prioritised by New Zealand, such as Tourism and Energy.

### Dr. Taniela Fusimalohi – Senior Policy Advisor (Tonga)

Taniela will support the Team Leader during the field work in Tonga. He will review Tongan government documents, provide policy and political context, conduct key informant interviews and lead focus group discussions where required. He will also contribute to the drafting of the final report. Taniela will also assist with logistics in Tonga and will play an important role in disseminating the finding to GoT stakeholders.

### Dr. Joyce Mafi – Senior Economic Advisor (Tonga)

Dr. Mafi is the former Governor of the Reserve Bank of Tonga. Joyce will assist David Osborne during his meetings in Tonga. She will review Tongan government documents, attend key informant interviews, conduct economic analysis, assist in the dissemination, and provide important political-economic and macro-economic context for the evaluation.

### Ms. Monalisa Tukuafu – Qualitative Researcher (Tonga)

Monalisa will work with Taniela in the conduct of FGD's at the village level, she will identify focus group members, organise meetings, facilitate discussions and translate outcomes into English.

## 3.2 Principles Underpinning this Evaluation

Consistent with the New Zealand Aid Programme Evaluation principles, the evaluation will be 'utility-focused', credible, timely, and relevant. Recommendations will be pragmatic and actionable and presented in a way that promotes learning. The evaluation principles of the New Zealand Aid Programme will be addressed as follows.

### ***Impartiality and independence***

- The ASI evaluation team is independent of MFAT and the evaluation stakeholders, and has no vested interest in the outcomes of the evaluation. ASI and its sub-contractors have not been involved in the implementation of any project under the country programme and have provided no advice that may have informed decision-making
- The MFAT evaluation team has not been involved in the management of any projects or programmes under review
- The MFAT evaluation team is supported by an independent advisor who will review ASI's outputs and provide expert and impartial feedback.

### ***Credibility***

- The findings, conclusions and recommendations will be based on clear evidence presented and documented in a way that allows the reader to form their own views on the validity and reliability of the findings
- Evaluation reports will distinguish between findings, conclusions and recommendations
- The report will be drafted in a way that does not compromise sources, i.e. all key informants will be referred to anonymously and permission will be asked to quote informants directly where this might add value with regards to interpretation
- The evaluation team will manage the evaluation in an open and transparent way, the decisions regarding all aspects of the evaluation will be open to criticism and debate and all data will be made available for further confirmation and analysis if requested.

### ***Usefulness***

- The evaluation findings, recommendations and lessons will be aligned to the situational context of MFAT policy makers and program officers. These outcomes will be tailored to address the strategic, policy and programming challenges faced by these stakeholders and will not be abstract or obtuse in nature.

### ***Partnerships and participation***

- Partner government counterparts, beneficiaries, contractors, CSO groups, other donors, and New Zealand government partners and stakeholders will be invited to participate in the evaluation, through stakeholder interviews and working groups. The results of the evaluation will also be shared with these partners in an appropriate form. The Stakeholder Engagement Plan in Section Four provides more details of this.

### ***Forward planning***

- The findings from this evaluation will be used to improve future planning and policy development, in particular the development of the next wave of country strategies, but also, potentially in other areas, such as modality strategies and thematic focus.

## 3.3 Other Considerations in the Evaluation

### Quality Considerations

The following processes and mechanisms will be employed to assure the quality of the evaluation:

- the evaluation is informed by the Evaluation Brief, the outcomes of extensive scoping meetings, and this evaluation plan, which provides significant conceptual, methodological and operation guidance.
- ASI's quality management processes are ISO9001:2008 and ISO14001 certified.
- ASI has established a team of people to assist in the management of the project and the review of its outputs. Peter McGregor from ASI's Sydney office will support the Team Leader in all administrative and financial aspects of the project. He will oversee the management of all logistical, financial, contractual and administrative issues. He will also report on the progress of the evaluation to the Project Director, Jonathan Pell, who is the Director of ASI's Asia-Pacific Office in Sydney. Mr Pell will review and approve all draft and final outputs before they are sent to MFAT.
- an independent evaluation advisor has been appointed who will peer review all of the technical outputs, he will provide advice directly to the MFAT evaluation management team.
- the Evaluation and Research team within MFAT will review and provide feedback on all technical outputs, they will also share these reports with the Steering Committee and ensure that this broader feedback is incorporated into drafts.
- the Steering Committee's role is to ensure that the evaluation meets quality standards and reflects MFAT's evaluation principles, along with providing advice on content and technical issues.

### Ethical Considerations

The evaluation will be undertaken in accordance with the *Code of Ethics of the Australasian Evaluation Society* and the *Guidelines for Ethical Conduct of Evaluations*. Before evaluation activities commence, members of the management team will confirm that all other team members are aware of the code; and during the evaluation they will ensure that appropriate ethical practices are followed. Ethical practices in accordance with the Code and Guidelines include:

- disclosure of conflicts of interest
- data protection and management of personal information in accordance with the Privacy Act
- consideration of the interests of a range of stakeholders, particularly potential impacts of marginalised groups
- ensuring that participants in the evaluation are provided with clear information about the evaluation and how the collected data will be used, including assurances of confidentiality where appropriate
- discussing findings, particularly negative findings, with relevant partners before presenting them
- being direct, comprehensive and honest in the disclosure of findings and the limitations of the evaluation
- before commencement of interviews, participants will be fully informed of their rights as evaluation respondents through the use of information sheets and a verbal briefing of the project.

## Limitations, Risks and Constraints

Risk Category	Hazard	Consequence	Mitigation / Treatment
Travel	Illness / accident	Injury / incapacitation	Comprehensive medical and evacuation insurance and support from ASI Head Office
	Travel delays	Minimal – may delay submission of reports and require additional days in the field if significant delays are experienced due to bad weather or other mishaps which may occur in the Pacific	MFAT extend deadline for submission of reports if required
Team	Unavailability of team member	Loss of capability within the team - minimal consequence with a team of five over a short-term project	Additional consultants with experience in the Pacific and with the requisite skills can be sourced by ASI as required
Project	Inability to gain access to key informants	A possibility in small island states - would put limitations on data collection, with subsequent impact on analysis and conclusions	Incorporate senior Tongan consultants into the team. Over-sampling where possible. Flexibility in field work scheduling. Follow-up (outside field work) phone calls if required. Interviews by telephone for informants not based in-country
	Disclosure of information	A possibility that some Tongan respondents will not disclose information to Tongan team members	Only the Team Leader and Senior Economic Adviser will be interviewing senior GoT key informants and they will do so alone. Tongan consultants will only be involved in group meetings and FGDs.
	Internal documents not available to the team  Existing reports have insufficient information	Limitation on analysis and possible inaccuracy in reporting  Limitation on analysis and possible inaccuracy in reporting	Comprehensive support from MFAT and partners to identify and source internal documents and information Comprehensive support from MFAT to identify and source internal documents / information

## 3.4 Governance

This evaluation is governed by an MFAT appointed Steering Committee comprising the following individuals:

- › David Nicholson, Director, PAC DEV (Chair)
- › Ingrid van Aalst, Principal Evaluation & Research Manager, DSE
- › Karen Murray, Deputy Director, SED
- › Peter Shackleton, Deputy Director, PHM
- › Samantha Beckett, Policy Officer, PAC
- › Peter Kemp, Deputy Director Vanuatu, PAC DEV

- › Matt Howell, Deputy Director Tonga and Tuvalu, PAC DEV
- › Mikaela Nyman, Acting Principal Development Manager, PAC DEV

The Steering Committee is responsible for the appointment of the evaluation team, providing feedback and approval for this evaluation plan and all reports emanating from the evaluation, and reporting to the Evaluation and Research Board. The MFAT Evaluation & Research Team will be responsible for managing the relationship between the evaluation team, the Steering Committee and other parts of MFAT. The Evaluation & Research Team will manage the contract, ensure deliverables are received in a timely manner and disseminate these to the Steering Committee and working groups. The Evaluation & Research Team will provide technical evaluation advice and will be responsible for informing the Steering Committee of risks that could impact on the evaluation. The evaluation is managed on behalf of MFAT by Elisabeth Poppelwell, Development Manager Evaluation. Elisabeth is responsible for the day-to-day management of the contract, liaising with the Steering Committee and supporting the Evaluation team with strategic, communications, logistical and administrative matters.

## 4 Section Four – Stakeholder Engagement and Communication

The table below presents the stakeholders in this evaluation, outlines their interest and role, and describes the various engagement techniques and modes of dissemination that will be employed to maximise both the utility and uptake of the findings.

Stakeholder	Interest/Role	Engagement techniques	Mode of Dissemination
MFAT Executive	Use of evaluation outcomes in strategy development and policy	Well-structured and timely fact sheets/policy briefs Personalised briefing	Fact Sheets summarising cross case findings Briefing by Team leader and Chair of Steering Committee on high level findings Participation in Evaluation and Research Board meetings
Steering Committee	Governance role approving evaluation outputs	Mandated to approve all outputs and assist in the dissemination of outcomes	Review of all evaluation outputs including evaluation plan, draft report, final report Debrief from Team Leader after field work Participation in provisional findings workshop
MFAT Country Programme staff directly involved in evaluation	Utilisation of findings in strategy development and activity implementation	Working Group formed to provide support with regards to evaluation focus, logistics, communication, documentation, commenting on outputs and incorporating findings into strategy development where appropriate	Participation in key informant interviews, review of evaluation plan, review of draft report and final report, debriefing, participation in provisional findings workshop Debrief from Team Leader after field work
MFAT/NZ government staff not directly involved in evaluation	Utilisation of findings	Production of utilization-focused outputs that align to strategic and operational priorities (e.g. evaluation reports and fact sheets)	Participation in key informant interviews, review of draft and final reports, participation in workshop
Partner Government	Utilisation of findings, providing feedback on NZ aid programme	Letter from MFAT requesting participation Support from Post in raising awareness of evaluation early on Culturally appropriate conduct of qualitative research	Participation in scoping mission, receipt of Aide Memoire, participation in provisional findings workshop, receipt of final report from MFAT, in-country dissemination by evaluation team
Donor partners	Utilisation of findings, providing feedback on NZ-funded	Letter from MFAT requesting participation Support from regional staff in raising awareness of	Receipt of final report from MFAT, in-country dissemination by evaluation team or MFAT officers as appropriate, or presenting results at an appropriate regional

	programmes	evaluation early on Evaluation team contact early on to organise interviews	development forum
CSO groups	Providing feedback on NZ funded programmes, providing contextual information important for evaluation	Evaluation team contact early on to organise interviews NZ government staff to brief relevant CSO's on the purpose of the evaluation	Participation in scoping meetings, receipt of final report from MFAT, in-country dissemination by evaluation team or MFAT officers as appropriate, or presenting results at an appropriate regional development forum
Beneficiaries	Providing feedback on results of NZ funded programmes	Work with Post and local counterparts to identify key beneficiaries early on and engage through local village processes Culturally appropriate conduct of key informant interviews/focus groups discussions	Debrief on findings from village elders/church or CSO representatives
Experts	Provide expert advice on the context of development cooperation	Identify early on and Team leader to contact directly	Receive final report when published on MFAT website

## 5 Appendix A – Evaluation Matrix

Evaluation Questions	Method and Data Sources	Quantitative
	Qualitative	
<i>To what extent has New Zealand's aid delivery in Tonga over the period 2011-16 been of a high quality?</i>	<p>Key Informant Interviews: Category 1 (NZ Government staff directly involved in aid delivery in Tonga, country strategy development, policy formulation and policy dialogue); Category 2 (Senior counterpart government staff directly involved in managing NZ's programmes, development planning, policy development, and policy dialogue); Category 3 (Other donors partnering with NZ or implementing programmes in sectors alongside NZ); Category 5 (Academics and independent experts on aid delivery in Tonga).</p> <p>Document Analysis: Category 1 (Project documents, particularly Activity Design Documents and associated analytical papers, M&amp;E reports); Category 2 (Previous evaluations of ODA-funded programmes bilateral, multilateral, or cross-agency); Category 3 (NZ government strategic and policy documents) Category 5 (Academic literature on aid effectiveness in Tonga/SIDS)</p>	Proliferation and fragmentation analysis
<i>To what extent has New Zealand's development cooperation in Tonga over the period 2011-16 been effective, and how sustainable are the results of this cooperation?</i>	<p>Key Informant Interviews: Category 1 (NZ Government staff directly involved in programmatic decisions, country strategy development, policy formulation); Category 2 (Senior counterpart government staff directly involved in managing donor programs, policy development in human and economic development, and M&amp;E ); Category 3 (Other donors partnering with NZ or implementing programs in sectors alongside NZ); Category 5 (Academics and independent experts with knowledge of pressing development needs in Tonga and New Zealand's contribution thereto).</p> <p>Document Analysis: Category 1 (Project documents, activity and program level M&amp;E Frameworks; Category 2 (Previous evaluations of ODA-funded programmes bilateral, multilateral, or cross-agency); Category 3 (NZ government strategic and policy documents, country economic and political analysis); Category 4 (Grey literature from multilateral partners on pressing development needs, priority sectors, performance of GoT); Category 5 (Academic literature on economic and human development challenges in Tonga, governance constraints in Tonga)</p>	Analysis of development indicators
<i>How can New Zealand better deliver its development assistance in Tonga over the medium term?</i>	<p>Key Informant Interviews: Category 1 (NZ Government staff directly involved in aid delivery); Category 2 (Senior counterpart government staff directly involved in managing donor programmes); Category 5 (Academics and independent experts with knowledge of aid delivery and development challenges in SIDS)</p> <p>Document Analysis: Category 4 (Grey literature in quality aid delivery in SIDS); Category 5 (Academic literature on quality aid delivery in SIDS)</p>	Proliferation and fragmentation analysis
<i>How can New Zealand's aid programme foster sustainable economic development in Tonga?</i>	<p>Key Informant Interviews: Category 1 (Experts and senior staff from MFAT involved in strategic policy development ); Category 2 (Senior decision makers in the Tongan government); Category 5 (Academics and independent experts with knowledge of pressing development needs in Tonga and New Zealand's potential contribution thereto)</p> <p>Document Analysis: Category 3 (NZ government strategic and policy documents, country economic and political analysis); Category 4 (Grey literature on pressing development needs, priority sectors); Category 5 (Academic literature on economic and human development challenges in Tonga).</p>	Analysis of development indicators



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