



SECRETARIAT OF THE PACIFIC COMMUNITY

**FORTY-FOURTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**
(Noumea, New Caledonia, 4–7 November 2014)

**AGENDA 6: CORPORATE AGENDA FOR CHANGE: DEVELOPMENT EFFECTIVENESS,
RESULTS AND RESPONSIVENESS**

**AGENDA ITEM 6.1: ENHANCING PROGRAMME EFFECTIVENESS AND
IMPACT/DEVELOPMENT EFFECTIVENESS**

(Paper presented by the Secretariat)

SUMMARY

Please note: This session will be an experimental interactive session for CRGA. This will include CRGA representatives and their delegations being arranged into smaller groups to discuss some of the issues in this paper. They will then provide feedback on the results of their discussions to the larger CRGA.

RECOMMENDATIONS

1. **CRGA is invited to provide recommendations in response to the following questions:**
 - i. **SPC's corporate agenda for change.** Referencing the diagram on page 4 of this paper entitled '**Some key areas for corporate action**' and based on the Director-General's report, the Programme Results Report and this paper, are there any priority areas you think are missing and that SPC's executive should focus on? (Note that during the interactive session there will be the opportunity to clarify any areas on the diagram.) Do you feel SPC is on the right track to deliver higher-quality services to your country/territory and the region?
 - ii. **SPC's move towards an integrated programming approach.** As SPC takes this direction, sector projects will further take into account issues relating to other sectors (such as agricultural projects considering the impact of runoff on coastal fisheries, youth employment opportunities, trade etc.). SPC will work more on critical multi-sector development challenges such as non-communicable diseases (NCDs), climate change etc. Recognising country governments are traditionally structured on sector lines (as is SPC), you will be asked for recommendations regarding how SPC could best engage countries on multi-sector issues as it starts planning its new country programming approach. For example, how should SPC and members structure their relationship to work more effectively together?
 - iii. **New Programme Results Report and country reports:** During this session you will be asked to what extent these reports meet your needs, and how they can be improved in future years.
 - iv. **SPC expenditure on monitoring, evaluation and learning:** SPC estimates it currently spends less than 2% of programme budgets on monitoring, evaluation and learning (MEL), whereas international recommended good practice to ensure quality and impact is to spend around 5%–7% on MEL. However, while spending more on MEL is critical when striving to ensure quality and impact, this will involve a trade-off as SPC will be more limited in the scope and breadth of work it does. In reflecting on this, and on SPC's role in the Pacific, you will be asked which one of the following options SPC should adopt:

- a. **Keep the same scope and breadth of work and accept limited progress on quality, learning and impact:** No change to resources allocated to MEL to enable SPC to maintain its current scope of technical work, accepting that MEL progress will be limited in its potential for improving quality and effectiveness.
 - b. **Increase focus on quality, learning and impact – in the medium and long term:** Where possible and in new project designs, increase the programme budget for MEL to 5%–7% to bring a strong focus on quality and effectiveness, recognising this may result in a reduction in the breadth or scope of technical work SPC undertakes in areas where performance in terms of quality, learning and impact is weak.
 - c. **Middle ground but rapid implementation of MEL:** Immediately increase spending on MEL to around 4% of current programme budgets (adjust staff time across SPC where programme funding is not transferable). In new project designs increase the programme budget for MEL to 4%–5% to bring an immediate focus on MEL and lessen the potential impact on breadth and scope of technical work.
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ENHANCING PROGRAMME EFFECTIVENESS

2. Following the 2012 Independent External Review, the SPC Corporate Strategic Plan (2013–2015) emphasised the importance of an increased focus on development outcomes and results and of doing business differently. The Plan identified the following organisational goals intended to improve SPC's capacity to deliver results towards key development outcomes:
 - Prioritising services and approaches with the largest potential impact;
 - Improving partnership with island members, refining the approach to joint country strategies, and tailoring services to the needs of small island states;
 - Increasing results-focus in planning, monitoring, evaluation and accountability;
 - Institutionalising a learning approach to facilitate continuous improvement and innovation;
 - Strengthening the focus on larger, more cohesive, priority-oriented programmes;
 - Developing more cohesive multi-sector approaches to create greater impact and effectiveness;
 - Fostering action-focused collaboration with worthy partners for more effective service delivery;
 - Establishing long-term partnerships with members, donors and the agencies making up CROP (Council of Regional Organisations in the Pacific) to deliver regional and 'subregional' public goods;
 - Improving the capacity of SPC's support services and governance structures.
3. Starting early 2014, under new leadership, SPC has focused on many of these priorities. As this work progresses, learning and experience will feed into the design of the next Corporate Strategic Plan, which will take effect in 2016. The new Plan will be developed with members (starting in late 2014) and is intended to be presented for final endorsement at CRGA in November 2015. A summary of progress towards these priorities is provided in the Programme Results Report. It demonstrates how we are starting to do business differently and realise early gains from these improvements.
4. This paper highlights in particular progress achieved towards goals relating to enhancing programme effectiveness and impact. Reports on progress in improving SPC's support services and governance are presented in separate papers to CRGA.

Overall approach to SPC's work programme – in pursuit of greater development effectiveness

5. In early 2014, SPC's Senior Leadership Team defined *some key areas for corporate action* (see diagram in this paper) to set out how SPC would start to do business differently and the priority areas of work. This included clarifying SPC's vision and purpose (*what* SPC will do), *how* SPC will achieve impact and enhance its effectiveness and the organisational development priorities required to support SPC's future work programme.
6. In line with the Corporate Strategic Plan, SPC aims to be an organisation known for excellence, relevance and innovation in delivering technical and scientific advice and applying it in the Pacific context to support members to achieve real development outcomes.

'Our responsibility will not stop at producing good science and technical advice – we must ensure that it makes a difference in people's lives. Our comparative advantage lies in how we actually apply knowledge to achieve development outcomes. This includes the way we work with members and formulate integrated programmes to tackle development challenges by marrying scientific and technical knowledge with a deep understanding of the prevailing operational development context.'

Colin Tukuitonga, SPC Director General, Letter to SPC Staff (May, 2014).

Some key areas for corporate action (June 2014)

Programme Direction and Content ("What")		Programme effectiveness ("How")	Organisational Development
Implementing an integrated programming approach		Responding to integrated development challenges vs addressing discrete sectoral issues	Establishing an effective Resource Mobilisation capacity <ul style="list-style-type: none"> Strategic Communications and Advocacy Fundraising
Attributes of the integrated programming approach		Adopting an enhanced project development process (identification, formulation and design)	
Focus and coherence Relevance and quality Knowledge management and Innovation Partnerships Contextual and economic analysis Environmental impact assessment Realise opportunities to project globally the Pacific development agenda		Creating enabling conditions for strengthened monitoring, evaluation and learning	Improving Governance <ul style="list-style-type: none"> Members Governance Review
Rationalisation of portfolio areas:		Developing a new country programming process (ex JCS)	Human Resources <ul style="list-style-type: none"> Leadership/management development Staff professional development Revamped policies & Performance management Health and medical insurance Staff security and business continuity
Mainstreaming social development: Gender Rights Youth Culture			Financial Management <ul style="list-style-type: none"> Financial information Budgeting process Full-cost-recovery Financial regulations Foreign management
Ensure coordination of Climate Change/DRM		Strengthening reporting on impact and results to be more development outcomes focussed (donors, CRGA and broader audience)	Offices/Field Presence <ul style="list-style-type: none"> Facilities in Suva & Noumea Representation in PICs, Brussels, Washington etc
Developing a compelling flagship initiative		Implementing an NCD programme	ICT <ul style="list-style-type: none"> IT and communications
Change Management			

7. There has been increased recognition, internationally and within SPC, that development issues such as non-communicable diseases, resilience to climate change and disasters, or the challenges of economic growth in remote island communities are complex and multi-dimensional. As such, they cannot be solved by single sector approaches alone. Technical and scientific knowledge is crucially important in informing the approach to these development challenges, but the response must also incorporate other considerations and variables (e.g. economic, social, environmental, context-specific) from other sectors, approaches and perspectives. As such, 'doing business differently' means moving SPC from a predominantly project-based sectoral approach to an integrated programming approach. This will ensure SPC's support to members is relevant and adequate as they seek to address their critical development issues.
8. The programming approach further calls for a systematic and rigorous process of project/programme formulation, design, implementation, evaluation and learning. This quality assurance in the identification and development of new projects/programmes is in line with donor expectations and recognised good practice in the field. In addition, this process seeks to recognise and identify the broader socio-economic context in which the project takes place, strategic priorities at country level, opportunities for adding value through integration, connections to key development challenges and outcomes, complementarity with other development actors, and likely resources and opportunities. The programming approach will also be useful to identify links between national and regional development challenges and help define the level at which SPC's work will have the most impact. In short, this process will help SPC maximise development outcomes for our members and make best use of funding opportunities that may exist. The programming approach is being initially tested and refined through the development of an integrated programme to address NCDs in the Pacific and SPC's emerging programme with the 11th European Development Fund (EDF 11), which is likely to exceed EUR 100 million and be implemented between 2016 and 2022.
9. That SPC divisions, government departments and donor funding streams are predominantly structured along sectoral lines poses a challenge for SPC, members and donors in implementing or supporting this integrated programming approach. Open dialogue and engagement with staff, members and development partners, combined with new processes, skills and structures is being developed to enable a more integrated approach to be implemented in practice. This is work in progress.
10. Part of this challenge is developing a new approach to working with members. In the past, SPC used a joint country strategy (JCS) process with each member to define and implement a common work programme. As agreed at CRGA 43 in 2013, this approach is to be reviewed, leading to the development of a new country programming process. The objective of the review is to improve the relevance, quality, delivery, and efficiency of work SPC does to support each member. This review has incurred some delay due to resources and timing, and it is now expected it will occur in early 2015. The process seeks to be highly inclusive, incorporating the greatest possible participation of country members and key SPC staff.

MANAGING FOR DEVELOPMENT RESULTS: IMPROVING PLANNING, MONITORING, EVALUATION AND LEARNING (PMEL) CRITICAL TO SPC'S CORPORATE REFORM AGENDA

11. Improving planning, monitoring, evaluation and learning (PMEL) is a critical part of SPC's corporate reform. It enhances the results and impact of SPC's work through examining whether SPC is doing the right thing, in the right place, at the right time to make the most difference for Pacific Island communities. It also improves SPC's accountability to its partners through demonstrating development effectiveness, value for money, visibility and opportunities for improvement. As programme planning has been already discussed as part of the programming approach, this section focuses on the MEL aspects.

Progress in strengthening MEL to date

12. An independent review of SPC's MEL was undertaken in late 2013 with support from Australia. The review noted that MEL processes were steadily strengthened across SPC in 2012–2013, with achievements reported at CRGA in 2013, including the increased results focus in the new Corporate Strategic Plan, new divisional plans, and country reports. At the same time, the review recognised that SPC still faces significant challenges in advancing MEL due mainly to resource constraints and a tendency towards project-focused, activity-based reporting, with inadequate attention given to assessing outcomes achieved and lessons learnt across SPC programmes. The review recommended some priorities for strengthening SPC's MEL. These are listed below along with progress achieved to date:
 - a. **Develop and institutionalise SPC-wide MEL systems and processes that enhance accountability to members and meet the needs of donors.** This has commenced as part of the new corporate reform agenda to improve development effectiveness. It includes institutionalising a new 'programme appraisal process' that systematically incorporates PMEL from programme design through implementation. To promote sharing and discussion of SPC's key contributions towards Pacific development outcomes, challenges and lessons learned, a new cross-divisional results workshop was trialled over two days this year with active participation by 45 senior management staff representing all divisions. Positive feedback was received about the value of the workshop in facilitating cross-divisional sharing, discussion and learning. This workshop will be established as a regular event in SPC's internal MEL process. Other learning events continue to be held frequently to share information across SPC (with 13 sessions held in 2013 and 8 from January to July in 2014).
 - b. **SPC reporting to CRGA: As part of (a) above, agree and initiate processes for annual reporting against the SPC Corporate Strategic Plan, including streamlining the number of CRGA reports and improving coherence in reporting against organisational priorities, results and impact.** This recommendation has been fully implemented this year as evidenced by the presentation of the new Programme Results Report to CRGA. This was a key outcome from the cross-divisional results workshop described above.
 - c. **CRGA country reports: Agree and initiate processes for producing annual country reports in a more efficient manner, which includes opportunities for PICTs to provide feedback.** This has also been implemented as evidenced by the 22 country reports to members distributed at CRGA this year. The reports include feature stories and summaries of training and activities completed across all programmes. This improves on the process started last year by providing opportunities for countries to provide input into the preparation of the feature stories and to review their complete draft report before it is finalised.

Priorities for the year ahead

13. While there have been improvements in the area of reporting, progress in monitoring, evaluating and improving programme quality and impact remains limited due to the low MEL capacity at SPC. Over the next year, SPC will focus on the following priorities:

- a. **Increasing MEL capacity within SPC divisions:** While general donor guidelines recommend that approximately 5%–7% of programme budget be allocated for monitoring and evaluation,¹ few projects in SPC currently budget adequately for MEL. SPC estimates it currently invests less than 2% of programme budgets on MEL. To date, two of the seven divisions have recruited an MEL adviser. In most divisions, there is limited capacity to gather, review and synthesise information needed for programmatic and results-focused monitoring, evaluation, learning and reporting.

The Strategic Engagement, Policy and Planning Facility (SEPPF) has only two full-time positions to provide corporate leadership and coordination of MEL. Due to the low MEL capacity in divisions, the SEPPF MEL staff have focused their time on supporting divisions in gathering and reviewing information for organisation-wide reporting (e.g. country reports and Programme Results Report presented at CRGA). As such there is less time available to facilitate organisation-wide, cross-divisional evaluations, learning and improvement. Plans for working with island members through a more rigorous, participatory assessment of the difference SPC is making at national level and the lessons learned and opportunities for improvement have been delayed.

One of SPC's key priorities is to improve cost recovery within donor-funded projects to increase funding for essential processes such as MEL. However, at a time of funding cuts, this will be a significant challenge as divisions focus on retaining core programme staff and reduce 'additional' costs such as MEL costs. Therefore, resource constraints might mean that in order to improve the *quality and impact* of SPC's work, a trade-off might be required in terms of limiting the *scope and breadth* of activities that SPC undertakes (particularly in areas where quality, learning and results are found to be weak). CRGA is invited at the end of this paper to provide feedback on how SPC should best tackle this trade-off.

- b. **Update of SPC's PMEL policy and tools** (draft) by early 2015 to incorporate the recommendations of the 2013 review and the new reporting processes and products trialled in 2014.
- c. **Review, agree needs and roll out management information systems (MIS)** designed to improve tracking and reporting of SPC work across programmes and countries and territories. Information across all SPC programmes has now been entered into SPC's new MIS called IRIS (Integrated Reporting Information System), enabling easier tracking and reporting of work SPC is implementing in different countries/territories. Progress has been slow because limited supporting resources have been available. A dedicated IT developer was recruited in January 2014 (with two years of funding from Australia) to focus on improving the efficiency of the system. The focus for the year ahead will be to align this system with the upgraded corporate finance system being rolled out in January and to embed the system in SPC's processes and policies to support integrated programme planning, monitoring and reporting.

¹ For example AusAID Monitoring and Evaluation Standards (2013), International Federation of the Red Cross Project, Better Evaluation, UNDP etc.

Recommendations

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