



An Approach to Impact-Oriented Programming, Implementation, Monitoring and Evaluation

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1. Setting the context

1.1 Background

Since the 1990s, there has been a growing public interest in the performance and long-term impact of the work and interventions of civil society organisations (CSOs) working in the humanitarian and development sectors. The debate was nourished by the stronger visibility of CSOs, the growing amount of development funds channelled through them, as well as a number of failed interventions, such as the response of the international community to the genocide in Rwanda. The debates revolve around the quality of development aid, the effectiveness and accountability of development actors and the impact of the aid sector as a whole.

International stakeholders in development cooperation have been working to reshape the global aid architecture and to improve practices in delivering development aid. To this end, governments and donors have adopted the Paris Declaration on Aid Effectiveness in 2005 which is intended to “increase the impact of aid [...] in reducing poverty and inequality, increasing growth, building capacity and accelerating the achievement of the MDGs.”

Among CSOs, there is broad recognition of need to become more effective development actors, to maximise their contributions to development impact – the lasting or significant changes in the lives of the people that they work with. Consequently, the CONCORD working group on CSO development effectiveness committed to investigating the concept of impact and how European CSOs take this concept into account in their practices.

In December 2004, a multi-stakeholder seminar in Paris addressed the question of how the effects and impacts of interventions can be better measured to evaluate development aid¹. The seminar formulated a number of recommendations. In light of current discussions among CSOs on development effectiveness i.e. in the Open Forum for CSO Development Effectiveness it is now timely to take the issue up again.

In 2008, the multi-stakeholder Advisory Group on Civil Society and Aid Effectiveness recommended the “adoption of a more meaningful approach to results that includes greater attention to indicators of

¹ “Evaluation, Capitalisation and Assessment of Impact to Promote Quality of Actions and Political Dialogue between Development Actors”. Seminar in Paris on 9 and 10 December 2004.

institutional and social changes and sex-disaggregated data of importance to CSOs operating as agents of change.”²

1.2 Objectives

The objectives of this paper are:

- to generate a common understanding among European humanitarian and development CSOs of the concept of impact
- to provide pointers for European CSOs to enhance their approaches and systems for impact-oriented programming, implementation, monitoring and evaluation, including by providing recommendations for CSOs and EU donors
- to provide recommendations to the European Commission (EC) and the member states of the European Union (EU)
- to feed into the international debate on how to improve aid for enhanced development impact

1.3 The purposes of addressing impact

For CONCORD, development is a process that leads humankind towards “a world in which poverty and inequality have been ended; in which decisions are based on social justice, gender equality and upon our responsibility to future generations; where every person has the right to live in dignity, on an equal basis, free from poverty and sustainably”³.

Development aid must contribute to people’s development and social transformation of societies and communities. Development actors need to define clearly the type of development and the type of positive changes they aim at contributing to through their interventions. Development impact is achieved by the combined effect of multiple interventions by multiple stakeholders engaged in the development process. Defining and evaluating impact is therefore an opportunity for a multi-stakeholder political reflection regarding the kind of changes and development these actors aim for.

From a CSO perspective, the responsibility to demonstrate effectiveness and impact of their interventions is rooted in their direct accountability to the people they are working with and for. Any envisaged impact must be inspired by and measured against common globally agreed principles guiding development effectiveness.

Impact-focused monitoring and impact evaluation serve several specific purposes:

- They provide quantitative and qualitative evidence on impact or contribution to impact, to inform future programme and project design and implementation. Disclosing evidence of positive and negative, intended and unintended impact is important because it offers a chance for all to learn from successes and failures and to improve practices within and across organisations.
- They help reinforce accountability and credibility towards recipients, CSOs’ constituencies, donors, partners and the public at large.
- They can be designed as tools for strengthening ownership and empowerment of partner organisations and rights-holders, by giving them space to define their own impact indicators and voice their own concerns and points of view regarding the development they seek.
- They offer spaces for political discussion on the objectives of development, leading to a reflection on the relevance, sustainability and effectiveness of actions.

² Advisory Group on Civil Society and Aid Effectiveness (2008): Synthesis of Findings and Recommendations.

³ CONCORD Strategic Framework 2009-2015

1.4 Disclosing results - showing accountability

While improvements can be noticed, some CSOs still have a tendency to shy away from disclosing results of impact and other evaluations, for instance because the actual results of CSO actions may have been below the expectations of donors and other stakeholders. There has been a vicious circle, fuelled by the rules of the highly competitive environment for CSO funding. While CSOs themselves may have nourished unrealistic expectations in order to attract funds, donors and the public have set objectives that have gone beyond what is realistically possible, or, on the other hand, objectives that are not relevant for the target group. This has led to an environment in which CSO development effectiveness is measured against completely irrelevant, unrealistic and arbitrary benchmarks.

In order to break out of this vicious circle, CSOs have increased their efforts to define common principles of development effectiveness and communicate better about their operating and political environment, their capacities and about what they can realistically be expected to achieve. Such efforts include the creation of the Open Forum for CSO Development Effectiveness, the continuous advocacy of the CONCORD working groups (i.e. the groups on CSO development effectiveness or funding for development and relief), as well as the growing number of evaluations, charters, collective codes of conduct and other self-regulating mechanisms that CSOs have adopted and implemented over the recent years.

1.5 Milestones

A number of events and processes have influenced the debate on how development aid can be improved for enhanced impact:

- Humanitarian impact and accountability initiatives at the end of the 1990s: The events that occurred in Rwanda provoked deep thought and marked a turning point in humanitarian action. Following the 1997 multi-agency evaluation of the emergency assistance to Rwanda, the humanitarian community launched several cross-agency initiatives which aim to promote accountability, quality and performance of actions. These include the Active Learning Network for Accountability and Performance in Humanitarian Action (ALNAP), the Humanitarian Accountability Partnership International (HAP-I), People In Aid and Sphere. The processes that gave rise to these initiatives were extraordinarily collaborative, involving humanitarian agencies and hundreds of thousands of staff among donors, CSOs, the Red Cross and Red Crescent societies, the UN and academics.
- Seminar "Evaluation, Capitalization and Assessment of Impact to Promote Quality of Actions and Political Dialogue between Development Actors" in 2004 in Paris: This seminar was organised jointly by the EC, the EU Member States and CONCORD in the context of the first EU Quadriologue (Palermo-I process). The seminar explored the relevance of impact in "the new paradigm of cooperation" which implies new roles for development actors, and especially more empowerment of actors in partner countries. The seminar defined a set of principles for improving the evaluation, capitalisation⁴ and assessment of impact. It also formulated several recommendations for the short-term political agenda and for mid-term operational changes. Among them was the recommendation to set up an independent service or forum on the capitalisation and multi-stakeholder evaluation of impact. One of

⁴ Capitalisation refers to the process of using lessons learned from different experiences, for improving existing practices or policies.

the activities of such a forum would be to carry out thematic or geographical studies on impact. The “Structured Dialogue for an Efficient Partnership in Development” (Quadrilogue process) is an opportunity to revisit these recommendations and revive the dialogue on impact among all the concerned stakeholders.

- Paris Declaration on Aid Effectiveness (2005) and Accra Agenda for Action (AAA, 2008): CSOs had almost no space to contribute to the High-Level Forum (HLF) on Aid Effectiveness in Paris. The resulting Paris Declaration reflects primarily donor and government priorities. CSOs have criticised the Declaration’s narrow concept of aid effectiveness, which focuses on aid delivery and technical and management issues. The AAA continues to build on the same standards, and the Development Assistance Committee at the OECD still seems to have a monopoly over definitions, notably the definition of impact.

CSOs advocate for a shift towards a more holistic and people-centered approach evolving around the concept of development effectiveness. Development effectiveness means that the actions, assistance and policies of the multiple actors in development concur to achieve positive development impact, including poverty alleviation, realisation of human rights, sustainable growth and gender equality. The notion of impact lies at the heart of concept of development effectiveness. It is hoped that the next HLF in South Korea in late 2011 will take into account this CSO perspective.

- The Open Forum for CSO Development Effectiveness (2008-2011): While questioning the direct applicability of the Paris Declaration to CSOs, CSOs acknowledge that there are important challenges to their own effectiveness. In the Open Forum, CSOs seek to define a shared global framework to guide, frame and facilitate their efforts to enhance effectiveness. The proposed framework will include principles, implementation guidelines for the agreed principles, possible accountability mechanisms, indicators and minimum standards for an enabling environment. The abilities of CSOs to contribute to sustainable change, and their capacities to demonstrate their contributions, are at very heart of the Open Forum agenda.

1.6 What is the development impact of CSOs?

CSOs have development impact when they empower people and organisations in the fight against poverty, the promotion of human rights and democracy. Their added value as development actors lies in their independent, autonomous and non-governmental and non-for-profit nature, as well as in their capacities to reach the most marginalised and poorest people and communities.

More specifically, CSOs ...

- empower citizens for critical engagement in development issues;
- carry out advocacy work to ...
 - o change global power relations
 - o put pressure on governments international organisations and the private sector to implement and respect human rights
 - o overcome the donor–recipient divide;
- build cross-sectoral, cross-border and global alliances for development results;
- seek to build complementarities and synergies between different development stakeholders; and
- provide specific services and capacity building programmes in various development sectors.

CSOs as development actors are agents of social change. They cannot be separated from the question of active citizenship and people’s participation in their own development, and from the related questions of social

justice and solidarity. CSOs have specific development impact by building citizens' awareness of their rights, building citizens' capacities and creating opportunities for them to participate in CSOs, organising local development initiatives, and collaborating with CSOs and social movements to advocate and claim rights nationally and globally. CSOs are a fundamental building block of a democratic political culture and a functioning state. CSOs are critical in enabling poor and marginalised people to hold their governments and donors to account and to participate in decision-making about public resources and development policies and programmes. CSOs are also important service deliverers, providing job opportunities, training and education to people.

CSOs need an enabling legal, political, cultural, administrative and funding environment to have development impact. Unless the broader environment responds to the needs and priorities of CSOs, efforts by CSOs to maximise their contributions to development as well as their accountability will continue to be undermined.

2. The concept of impact

This section explores the concept of impact, looking at current definitions and their limitations, the different levels at which impact can be analysed, and the different objectives that impact analysis can have within the development and humanitarian sectors. Beyond the technical difficulties involved in its definition, our understanding of impact also depends on who is evaluating it, what is being evaluated, and why.

2.1. A Common vision of CSOs rather than a single definition of impact

The most commonly-used definition of impact within the development sector is provided by the OECD/DAC: According to this definition, impact refers to "the positive and negative, primary and secondary, long-term effects produced by a development intervention, directly or indirectly, intended or unintended" (OECD/DAC 2002:24). A variety of other terms (outcomes, results or effects) are often used interchangeably, which creates confusion. The OECD/DAC attempts to clarify these concepts to reduce terminological confusion (box 1).

However, according to CSOs, the OECD definition of impact, which focuses on effects, is too narrow and remains incomplete. Contributing to positive impact is the *raison d'être* of CSOs. By putting the emphasis on impact, CSOs link their interventions with their core missions and values. This allows a shift from a project-based approach (that focuses on direct results and outputs) to a strategic approach that implies a broader view of the intervention and of its mid-term and long-term effects on people's lives.

For CSOs working in the development sector, the Millennium Development Goals (MDGs) are an established, and politically agreed framework for defining impact. Indeed, when considering impact, development CSOs look at their interventions from a broad perspective that includes economic, social, gender, political and

Box 1: A glossary of terms

Attribution: The ascription of a causal link between observed (or expected to be observed) changes and a specific intervention.

Base-line study: An analysis describing the situation prior to a development intervention, against which progress can be assessed or comparison made.

Beneficiaries: The individuals, groups, or organisations, whether targeted or not, that benefit, directly or indirectly, from the development intervention.

Effect: Intended or unintended change due directly or indirectly to an intervention.

Impact: The positive and negative, primary and secondary, long-term effects produced by a development intervention, directly or indirectly, intended or unintended.

Outcome: The likely or achieved short-term and medium-term effects of an intervention's outputs.

Outputs: The products, capital goods or services which result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.

Results: The output, outcome or impact (intended or unintended, positive and/or negative) of a development intervention.

Source: OECD DAC, 2002

cultural dimensions; taking into account other actions and actors, the role played by the overall environment and how they commonly contribute to positive and lasting changes, bearing in mind that the impact CSOs want to achieve through their development work should target the root causes of injustice, inequality and poverty.

Humanitarian and environmental CSOs may adopt a slightly different meaning of impact. A key distinction resides in the difference between the end condition (what happened), and what would have happened had the intervention not taken place. For humanitarian aid, the primary aim is often to avert negative change (for example preventing famine or saving lives). For the environmentalists, it is often about avoiding the disappearance of species, fauna and flora and change people's attitude vis-à-vis their environment.

Oxfam accordingly defines impact as lasting or significant change in people's lives. And to include the notion of impact as perceived by the environment community, the definition may add people's lives and their environment.

Based on the OECD frame an attempt to a complete definition of Impact would be:
"The positive and negative, primary and secondary, long-term and/or significant effects in people's lives and environment produced by several interventions, directly or indirectly, intended or unintended".

Consequently, the understanding of impact may be seen in relation with the Theory of Change⁵ which today is widespread among evaluation practitioners. The Theory of Change is considered a blueprint of the building blocks needed to achieve the long-term goals of a social change initiative⁶, including identifying events or conditions that may affect the achievement of outcomes, assumptions about causes and effects, and assumptions about the broader context – the environment in which the intervention operates⁷.

According to CSOs, finding the most appropriate generic definition of impact is not of crucial relevance. It seems more relevant to define impact case by case according to a set of criteria and common, globally agreed principles. Impact is, with rare exceptions, produced collectively, by a number of development actors. Each context is different, each stakeholder or actor has a different perspective on its expected contribution to impact, depending on its position and interest.

It is crucial to define the targeted impact together with local partners, beneficiaries and other relevant stakeholders, including local or national authorities, the population, donors etc. Section 2.2 provides a number of criteria or principles that should be applied in this process.

2.2. Principles for defining and evaluating impact

In this section, we are trying to capture some essential elements of what should constitute impact.

- Impact is a 'lasting or significant change'

⁵ Kusek, Jody Zall, and Ray C. Rist, 2004. Ten Steps to Building a Results-Based Monitoring and Evaluation System. Washington, DC: World Bank

⁶ ActKnowledge and Aspen Institute, 2003. Theory of Change. Roundtable on Community Change. www.theoryofchange.org

⁷ Linda G. Morra Imas and Ray C. Rist, 2009, The Road to Results - Designing and Conducting Effective Development Evaluations. Washington, DC: World Bank

Impact refers not only to the question “what changed” but must be deepened into “what has changed, how important are those changes for the people and communities affected by them, and how sustainable they are: what are the conditions for those changes to be long-lasting?” The different stakeholders must make an attempt to weigh or classify the different observed changes. In this context, the timeframe within which impact emerges may be different according to the context. Impact becomes visible depending both on the goals and objectives of the intervention and on the wider context.

With this in mind, it is obvious that impact also refers to immaterial changes, i.e. in the areas of empowerment, good governance or social transformation in general (transformation of development models, emergence of new social actors).

- Impact is about ‘intended and unintended’, ‘positive or negative’ changes in people’s lives

Impact not only refers to the direct effects on intended beneficiaries. Actions of development actors have also unintended effects that were unforeseen in the planning phase of the intervention. These unintended effects can be positive or negative, and become visible during the implementation phase of an intervention.

The ‘do no harm’ concept highlights the complexity of the interactions between humanitarian and development organisations on one side and the local environment on the other, and points to potentially negative impacts that need to be considered and prevented.

Development and humanitarian CSOs have to do an effort to better analyse already in the planning phase plan how a particular intervention can yield positive or negative effects. CSOs must also be aware that any change can be positive for some and negative for others. Development is therefore a political process, and CSOs must be aware of their role in this political process.

- Impact is multi-dimensional

Impact cannot be only defined as being the last point of a linear causal chain that starts with ‘outputs’, ‘outcomes’. According to CSOs, development impact is more complex, because it is achieved by the combined effects of various actors in a society or community. This needs to be kept in mind by CSOs when defining the objective of their intervention and when evaluating their contribution to an achieved development impact.

The multi-dimensional nature of impact also means that different effects by different interventions can neutralise, support or undermine each other. I.e. results from projects or programmes for poverty reduction can be undermined by the negative effects of a macro-policy environment that is not conducive to poverty reduction and empowerment.

- Impact must be evaluated through a multi-stakeholder approach

Development impact is achieved by multiple development interventions by multiple actors. Therefore, it has to be evaluated jointly by the diversity of different actors (both from North and South) that have intervened in a given context. Joint impact-focused monitoring and joint impact evaluations should be promoted and organised with the participation of CSOs, beneficiaries (local communities, target population...), Southern authorities and other relevant actors. Accountability for impact is shared among all actors, while each organisation has a responsibility to demonstrate its contribution to the achieved impact.

- Impact and the notion of ‘contribution’

CSOs are often tempted to seek to establish causal connections between an observed impact and their interventions. The attempts of ‘attributing’ impact (or parts of it) to specific actors (other than the community) threatens and often contradicts the notion of democratic ownership of development processes.

Instead of trying to ‘attribute’ impact to specific interventions, CSOs have to ask how a specific contribution or action has added value to the overall development process. The links between an action and development impact must be established based on evidence, be it direct or indirect. This way, CSOs may be able to draw lessons and engage in a capitalisation process.

3. Impact-focused monitoring and impact evaluation: Challenges faced by CSOs

Instead of focusing on stand-alone impact evaluations, it is more important to set up monitoring and evaluations (M&E) systems that are impact-oriented. In addition, great attention must be paid to systematically using information relating to impact to inform decision-making, learning and quality management processes. Therefore, in addition to impact-oriented M&E systems, an impact-focused learning infrastructure needs to be set up, to ensure that M&E results are actually used and fed back into the organisation.

3.1 Challenges relating to methodology

Monitoring and evaluating impact proves to be challenging due to a number of complexities. There is a multiplicity of approaches and methodologies in impact-focused monitoring and impact evaluation. Our objective is not to propose a one-size-fits-all solution, but to raise awareness of the large possibilities, and of the challenges faced by CSOs:

- Whichever methodology is used, consideration of the context remains extremely important. The full participation of beneficiaries, partners, local communities and stakeholders is crucial: they have to actively participate in the definition of the objectives of impact-focused monitoring or impact evaluations and promote their vision of the intended impact of the policies, programmes and projects. This implies also capacity building in the areas of monitoring and evaluation and training in impact evaluation for those actors⁸.
- A multi-stakeholder and contextualised approach should be used not only to define ‘impact’, but also to monitor and evaluate the commonly defined and understood impact. Impact evaluation cannot be used to evaluate the ‘impact’ of one given project. Impact evaluation addresses a combination of actions in a given environment, undertaken by different actors. Therefore, joint multi-stakeholder impact evaluations should be promoted. They reinforce collaboration and partnership among actors in the area and provide information about complementarities and coherences of the action.
- Impact evaluation should not only focus on the envisaged or obtained impact but also on the theory of change and the development process as such. The way the process unfolds can have very significant influences on the empowerment of communities and people, and hence contribute to development impact.

⁸ See AAA, paragraph 15c on efforts focused on country-led Evaluations: “Developing countries and donors will jointly assess the quality of country systems in a country-led process using mutually agreed diagnostic tools. Where country systems require further strengthening, developing countries will lead in defining reform programmes and priorities. Donors will support these reforms and provide capacity development assistance.”

- The sector of intervention (advocacy work, development education, development projects in the field, humanitarian response or work of national platform), the availability of data and the scope of the evaluation (in terms of duration, geographical and thematic areas) are essential factors in the choice of a methodology.
- Quantitative and qualitative methods are complementary. Quantitative approaches are particularly interesting for large scale projects. They lend credibility to results because their methodologies are driven from clinical methods. However, since they tend to be expensive, the benefit of doing a study based on this methodology should be equally important. In studies based on quantitative methods, reference groups (e.g. experimental design) must be used in order to compare results with or without intervention. Hardly is the reference/comparison group (let us say the nearest village) really identical to the beneficiary group. Even if the reference group is very close or identical to the original group, it can be hard to prove that interactions between both groups have not influenced the process. On the other hand, qualitative methods are more in-depth, and promote participatory approaches. By interacting with the stakeholders, the evaluation is part of the development process per se, allowing empowerment. Qualitative studies look into the mechanisms and the root causes for change (or lack of change). However, qualitative methods are also time-consuming and often criticised for lack of reliability.⁹ Ideally both methodologies should be combined, in accordance to the need of the study.
- Capitalisation, i.e. the process to document and share lessons, must be a strategic component of the impact-oriented M&E strategy, with a view to improve practice. Increased transparency in sharing not only the methodological tools but also in displaying results of impact evaluations within and among CSOs and other stakeholders, as well as with partners in developing countries and donors, would also help to jointly design improved implementation and evaluation policies.

Today, donors ask CSOs to demonstrate their effectiveness and impact, but their demands often ignore the realities in which CSOs operate:

- Too often, governments and donors set unrealistic benchmarks (e.g. reduce child mortality by 50 % in four years). It should be up to beneficiaries, authorities and partners to define their own benchmarks and indicators, taking into account their knowledge and understanding of a situation.
- Development impact is achieved in the long term, while CSOs are often operating within the short-term project cycle and the funding periods that force to plan interventions in a short or medium term framework. Moreover, according to CSOs' understanding of impact, impact cannot be attributed to a single project. For these reasons, impact evaluations should be considered "out of the project cycle", which enables development actors to take a long-term perspective and a wider scope. New financing mechanism need to be developed for this kind of work.
- Donors should not require CSOs to evaluate the impact of one single project, since it is impossible to attribute impact to a single intervention. A meaningful evaluation requires a multi-stakeholder approach, because significant or sustainable change is the result of multiple interventions by multiple actors. Individual organisations can only 'contribute' to change.
- CSOs should not be forced and should not force their partners to use a linear pattern, such as the logical framework matrix (LFM). Linear patterns cannot define change, because it is necessarily multi-

⁹ See Patton, Michael Quinn, 2002: "Qualitative Research & Evaluation Methods"

dimensional. It is a sequence of changes “within a system, which could be understood as a whole of interconnected parts that interrelate. Systems can produce subsystems or be part of larger ones, and interaction is a feature of all of them. One action can generate numerous reactions that have a reciprocal impact on the action as well as on thirds parties and so on”¹⁰.

- Donors tend to favour the use of quantitative methods to evaluate impact, and overlook the advantages of qualitative or combined methods.
- Both CSOs and donors do not properly anticipate the need for collecting baseline data prior to the intervention, which makes it almost impossible to measure change. This challenge may be overcome by implementing an impact oriented M&E system.

3.2 Challenges related to CSOs’ capacity and attitude

There is a general lack of access to resources (time and money) for CSOs to set up impact-oriented M&E systems and to realise appropriate and realistic impact evaluations. In terms of human resources and expertise, CSOs may lack confidence on how to do the job, and how to do it well. Moreover, CSOs seem to shy away from investing into their M&E and learning structures, as they seek to reduce organisational core costs to provide as much money for their target groups.

Furthermore, the development sector is starting to realise that the current M&E and reporting approaches are too much focused on inputs, activities and outputs. Efforts to demonstrate and increase effectiveness and impact must go beyond comparing inputs with outputs (efficiency).

However, the shift from an output-oriented to an impact-oriented approach to M&E may take time, given that even governments and other donors are still struggling to build up harmonised systems of multi-stakeholder impact evaluations which are aligned to partner governments' structures. CSOs face even more difficult challenges. However, through the Open Forum for CSO Development Effectiveness, CSOs have made an important step towards a more impact-focused approach to development.

There are tremendous costs involved in setting up and operating impact-oriented M&E systems and genuine impact evaluations. The establishment of M&E systems must be facilitated (through funding or capacity building) to enable CSOs, especially the smallest ones, to invest in this important area of work.

In order to build CSO capacities and confidence, donors need to create an enabling environment which provides the right incentives and is conducive to impact evaluations. It needs to allow for capacity development in both donor and developing countries, joint learning (also from mistakes), organisational support for joint multi-stakeholder impact evaluations and modes of financing which come in addition to regular programme funding.

4. Principles and recommendations for implementation

4.1 Common principles on impact

Participation

¹⁰ Misereor: “Assessing the effects of Development Cooperation – Misereor’s conception and approach”, 2006/2007

- Development impact should be defined in dialogue between target groups, partners and other stakeholders, including CSOs. All impact-related processes and systems should be participatory and sensitive to cultural differences and contexts.

Cooperation

- Development impact should be seen as the result of multiple interventions by multiple stakeholders through concerted effort. Impact should therefore be defined and evaluated in an inclusive multi-stakeholder process.

Contribution - not attribution

- Development impact is the result of multi-dimensional complex processes. Therefore, impact should not be attributed to specific events or projects.

Learning and Improving

- Impact evaluations should shed a light on intended as well as unintended effects and show successes as well as mistakes and failures, with the view to learn and improve.
- Information stemming from impact evaluations should be used in organisations, particularly in organisational learning and decision-making processes.

4.2 Recommendations for implementation of the impact principles by all stakeholders (CSOs, governments, donors)

a. General

- Think long-term: to have and observe impact requires time. This is incompatible with the project cycle methodology that forces to think about intervention in short and medium terms. For that reason, impact evaluations should be held “out of the project cycle”.
- Adopt a participatory approach: beneficiaries, partners and local authorities have to actively promote their vision of the intended impact and participate in the definition of impact indicators and the objectives of impact evaluations. The results of the impact evaluations must be widely shared with all stakeholders.
- Define a collective strategy: defining and evaluating impact should be an opportunity for stakeholders to carry out together a political reflection regarding the kind of change and the kind of development they aim for.
- Build upon the existing theory of change and apply it to policies, programmes, projects from the very beginning (at programming and identification stage).
- Promote methodological training about M&E and impact for all stakeholders (donors, CSOs, local authorities, partners) including advices regarding the set up of an impact oriented M&E system.
- Have a space where CSOs, donors and all relevant actors can share experiences about evaluating impact.

b. Impact-focused monitoring and impact evaluation

- Work together in dialogue with the population, the local authorities, the donor community and relevant stakeholders to define the envisaged impact BEFORE the action and set realistic indicators to measure it.
- Work again in dialogue with these same actors when evaluating the commonly agreed and understood impact DURING and AFTER the action, while taking also into account unintended and indirect impacts as well.
- Anticipate the need of collecting baseline data prior to the intervention.
- Carry out impact evaluations a few years after the action(s) and under a specific budget line, through a country-led and multi-stakeholders exercise (involving donors, implementing partners, local authorities and beneficiaries).
- Promote joint impact evaluations.
- Promote equally quantitative and qualitative methods that are complementary.

4.3 Special recommendations for implementation of the impact principles by European CSOs

- There is a responsibility of individual CSOs to demonstrate their results and contribution to impact.
- Engage in multi-stakeholder partnerships for conducting impact evaluations.
- Connect better with the academia and research institutes.
- Mainstream and integrate concerns about impact in all stages and areas of work. Create impact-oriented systems (firstly by developing a “culture of evaluation” and by reinforcing internal monitoring and evaluation systems), rather than investing in stand-alone studies.
- Openness for learning: concerns about impact must be better rooted in the organisational culture. Impact evaluation results and lessons learned must be primarily used by CSOs themselves. Results need to inform the organisation’s practices, procedures and decision-making, and help develop evidence-based advocacy.
- Do not produce impact evaluations for fundraising purposes only: impact evaluations should be used for internal purposes (learning to improve decision-making), and not as a means to ‘fool’ donors and the public by presenting them over-exaggerated results.
- Improve staff capacities in the field and at headquarters. Build more confidence through better knowledge of methods and experience with the application of methods. Better disseminate CSOs’ common understanding of impact and effectiveness principles.
- CSOs will only have a limited impact as development actors as long as the macro-policy environment is not conducive to poverty reduction and empowerment. For this reason, among others, fully engage in advocacy calling for greater policy coherence for development.
- Organise a voluntary peer review of CSO projects, with a view to share learning.

4.4 Special recommendations for implementation of the impact principles by European Institutions and Member States

- a. Recommendations for creating an enabling environment for CSOs to enhance CSOs' capacity to focus on impact

CSOs have a crucial role in the development process as innovative agents of change and social transformation. Donors, like the EU, have a stake and have committed to assuring that CSOs realise their full potential.

An enabling environment needs to allow for:

1. capacity development in both donor and developing countries;
2. joint learning (also from mistakes);
3. organisational support for multi-stakeholder impact evaluations;
4. modes of financing for impact evaluations which come in addition to regular programme funding¹¹.

For this, we call on the EU and the EU Member states to:

- Facilitate access to resources (knowledge and money) for CSOs and ensure predictability of funding.
- Create a support structure for impact evaluations¹² at the European level, as already recommended at the multi-stakeholder seminar in 2004 in Paris¹³. Such a structure should:
 - Foster the dialogue between CSOs and donors, among CSOs and with others actors such as local authorities to 'define' the concept of impact, which impact we are evaluating and to define a joint vision for development;
 - Promote planning, monitoring and evaluation by implementing impact evaluations;
 - Train CSOs and other actors on project cycle management, M&E, impact etc.;
 - Put the beneficiaries, partners and authorities from developing countries at the centre of the reflection;
 - Facilitate exchange of information and good practices (e.g. through thematic or geographical database of registered impact studies) to make available independent experts and tools from a diversity of disciplines (sociologists, economists, etc.) to support impact evaluations.
- Fund joint evaluation and learning exercises of CSOs working in the same areas or on similar issues. Provide incentives for CSOs peer review.
- Offer financial incentives for CSOs to build meaningful and sustainable impact-oriented monitoring and evaluation systems.
- Make a funding contribution to the learning infrastructure of the organisation when funding a project, on top of existing core costs.

¹¹ For an analysis and recommendations on how the aid and political relationship between the EC and CSOs could be improved, please see the response of CONCORD to the evaluation of EC Aid Delivery through CSOs, February 2009.

¹² Good practice example of enabling environment for joint impact work. The Partnership Programme Arrangements of the UK's Department for International Development are a good practice example for donor support to CSOs, as is also F3E in France.

¹³ "Evaluation, Capitalisation and Assessment of Impact to Promote Quality of Actions and Political Dialogue between Development Actors". Seminar in Paris on 9 and 10 December 2004.

- Allow for internal or external evaluations and promote the use of their evaluation results in decision-making and implementation processes of all relevant actors.
 - Organise funding proposals around the expected contribution to development impact, rather than around detailed expected project results and 'eligible' activities. Donors should allow more flexibility and possible reorientation of ongoing projects with a view to reach the maximum impact.
- b. Recommendations for strengthening impact-oriented monitoring and evaluation systems in EU cooperation
- Strengthen role of CSOs in EC impact evaluations.
 - Organise a permanent multi-stakeholder structured dialogue and adopt a multi-actor approach to impact.
 - Focus on theory of change (multidimensional processes leading to impact) instead of on actors' attribution.
 - Focus on higher level objectives (outcomes and impacts), to allow for more flexibility during implementation.
 - Focus visibility requirement on impact rather than on projects: impact reports, including the contribution to impact of aid channelled through CSOs, should be widely-disseminated at country level, starting with beneficiary communities, for example by promoting discussion in public meetings about the impact, providing summary of findings in local language to key officials and stakeholders and in some contexts interviews to the local media.

ANNEX - RESOURCES

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Background on evaluation and impact associations

- IDEAS (International Development Evaluation Association)
<http://www.ideas-int.org>

This association focuses on the development area. IDEAS' mission is "to advance and extend the practice of development evaluation by refining methods, strengthening capacity and expanding ownership", with a particular focus on developing and transitional economies.

- IOCE International Organisation for Cooperation in Evaluation
<http://www.ioce.net>
This association brings together national professional evaluation association, societies or networks.
- AFREA African evaluation association
<http://www.afrea.org/home/index.cfm>
AfrEA was founded in 1999 in response to a growing demand for information sharing, advocacy and advanced capacity building in evaluation in Africa. It is an umbrella organisation for more than 20 national M&E associations and networks in Africa, and a resource for individuals in countries where national bodies do not exist. AfrEA works with the national networks and interested partners on the continent and worldwide to develop a strong African evaluation community. Among others it has held five continent-wide conferences, the fifth and most recent one took place in Egypt in March/April 2009, and has facilitated the development of African Evaluation Guidelines to enhance the quality and utility of evaluation on the continent.
- 3ie (International Initiative for Impact Evaluation)
<http://www.3ieimpact.org/index.php>, <http://3ieimpact.ning.com/>
3ie seeks to improve the lives of poor people in low- and middle-income countries by providing, and summarizing, evidence of what works, when, why and for how much.
- NONIE (Network of Networks for Impact Evaluation)
<http://www.worldbank.org/ieg/nonie/about.html>
Network comprised of the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD/DAC) Evaluation Network, the United Nations Evaluation Group (UNEG), the Evaluation Cooperation Group (ECG), and the International Organization for Cooperation in Evaluation (IOCE)-a network drawn from the regional evaluation associations.
Counterfactual, quantitative methods focused.
- Poverty Action Lab
<http://www.povertyactionlab.com/>
The Abdul Latif Jameel Poverty Action Lab (J-PAL) is a center within the Economics Department of the Massachusetts Institute of Technology whose aim is to reduce poverty by ensuring that policy is based on scientific evidence. J-PAL and its network of affiliated professors around the world runs and promotes the use of randomized evaluations, similar to clinical trials used in medicine, to rigorously test the effectiveness of social programs and policies aimed at reducing poverty.
Counterfactual, quantitative methods focused.
- Monitoring and Evaluation NEWS
<http://mande.co.uk/>
A news service focusing on developments in monitoring and evaluation methods relevant to development programmes with social development objectives
- My M&E
<http://mymande.org/?q=wikimehome>
My M&E is an interactive WEB 2.0 platform to share knowledge on country-led M&E systems worldwide. In addition to being a learning resource, My M&E facilitates the strengthening of a global community,

while identifying good practices and lessons learned about program monitoring and evaluation in general, and on country-led M&E systems in particular.