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## **Approaches to monitoring and evaluation of capacity-building at different levels**

**Technical paper**

### *Summary*

This technical paper analyses options for monitoring and evaluation of climate change capacity-building activities. This paper explores the policies, frameworks and approaches to capacity issues, and monitoring and evaluation of capacity-building activities being pursued under the Convention and its Kyoto Protocol; reviews and analyses approaches to monitoring and evaluation of capacity-building used in other fields that may be relevant and applicable to monitoring and evaluation of capacity-building in the areas of the capacity-building framework for developing countries under decision 2/CP.7; and offers lessons learned that could be taken into account in further discussions on monitoring and evaluation under the capacity-building framework.

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## **I. Introduction**

### **A. Mandate**

1. The Conference of the Parties (COP), at its thirteenth session, took note of the approaches to monitoring and evaluation of capacity-building at different levels that were identified at the expert workshop held in Antigua and Barbuda in November 2007, and recognized that further work was needed to identify monitoring and evaluation approaches relevant at the national and global levels. Furthermore, it requested the secretariat to prepare a technical paper containing approaches to monitoring and evaluation at different levels, taking into account the presentations given at the expert workshop on monitoring and evaluating capacity-building, the submissions from Parties<sup>1</sup> and any other relevant information, for consideration by the Subsidiary Body for Implementation (SBI) at its twenty-ninth session.

2. The COP requested the secretariat to convene a meeting, subject to the availability of resources, before its fourteenth session to discuss experiences in using performance indicators for monitoring and evaluation of capacity-building at the national level, taking into account the technical paper mentioned in paragraph 1 above.

### **B. Scope of the note**

3. This paper aims to provide input to the work on monitoring and evaluation under consideration by the SBI. It reviews existing policies, frameworks and approaches to capacity-building issues; considers monitoring and evaluation of capacity-building activities being pursued under the Convention and its Kyoto Protocol; reviews and analyses approaches to monitoring and evaluation of capacity-building used in other fields that may be relevant and applicable to monitoring and evaluation of capacity-building in the areas of the capacity-building framework; and offers lessons learned that could be taken into account in further discussions on monitoring and evaluation under the capacity-building framework.

### **C. Possible action by the Subsidiary Body for Implementation**

4. The SBI may wish to consider the analysis of options contained in this technical paper and determine what further action should be taken to develop approaches for monitoring and evaluation of capacity-building.

## **II. Background**

### **A. Evolution of capacity-building under the Convention**

5. At COP 7, Parties adopted a decision relating to capacity-building for developing countries (decision 2/CP.7). This framework for capacity-building, annexed to decision 2/CP.7 was designed to serve as a guide for the Global Environment Facility (GEF) as an operating entity of the financial mechanism, and be considered by multilateral and bilateral organizations in their capacity-building activities related to the implementation of the Convention and preparation for their effective participation in the Kyoto Protocol process. To this end, the COP also adopted additional guidance to the GEF relating to the provisions that have been made for funding the implementation of capacity-building activities in Parties not included in Annex I to the Convention.

6. The framework includes a set of guiding principles and approaches. For example capacity-building should involve learning by doing and should build on existing processes and endogenous

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<sup>1</sup> FCCC/SBI/2008/MISC.6.

capacities. The framework provides a list of priority areas and a list of the special circumstances that least developed countries and small island developing States need to take into account when implementing the framework. The COP encouraged non-Annex I Parties to provide information, in their next national communications and/or other relevant reports, on their specific needs and concerns arising from the impact of the implementation of response measures. The COP promoted cooperation among various stakeholders and effective participation in the Kyoto Protocol process. Parties included in Annex II to the Convention, for their part, were urged to provide financial and technical support for strengthening the capacity of developing country Parties identified in Article 4, paragraphs 8 and 9 of the Convention. All Parties were urged to improve the coordination and effectiveness of existing capacity-building activities.

7. Decision 2/CP.7 requested the secretariat to collect, process, compile and disseminate the information needed by the COP or its subsidiary bodies to review the progress made in the implementation this framework for capacity-building, drawing in particular on information contained in national communications of developing country Parties relating to capacity-building activities, national communications of Annex II Parties, activities and programmes undertaken to facilitate capacity-building in developing countries related to the implementation of this framework, as well as reports from the GEF and other agencies.

8. At COP 9, Parties decided that the GEF, as an operating entity of the financial mechanism, should take into account, in its work relating to the development of capacity-building performance indicators for the climate change focal area, the capacity-building framework annexed to decision 2/CP.7 and should undertake this work in consultation with the secretariat (decision 4/CP.9).

### **B. Capacity-building approach of the Global Environmental Facility and its implementing agencies**

9. The response of the international community to the threat of climate change was institutionally formalized in 1991 when the GEF and its implementing agencies (the United Nations Environment Programme (UNEP), the United National Development Programme (UNDP) and the World Bank) began financial support to regional and country-based project initiatives to address this major issue. At its first session in 1995, the COP endorsed a combination of short- and long-term project and programme activities and agreed with the GEF that in the longer term, projects reflecting long-term priorities would have the greatest impact (GEF, 2000b).

10. The initial vehicle for taking forward the capacity-building aspects of the operational programmes was the 18-month Capacity Development Initiative (CDI), introduced in 2000 by the GEF Council. This partnership between the GEF and UNDP aimed to prepare a comprehensive approach to capacity-building needs at the national level and the implications of meeting the challenges of global environmental action (including climate change). The first portfolio assessment – one element of the CDI – concluded that while almost all projects (96 per cent) involved capacity-building components (whether or not this was implied in the title) and while there was obviously an increasing emphasis on capacity-building, there were significant shortcomings in the approach adopted. These shortcomings included: limited attention paid to the enabling frameworks (e.g. policy, legal and regulatory) that affect the functioning of institutions such as newly established environmental agencies (the direct recipients of some of the early capacity-building support), and too little attention paid to the development of a culture of environmental action involving a broad range of actors. Projects that combined national and local initiatives in piloting new approaches produced better results, and improved the chances for broader application of the approaches used.

11. Another output of the CDI was the development and approval of the strategic approach to capacity-building and the establishment of the national capacity self-assessment (NCSA) methodology

and guidelines for participating countries. The decision in 2003 to make the Monitoring and Evaluation Unit independent and the decision in 2004 to upgrade it to the Office of Monitoring and Evaluation was followed by the agreement of a policy on Monitoring and Evaluation for the GEF in February 2006 (GEF, 2006b).

12. UNEP's Governing Council adopted the Bali Strategic Plan for Technology Support and Capacity Building in February 2005 to enable governments of developing and transitional countries to comply with international agreements (on environmental issues) and implement their obligations at the national level. Climate change was one of 19 thematic areas. Cross-cutting issues included institutional strengthening, environmental laws, cooperation with civil society and the private sector, national research monitoring and assessment capacities, education and awareness, and sustainable consumption and production patterns.

13. The capacity-building decisions adopted at COP 7 (decision 2/CP.7 for developing countries and decision 3/CP.7 for countries with economies in transition) were intended to serve as a guide for the capacity-building activities of the GEF and other funding bodies in the field of climate change.

14. The scope of the needs identified in the capacity-building framework is still very pertinent and is in line with the needs expressed by countries through different reports and submissions to the Convention. Since capacity-building is a slow, complex and resource-intensive process, needs are normally addressed over many years. Currently, there is no evidence that the needs of developing countries have changed. Some **systemic** needs (such as better coordination between departments), **institutional** needs (such as the need to consolidate priorities) and **individual** capacity needs (such as the need for trained personnel in climate change research) are mentioned in almost every developing country submission and study conducted.

### C. Levels of capacity and capacity-building

15. Two approaches for integrating capacity and capacity-building that can guide the design and implementation of monitoring and evaluation are:

- (a) **Horizontal integration:** capacity is viewed and developed at the levels of individuals, organizations and national or societal systems (governmental, sectoral or social), mainly through projects or programmes or stand-alone efforts aimed at individuals or organizations, such as within a given sector;
- (b) **Vertical integration:** capacities are viewed and aggregated in terms of the local, national, regional or global level, and can be built and enhanced further through networks of players (including local and central governments) orienting their efforts towards an over-arching cause. This type of aggregation is mainly for planning purposes to guide policy development and investment in particular areas of capacity and to guide the targeting of capacity development to particular geographic regions.

16. The two approaches complement each other: individuals are educated or trained to garner basic and specific skills to deliver desired functions in the context of the local or national levels depending on needs at these levels, while the capacity of institutions and organizations is built based on mandates and policies that are tightly coupled to critical masses of individuals with appropriate capacities to fulfil the functions of the organization. A given project may target a specific local area, a whole country or even the global level if the outcomes directly relate to that level. Depending on the management and policy decisions that need to be made regarding capacity and based on the results of the monitoring and evaluation, information is aggregated at the local, national, sectoral or regional, and global levels. In the case of funding agencies such as the GEF, the information may be presented in the context of the project

as part of reporting requirements or aggregated for an entire programme in terms of their broader policymaking.

17. The horizontal integration of capacity is achieved through individual projects and programmes and can be monitored and evaluated through project evaluation. The particular interest of the Parties with regard to the SBI and the COP, is perhaps how the quantity and quality of these capacities scale up to the local, national and regional and/or global level, in terms of the ability of various stakeholders (citizens and Parties) to participate under the Convention and its Kyoto Protocol, and more broadly, to deal with climate change in the context of sustainable development.

18. The assessment of capacity or capacity-building efforts can take place at any of the entry points in either the horizontal or vertical integration approach presented above. In the context of the intergovernmental process under the Convention, it is envisioned that information would need to be aggregated at the national level (building on data and information from activities, projects and programmes that build capacity either at the local or country level). This nationally aggregated information then becomes a basis for national level reporting under the Convention.

19. Under the SBI, the nationally aggregated information on capacity-building becomes the input into a global assessment of capacity and capacity-building. Such information can be any combination of measures of inputs, processes, outputs, outcomes or results and impacts customized to specific purposes of monitoring and evaluation. A possible set of indicators for the capacity-building framework was presented in document FCCC/SBI/2007/5, showing how measures could be aggregated at the national level (of vertical integration) for each of the horizontal levels (individual, institutional, society) in order to show progress, effectiveness and help identify gaps in capacity-building.

#### **D. Role of monitoring and evaluation**

20. Under the Convention, by decision 4/CP.12 and decision 6/CMP.2, the COP and Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) recognized that the purpose of regular monitoring should be:

- (a) To facilitate assessment of progress made;
- (b) To facilitate identification of gaps;
- (c) To facilitate assessment of the effectiveness of the implementation of the capacity-building framework;
- (d) To support the comprehensive review.

21. In general, the main purposes of monitoring and evaluation are as follows:

- (a) To demonstrate accountability to funding agencies for the use of resources provided for a capacity-building project. Examples of this are approaches involving quantitative indicators such as those developed by the GEF;
- (b) To improve management and performance by providing managers with information for decision-making (adaptive management);
- (c) To satisfy external stakeholders that the activities of an organization meet certain standards, thus boosting the legitimacy and credibility of the organization ('symbolic protection').

22. The present paper seeks to inform Parties on the practicalities of various approaches to the monitoring and evaluation of capacity-building. The emphasis is on encouraging Parties to consider not

just the ‘tools’ of measurement in monitoring and evaluation but the processes that stakeholders go through to find information and arrive at conclusions that – useful as these are for decision-making – also contribute to the development of capacities, which those involved in tackling climate change at the national level need and value.

### **III. Current approaches to monitoring and evaluation of capacity-building under the Convention**

#### **A. Regular monitoring and evaluation**

23. A time frame and process for review of the capacity-building framework was established under decision 9/CP.9. By this decision, the COP decided to complete a first comprehensive review of the capacity-building framework for developing countries by its tenth session and to conduct further comprehensive reviews every five years thereafter. Terms of reference for this review are contained in the report of the SBI at its eighteenth session.<sup>2</sup>

24. The results of the first comprehensive review of the capacity-building framework are given in decision 2/CP.10. While acknowledging that some progress has been made in a range of priority areas identified in the framework, the COP noted that there were significant gaps that still remained to be filled and that access to financial resources continued to be an issue that needed to be addressed. The COP reaffirmed that the framework contained in decision 2/CP.7 is still relevant and identified key factors that should be taken into account to assist in further implementation of this decision.

25. By its decision 2/CP.10, the COP decided on a time frame and process for the second comprehensive review, which was to be initiated at the twenty-eighth session of the SBI and is expected to be completed at COP 15. The terms of reference for the second review are contained in the report of the SBI at its twenty-eighth session.<sup>3</sup>

26. By its decision 29/CMP.1, the CMP decided on a list of six priority areas for capacity-building relating to the implementation of the Kyoto Protocol in developing countries within the scope of the capacity-building framework aimed at enhancing the ability of developing countries to participate in an effective way in project activities under the clean development mechanism.

27. In addition to the comprehensive reviews every five years, the COP, by its decision 4/CP.12, decided on additional steps to be taken annually to monitor regularly the implementation of the capacity-building framework pursuant to decisions 2/CP.7 and 2/CP.10 as follows (comparable guidance is given for capacity-building under the Kyoto Protocol in decision 6/CMP.2):

- (a) Parties are to be invited to submit information on the activities that they have undertaken pursuant to decisions 2/CP.7 and 2/CP.10, which should include, inter alia, such elements as needs and gaps, experiences, and lessons learned;
- (b) The GEF is to provide a report on its progress in support of the implementation of the framework in its reports to the COP;
- (c) The secretariat is to produce a synthesis report in accordance with paragraph 9 of decision 2/CP.7, drawing upon information contained in national adaptation programmes of action, technology needs assessments and national capacity self-assessment and the information contained in subparagraph (a) above;

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<sup>2</sup> FCCC/SBI/2003/8, annex III.

<sup>3</sup> FCCC/SBI/2008/8, annex IV.

- (d) Parties are to consider the GEF report mentioned in subparagraph (b) above and the synthesis report described in subparagraph (c) above as a basis for regular monitoring and as a contribution to the comprehensive review of the capacity-building framework.

28. At present, the annual synthesis report prepared by the secretariat, as described in paragraph 27 (c) above, which builds on submissions from Parties and relevant national documents, and the GEF annual report, constitute the monitoring of capacity-building by the SBI. The five-yearly comprehensive reviews are, in turn, the process for assessing/evaluating the implementation of the capacity-building framework and an opportunity to identify areas of scope and priorities and to provide additional guidance.

### **B. National experiences and views from Parties**

29. In November 2007, an expert workshop on monitoring and evaluation was organized by the secretariat in collaboration with the GEF. Discussions at the workshop focused on the experiences of Parties in capacity-building and the experiences of intergovernmental organizations and other bodies in monitoring and evaluating capacity-building. A number of guiding principles emerged from the workshop, in particular:<sup>4</sup>

- (a) Specific indicators would need to be chosen sparingly with the emphasis on being practical and useful to the process of capacity-building, rather than fulfilling a general desire for monitoring;
- (b) The choice of a baseline for future monitoring and evaluation of progress emerged as another important issue;
- (c) Monitoring and evaluation should support the long-term nature of capacity-building in a practical way without interfering with the process of capacity development itself.

30. In response to the invitation by the COP<sup>5</sup> to Parties to submit information on their experiences with monitoring and evaluation of capacity-building at the national level, six such submissions were received by the secretariat.<sup>6</sup>

31. **Brazil** noted that monitoring and evaluation activities can play an important role in ensuring effective implementation of the capacity-building framework, including addressing gaps and needs, following project progress, maximizing the impact and lessons learned, promoting best practices and encouraging more efficient use of resources. For each project output, a progress report is made, using qualitative indicators (including technical aspects of the project). Brazil stressed that monitoring and evaluation activities require financial and technical resources that should be made available to developing countries.

32. **China** pointed out that additional resources are needed to support an evaluation system, including concrete steps, procedures and indicators to assess and monitor the effectiveness of capacity-building activities. The secretariat may be requested to coordinate and facilitate the development of such an evaluation system. China suggested that an expert group be established to provide technical advice on capacity-building.

33. **Sri Lanka** argued that a specific framework (including the use of performance indicators for monitoring and evaluation at regional and national levels), within which country-specific action plans with targets needed to be developed. Capacities in formulating and using such indicators need to be

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<sup>4</sup> FCCC/SBI/2007/33.

<sup>5</sup> FCCC/CP/2007/6, paragraph 87.

<sup>6</sup> FCCC/SBI/2008/MISC.6.



established in developing countries and the secretariat should provide assistance in this regard. In addition to regional capacity-building activities (such as the much-appreciated capacity-building in negotiating skills) national capacity-building programmes were needed and it was suggested that the secretariat should facilitate these programmes.

34. **The Islamic Republic of Iran** referred to several types of groups involved in climate change-related activities at the national level: the Steering Committee of the Enabling Activity Projects (which meets up to four times a year and oversees the national report on climate change), and the Subcommittee for Climate Change under the National Committee for Sustainable Development (which meets every month). The overall aim of these groups and their efforts is to ensure that climate change is streamlined into considerations with the official development plans. A national climate change programme will be envisaged once the Climate Change Declaration and the Act (which is currently being considered) have been passed by the legislature. The Islamic Republic of Iran recently completed a NCSA, which has helped identify where capacity gaps exist.

35. **The United States of America** referred to the experience of the United States Agency for International Development (USAID) in both monitoring of capacity-building and evaluation of capacity-building at the national level (differentiating between the two activities). Monitoring was seen as a continuous function to help the management of projects or programmes assess whether progress towards objectives was being made as planned. Evaluation was seen to be concerned with the broader issue of why things have changed and the effectiveness (i.e. if objectives are achieved and if they are still relevant), and the impact and sustainability of an activity. The United States illustrated the use of output or outcome indicators (quantitative as well as qualitative) for assessing progress by stating what is to be measured in order to assess whether or not an objective is being achieved. It favoured careful selection and a limited number of indicators due to the need to minimize costs of data collection. However, it noted limitations with the use of indicators: they may be highly subjective, and it may be difficult to generalize between countries. In relation to capacity-building in particular, one other limitation is that the indicators do not reveal whether government actions, as confirmed by the indicators, in fact lead to increased performance.

36. Regarding evaluation, the submission by the United States distinguished between traditional (i.e. formal and oriented to accountability) and participative evaluation (ownership of the evaluation is shared and the emphasis is on learning by stakeholders and evaluators (as facilitators)). The biggest challenge remained how to measure changes in behaviour and the development of sustainable capacity. The United States commented that in specialized technical fields such as climate change, specific evaluation skills may be needed to take forward sound methodologies. It noted that in recent years, fewer evaluations have been conducted by USAID, but more rapid 'assessments', which take a broad look at the trends and dynamics of the political, social, and economic environment of a sector, have taken place.

37. **Uruguay** indicated that monitoring and evaluation of capacity-building should be a continuous process and that governmental offices/units in charge of the elaboration of national communications and capacity-building under the Convention very much depend on the availability of funds.

## **IV. Other possible approaches to monitoring and evaluation**

### **A. Systems thinking**

38. Since 2004 the European Centre for Development Policy Management (ECDPM) has led a major study on capacity, change and performance, hereafter referred to as the ECDPM study, involving 16 case

studies of organizations and networks around the world.<sup>7</sup> The ECDPM study addressed the question of the potential relevance of systems thinking and complexity theory in capacity-building and its potential applications for monitoring and evaluation.

39. Originating in the biological sciences and then applied to cybernetics, systems thinking is essentially a mental model that conceives of human institutions (from the family to organizations) as complex interactive adaptive systems. They are conceptual structures that drive patterns of cognitive understanding. They influence people's actions because they affect their perception and interpretation of situations and contexts. These approaches appear to 'fit' with the characteristics of the challenges facing capacity-building in climate change. Indeed, the world's climate is a system that is affected by many interdependent variables.

40. Essential features inherent in systems thinking include the following concepts:

- (a) **System behaviour:** this is more determined by how the elements are inter-connected (i.e. their interaction and interrelationships) than the nature of those elements. It is largely driven by shared interests and identity, information, processes and relationships. Systems identity and meaning are the key to self-organization;
- (b) **Typology of (human) systems:** while acknowledging that there are natural and technical systems, the focus here is on human systems, especially organizational (e.g. focal points); sectoral (e.g. energy) that are governed by regulation or statutes; governmental; civil society; media; academic; religious; commercial systems; and international systems (collaborative networks such as the UNFCCC);
- (c) **Feedback (loops):** this is a fundamental concept in systems thinking. The notion of communication of information is conveyed via interrelationships between system elements about what has been experienced by some parts of the system and the aspects of that experience that affects others;
- (d) **Non-linearity:** in other words, causes do not lead to predictable effects. There is uncertainty about the effects of a change or an intervention, that is, actions have unpredictable consequences;
- (e) **Emergent properties:** that is, properties that have no meaning in terms of the parts that make up the whole system. They are the outcome of system behaviour or synergy. One of the principal conclusions of the ECDPM study was that 'capacity' is an emergent property of human systems.

41. Most of the approaches under the auspices of the UNDP, the GEF, and UNEP are based on a management-by-results type of 'reductionist' thinking. Systems thinking as introduced in this paper has been related to the characteristics of the capacity-building challenge in the field of climate change and a good potential 'fit' has been found, and has potential advantages such as:

- (a) It avoids at least some of the pitfalls of logical framework approaches that are commonly used in project implementation even for such an amorphous issue as capacity-building;
- (b) It emphasizes the importance of clarity in (capacity) objective setting and learning participatively and constructively from practical experience;

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<sup>7</sup><[http://www.ecdpm.org/Web\\_ECDPM/Web/Content/Navigation.nsf/index2?readform&http://www.ecdpm.org/Web\\_ECDPM/Web/Content/Content.nsf/0/358483CE4E3A5332C1256C770036EBB9?OpenDocument](http://www.ecdpm.org/Web_ECDPM/Web/Content/Navigation.nsf/index2?readform&http://www.ecdpm.org/Web_ECDPM/Web/Content/Content.nsf/0/358483CE4E3A5332C1256C770036EBB9?OpenDocument)>. For a synthesis of findings see Morgan (2008).

- (c) It often relates to (and inherently values) ‘stories’ about the experience of participants, thus revealing unanticipated but operationally significant realities;
- (d) It has the potential to enhance the teamwork and interrelationships of hitherto disparate institutions at the local, regional, and country levels;
- (e) It stresses the importance of understanding context, particularly the informal and political dimensions, which appear to be significant in the discussions of capacity-building under climate change and are not amenable to pre-programmed action and indicators;
- (f) It stresses the importance of change – and understanding the causal factors of change – as a corollary of capacity-building.

42. According to a large volume of work being done in civil society on social change, such monitoring and evaluation approaches “can work for and strengthen social change” (Guijt, 2007).

### **B. ‘Reductionist’ approaches**

43. Despite its rather negative connotation, ‘reductionist’ thinking still has an important role to play. Different thinking styles lend themselves to different situations. In addition, combining a systems perspective and ‘reductionist’ analysis may be a useful combination in some situations. The two may move in parallel or in succession but with frequent adjustments, for example the process of developing a strategy may draw on systems thinking, but once the strategy has emerged from the brainstorming stages, it is ‘reductionist’ until it is revisited. That said, since there is a tendency for people to fall back into ‘reductionist’ thinking, organizations need to revisit the balance between holistic perspectives and ‘reductionist’ approaches from time to time.

44. There are cases where formal, structured ‘reductionist’ approaches to planning of capacity-building and the subsequent implementation and monitoring of capacity-building using project framework/performance indicator approaches appears to have worked well. For example a major review of the capacity-building work carried out by the World Bank in Africa concluded that there had been significant progress in equipping developing countries with public financial management capacities using such approaches (see World Bank, 2005). There were also several other cases in the ECDPM study – notably a programme of local government capacity-building in the Philippines – where highly structured approaches to capacity-building have led to positive results in certain circumstances (see Agriteam Canada Consulting Ltd., 2006). The overall conclusion was that the circumstances favourable to results-based management, or ‘reductionist’ approaches to capacity-building were as follows:

- (a) Where it is possible to define the required capacities unambiguously and specifically and assess existing capacities thoroughly (and the gap between these existing capacities and required levels) so that it is relatively straightforward to define indicators;
- (b) Where stakeholders are able and willing to assess their own capacities and performance shortfalls, acknowledge that their capacities are deficient, express a will to sign up to the intervention and agree to work collaboratively with external assistance;
- (c) Where there are incentives to improve performance (including demand pressure from clients or citizens) and/or extra (discretionary) resources available to build capacities further;
- (d) Where there is firm leadership and where all of the above conditions combine to produce ownership.

### **C. Most significant change**

45. A monitoring and evaluation methodological tool that has gained a considerable number of proponents and practitioners is called the most significant change (MSC) technique, which includes:
- (a) A continuous search over time for significant programme outcomes and deliberation of the value of these outcomes;
  - (b) It is responsive to the changing nature of the programme and its context;
  - (c) Programme policymakers and funders are engaged in dialogue about the value of changes being introduced by the programme and therefore its outcomes;
  - (d) Non-experts (such as story writers) are engaged in evaluation;
  - (e) Dialogue is based on real events and concrete outcomes, not abstract indicators.
46. Experience of the MSC technique indicates that the people involved relate to information better when it is presented in story format (storytelling is an ancient cross-cultural process of making sense out of routine experience, which is familiar to all). See annex I for more details on the MSC technique.

## **V. Monitoring and evaluation of capacity-building: examples and experiences**

### **A. Examples of monitoring and evaluation of capacity-building in selected global programmes**

#### 1. Monitoring and evaluation under poverty reduction strategies

47. There is a considerable literature connected with the monitoring and evaluation of poverty reduction strategy papers (PRSPs). The brief discussion in this paper focuses on just a few materials to give an overview of the commonly used methods and critical issues.
48. An early analysis by the Overseas Development Institute (ODI) concluded that a markedly increased amount of poverty-outcome measurement had resulted from the PRSP ‘movement’, but there was little evidence of interest in the intermediate processes and achievements needed to produce final outcomes (ODI, 2001). Strategic thinking was needed to address this. There were also concerns for the poor quality of the administrative reporting systems that data depended on and the little discussion of the incorporation of stakeholders in monitoring processes.
49. GTZ (the German society for technical cooperation) conducted a review of the experiences of five countries with the monitoring of first generation PRSPs in 2004 (see GTZ 2004). The same year, a literature review was undertaken by the Institute of Development Studies at the University of Sussex on PRSP monitoring (Lucas et al., 2004). This was followed in 2005 by a critique of the ineffectiveness of PRSPs to engage with national political processes (see Booth, 2005). Together, they highlighted some fundamental issues with respect to the desired purpose of the PRSP monitoring systems.
50. The purpose of monitoring PRSPs was most clearly articulated in the GTZ study, which stated that “PRSP monitoring systems should enable all stakeholders to gain information on progress made with the implementation of the strategies, and to use their influence within the political process to ensure that governments follow their strategy and transform it effectively into action and public expenditures. Monitoring systems are the precondition for maintaining a partnership amongst governments, national stakeholders, and international donors” (see GTZ, 2004).

51. The GTZ report (GTZ 2004), made the following recommendations (this is a selection that is seen as particularly pertinent for the capacity-building monitoring discussion for climate change, however others are given in the report):

- (a) The stage of processing and disseminating the monitoring results should receive more attention;
- (b) The list of information and indicators that are to be reported within the framework of monitoring must be streamlined so that important findings are not lost in a profusion of details that are not really relevant;
- (c) The selection of indicators is itself a political process and therefore must be carried out as openly as the formulation of the PRSP;
- (d) Parliaments should become the most important target group for PRSP monitoring and should be involved to a much greater extent;
- (e) Special surveys, such as impact monitoring on the ground, can enrich the public discussion and more provision should be made for them.

## 2. Global Alliance for Vaccines and Immunization and Roll Back Malaria Partnership

52. Both the Global Alliance for Vaccines and Immunization (GAVI) and the Roll Back Malaria Partnership (RBM) feature specialized groups that advise on monitoring and evaluation issues. The former has a monitoring and evaluation Technical Advisory Group with the United Nations Children's Fund, the World Health Organization (WHO) and the Centre for Disease Control, Washington DC, as its members. The RBM Partnership has a Monitoring and Evaluation Reference Group that has terms of reference focused particularly on advising WHO on indicators to ensure accuracy and consistency in national and regional reporting. In addition, there are eight task forces oriented to addressing technical monitoring and evaluation questions. The report entitled "Building capacity in monitoring and evaluating Roll Back Malaria in Africa",<sup>8</sup> proposes a conceptual framework for capacity-building in monitoring and evaluation at the country level. The framework foresees that capacity-building should take place after defining and institutionalizing the monitoring and evaluation system at the country level.

53. National, subregional, regional and global partners have a role in building monitoring and evaluation capacity. The role of the RBM Partnership is to ensure that RBM subregional networks deliver in a coordinated fashion and provide timely technical support on monitoring and evaluation for participating countries.

## 3. UNAIDS - Joint United Nations Programme on HIV/AIDS

54. UNAIDS has issued national guidelines for monitoring and evaluation of the 2001 United Nations General Assembly Special Session Declaration of Commitment on AIDS (a series of concrete time-bound commitments that ensure an effective global response to the epidemic). The Country Response Information System<sup>9</sup> supports monitoring and evaluation of national responses (reports are required every two years under the Commitment), which facilitates the collection, reporting and analysis of project, financial and indicator data.

55. The main tool for monitoring and evaluation of capacity-building is a set of core indicators that were developed in 2003 and have been subsequently reviewed based on experience. The guidelines on

<sup>8</sup> <[http://www.rollbackmalaria.org/partnership/wg/wg\\_monitoring/docs/merg\\_ConceptualFramework.pdf](http://www.rollbackmalaria.org/partnership/wg/wg_monitoring/docs/merg_ConceptualFramework.pdf)>.

<sup>9</sup> <<http://www.unaids.org/en/KnowledgeCentre/HIVData/CRIS/cris.asp>>.

the construction of core indicators (for 2008 reporting) have been framed under the auspices of the Evaluation Department of the UNAIDS secretariat in clinical settings for HIV and by several subgroups for the national composite policy index; the indicators for most-at-risk populations, orphans, vulnerable children, and young people; and resource tracking (financing indicators).

#### 4. World Food Programme

56. The publication of an evaluation of the capacity-building work that was carried out by the World Food Programme (WFP) earlier this year (WFP 2008a) raised key issues that were selected according to their potential relevance and interest to the capacity-building initiatives in the area of climate change, including:

- (a) The importance of the clarity in capacity-building objectives;
- (b) A results framework and indicators (both absent hitherto) needed to be developed;
- (c) Diagnostics were inadequate in part because of the lack of a range of skills at the country level;
- (d) There were some good examples of where WFP offices had used their insights from the field to identify important issues for decision makers to consider. This was particularly effective as an advocacy tool when combined with other research and analysis, and especially effective when addressed to decision makers across ministries. However, WFP's influence on policy debates did not seem to be recognized or implemented consistently;
- (e) There appeared to be inadequate national awareness of WFP's policy on capacity-building, and therefore there appeared to be a patchy commitment to developing WFP's own capacities for pursuing capacity-building at the country level;
- (f) Persistent shortages, and uncertainties about the supply of funding impeded the development of a systematic approach to capacity-building.

#### 5. United Nations International Strategy for Disaster Reduction

57. The Hyogo Framework for Action (HFA) adopted by 168 governments at the World Conference on Disaster Reduction, held in Kobe, Hyogo, Japan, from 18 to 22 January 2005, was formulated as a comprehensive, action-oriented response to international concern about the growing impacts of disasters on individuals, communities and national development

58. An important feature of the HFA is its non-legally binding character, which allows it to set out a well-grounded set of technical and organizational requirements for reducing disaster risks, while leaving the details of its implementation to the decision of governments and relevant organizations, according to their needs and capacities. The responsibilities for implementation and follow-up are defined for the different actors, particularly States, regional organizations, international organizations, and the United Nations International Strategy for Disaster Reduction (ISDR). Primary responsibility lies with States, but an enabling international environment of support is also vital.

59. Capacity development is a central strategy for reducing disaster risk, as it is needed to build and maintain the ability of people, organizations and societies to manage risks successfully themselves. This not only requires training and specialized technical assistance, but also the strengthening of the capacities of communities and individuals to recognize and reduce risks in their localities. It includes sustainable technology transfer, information exchange, network development, management skills, professional

linkages and other resources. Capacity development needs to be sustained through institutions that support capacity-building and capacity maintenance as permanent ongoing objectives.

60. In the preparatory negotiations on the HFA, States stressed the need for specific means, including indicators, to measure progress toward the reduction of disaster risks. In particular, the ISDR secretariat was requested to coordinate the development of “generic, realistic and measurable indicators” for disaster risk reduction.<sup>10</sup> Thereafter, States were encouraged to refine and adapt such indicators to national capacities and circumstances. The ISDR secretariat, as an initial step towards this request, responded with the publication entitled “Indicators of progress: guidance on measuring the reduction of disaster risks and the implementation of the Hyogo Framework for Action”,<sup>11</sup> which is intended to assist not only national authorities but also civil society and community organizations, regional inter-governmental institutions and technical bodies, international and donor communities in setting priorities for policies, plans and programmes for disaster risk reduction, while regularly monitoring and reviewing achievements against the chosen indicators.

61. Drawing on an online consultation held in 2005, as well as various consultative drafts, discussions and expert inputs prepared over 2006, the publication offers a set of recommended indicators for implementing each of the five priorities for action, three strategic goals and one overall outcome in the HFA.

## **B. Examples of monitoring and evaluation of capacity-building in intergovernmental organizations**

### 1. Monitoring and evaluation of capacity-building under the Global Environment Facility

62. The UNDP and the GEF identify three levels of capacity development:

- (a) Individual: changing attitudes and behaviour through training, learning by doing, participation, ownership, motivation, morale, accountability and responsibility;
- (b) Organizational or institutional: overall performance and functional capabilities, such as mandates, tools, guidelines and information management systems;
- (c) Systemic: overall policy, economic, regulatory and accountability frameworks within which institutions and individuals operate.

63. The scope of needs and areas identified in the capacity-building framework for developing countries (decision 2/CP.7) could be loosely regrouped under these levels of capacity development as shown in the table.<sup>12</sup>

64. Priority attached to monitoring and evaluation is unambiguously asserted in the GEF Monitoring and Evaluation Policy (GEF, 2006b). However, monitoring and evaluation is a shared responsibility in the GEF partnership. The policy sets out minimum requirements for monitoring and evaluation.

65. The Monitoring and Evaluation Policy does not mention capacity-building as a particular focus of monitoring and evaluation activity. The earlier Strategic Approach for Capacity-building mentions that specific indicators for capacity-building activities or elements of projects should be the basis for monitoring and evaluation, and that these would be developed by the then Evaluation Unit of the GEF.

<sup>10</sup> See paragraph 33(c) of the HFA. Available at: <<http://www.unisdr.org/wcdr/intergover/official-doc/L-docs/Hyogo-framework-for-action-english.pdf>>.

<sup>11</sup> <[http://www.unisdr.org/eng/about\\_isdr/isdr-publications/15-indicator-of-progress/Indicators\\_of\\_Progress\\_HFA.pdf](http://www.unisdr.org/eng/about_isdr/isdr-publications/15-indicator-of-progress/Indicators_of_Progress_HFA.pdf)>.

<sup>12</sup> See also FCCC/SBI/2004/9, annex II.

The GEF's Evaluation Office tabled draft indicators for five areas of capacity-building in the previous workshop in 2007.<sup>13</sup> In 2008, it promulgated a framework of indicators to monitor capacity-building initiatives in GEF operations and introduced a scorecard approach for monitoring at the level of individuals, organizations and systems. (see GEF, 2008).

**Climate change capacity-building levels of analysis and the capacity-building framework for developing countries**

Level	Needs outlined in the capacity-building framework
<b>Individual</b>	<ul style="list-style-type: none"> <li>• Education and training.</li> </ul>
<b>Institutional</b>	<ul style="list-style-type: none"> <li>• Institutional capacity-building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points;</li> <li>• National communications;</li> <li>• Greenhouse gas inventories, emissions database management, and systems for collecting, managing and utilizing activity data and emission factors;</li> <li>• Vulnerability and adaptation assessment;</li> <li>• Assessment for implementation of mitigation options;</li> <li>• Research and systematic observation, including meteorological, hydrological and climatological services;</li> <li>• Information and networking, including the establishment of databases.</li> <li>•</li> </ul>
<b>Systemic</b>	<ul style="list-style-type: none"> <li>• Enhancement and/or creation of an enabling environment;</li> <li>• National climate change programmes;</li> <li>• Improved decision-making, including assistance for participation in international negotiations.</li> </ul>
<b>Needs and areas that cover more than one level</b>	<ul style="list-style-type: none"> <li>• Capacity-building for the implementation of adaptation measures;</li> <li>• Development and transfer of technology;</li> <li>• The clean development mechanism;</li> <li>• Needs arising out of the implementation of Article 4, paragraphs 8 and 9, of the Convention;</li> <li>• Public awareness.</li> </ul>

66. Under the auspices of the UNDP and its policy framework for monitoring and evaluation, the GEF has published on the Internet a comprehensive resource kit on monitoring and evaluation based on the Logical Framework Approach.<sup>14</sup>

67. After introducing its first thoughts on the nature of what type of indicators to use in monitoring and evaluation at the expert workshop on monitoring and evaluating capacity-building in developing countries held in Antigua and Barbuda in November 2007, the GEF refined and extended its indicators

<sup>13</sup> FCCC/SBI/2007/33. These areas included capacity for engagement; capacity to access and use information and knowledge; capacity for policy and legislation development; capacity for management and implementation; and capacity to monitor and evaluate.

<sup>14</sup> See <[http://www.undp.org/gef/undp-gef\\_monitoring\\_evaluation/sub\\_me\\_policies\\_procedures.html](http://www.undp.org/gef/undp-gef_monitoring_evaluation/sub_me_policies_procedures.html)>.



earlier this year (see GEF, 2008). The work of the GEF in developing indicators for measuring impacts of capacity development components are based on the following five key capacities:<sup>15</sup>

- (a) Capacity to conceptualize and formulate policies, legislation, strategies and programmes;
- (b) Capacity to implement policies, legislation, strategies and programmes;
- (c) Capacity to engage and build consensus among all stakeholders;
- (d) Capacity to mobilize information and knowledge;
- (e) Capacity to monitor, evaluate, report, and learn.

68. Under each capacity is a 'scoring' points system for several criteria in the form of indicators describing the level of capacity reached. Columns in a matrix oblige the monitors to consider the next steps and the outcome to which the capacity indicator in question contributes.

## 2. The problem tree for lessons learned by the United Nations Environment Programme

69. One of the most persuasive and potentially useful devices for addressing the issue of the effectiveness of monitoring and evaluation exercises (and for addressing the sheer number of these exercises) is the problem tree approach for lessons learned developed by UNEP,<sup>16</sup> which was presented at the expert workshop on monitoring and evaluating capacity-building in developing countries in Antigua and Barbuda in November 2007. The aim of this approach was to enhance the quality of lessons learned and to ensure lessons were incorporated into future programme design, thus bringing about positive change.

70. UNEP applied their problem tree approach to categorization and its graphical presentation of lessons learned documented in its various evaluation reports (see UNEP, 2007). This tool helped to clarify where there were issues raised that had appeared in various reports. The 'mind map' graphic also provided a platform for discussion amongst project staff and served as an effective tool for 'unclogging' the evaluation system of its numerous accumulated lessons. One major finding after the analytical exercise was initiated was that nearly 50 per cent of 'lessons' from earlier evaluations failed to satisfy the established qualitative criteria (i.e. capturing the context from which they were derived, being applicable in another domain or context, and being prescriptive and a guide to future action). Thus, one outcome of this exercise was better guidance on how to frame better lessons in future (which was disseminated to prospective evaluators in their terms of reference).

### **C. Capacity-building and approaches to monitoring and evaluation in civil society organizations**

71. The literature concerning capacity-building in or by non-governmental organizations (NGOs) has not only featured critiques of conventional project frameworks, but practical examples of how innovative monitoring and evaluation approaches have been applied, often to positive effect. The International NGO Training and Research Centre (INTRAC) in Oxford has been active in this field, especially since the inception of the Praxis Programme in 2003, which aims to enable civil society organizations to become more effective by linking theory and practice – (researchers and practitioners) in the field of organizational capacity-building. A recent issue of their newsletter identified some of the dichotomies emerging from concerns about the negative effects of the 'reductionist' application of conventional

<sup>15</sup> Available at: <[http://www.undp.org/gef/undp-gef\\_monitoring\\_evaluation/sub\\_undp-gef\\_monitoring\\_evaluation\\_documents/CapDevIndicator%20Resource%20Kit\\_Nov03\\_Final.doc](http://www.undp.org/gef/undp-gef_monitoring_evaluation/sub_undp-gef_monitoring_evaluation_documents/CapDevIndicator%20Resource%20Kit_Nov03_Final.doc)>.

<sup>16</sup> See <[http://www.unep.org/eou/Pdfs/Lessons\\_Learned\\_rpt.pdf](http://www.unep.org/eou/Pdfs/Lessons_Learned_rpt.pdf)>.

management to obtain results, including the logical framework approach in development and in particular capacity-building (see INTRAC, 2007). Distinctions were made between:

- (a) The aims of managerialist monitoring and evaluation (such as reform, short-term gains) in contrast to more participatory approaches that are more focused on the needs and priorities of users (such as transformation, long-term change);
- (b) The organizational impetus of the two approaches (managerial and participatory) is compared: from rationalizing reality to enquiry; from short-term accountability to learning to improve.

72. There was some evidence of imaginative approaches to monitoring and evaluation of capacity issues in some of the case studies in the ECDPM study (see boxes 1 and 2 below).

### **Box 1. Monitoring and evaluation of capacity in the Environmental Action programme, Jamaica**

The Environment Action (ENACT) case depicts how a formal predictive, detailed and mechanistic approach to performance monitoring was abandoned as unworkable in favour of the empowerment of front-line staff to ensure capacity for rapid response in the face of opportunities for interaction with stakeholder groups. This was consistent with the adopted approach to organizational change in environmentally significant organizations and networks, as it was experimental, seeking out willing partners, building awareness, did not use a model to assess capabilities or performance levels, and did not push but instead let partners adapt and adopt measures at their own pace.

The donor, the Canadian International Development Agency (CIDA), modified its approach to monitoring ENACT from tight control and ‘counting’ the attainment of targets towards a more ‘learning-friendly’ approach. In fact, the peculiarities of ENACT militate in favour of such an approach:

- It has no definitive pre-planned programme;
- It works through other organizations and does not seek attribution of positive impacts;
- Monitoring and evaluation functions emerge in the context of demands from partners and beneficiaries and are designed in a participatory way; and
- A variety of monitoring techniques would potentially be applicable in an organization that is engaged in such a diverse range of activities and its workload has precluded major attention to these techniques up to now (and this impeded full analysis in the case of performance outcomes of ENACT’s work).

To its credit, CIDA has resisted the temptation to push for short-term results or to attempt to micromanage ENACT. It abandoned an inappropriate monitoring system, while still maintaining the continuity and consistency of its support.

## **VI. Lessons learned**

73. This section pulls together some common strands from the experiences of various organizations relevant for monitoring and evaluation of capacity-building under the Convention.

74. The GAVI and RBM not only have specialized groups that focus on monitoring and evaluation issues, but they sometimes have ‘task forces’ for specific aspects of monitoring and evaluation, such as

capacity-building, tools, processes and reporting. These have guided capacity-building of monitoring and evaluation at the country level.

**Box 2. Capacity-building for regional credibility: the International Union for Conservation of Nature in Asia**

The International Union for Conservation of Nature (IUCN) is unique in that it has governmental and non-governmental organizations as its members. Regional-level initiatives, such as the IUCN in Asia, are a relatively new venture. The case focuses on the capacity-building process in the period 1995–2005 to meet the goal of developing a dynamic, sustainable regional organization poised to bridge global and local conservation aspirations of the IUCN in Asia. The perspectives of those engaged in the work of the Organization are the primary sources of material in the case study.

An important element in this capacity-building process has been the flexibility demonstrated by funding agencies, which has enabled the IUCN to experiment and test new approaches and maintain a spirit of innovation and creativity. Some donors have established performance requirements that have to be met, which vary from donor to donor. Features supportive of IUCN growth and capacity included:

- The evolution of the learning processes established in the strongest country office (Pakistan) to the IUCN Regional Office in Asia;
- The growth in capacity of IUCN Asia was evidenced in its prompt and effective reaction to the tsunami (which would have been impossible several years previous) and also in the recognition/legitimacy it was accorded by its Member States as a truly regional organization;
- Technical and managerial abilities were evident, marked by rapid response to change, through a ‘teaming’ process (forming small teams and corresponding networks to tackle specific aspects of a larger programme response); and
- Its regional nature was developed out of a strong sense of ownership of (and stake in) the IUCN among host country governments, as well as the pan-regional challenges and the corresponding programmes that the IUCN established.

Four components of capacity were identified:

- Institutional culture and systems (including values, management approaches, consultative decision-taking);
- Content/technical ability (delivery abilities, planning coordination, monitoring, brokerage, influencing);
- Strategic interaction with the external context (maintaining regional integrity while taking into account the national and global levels); and
- Adaptability and flexibility (repositioning, shaping new partnerships).

75. A monitoring and evaluation cell (such as the RBM Partnership) within a secretariat that coordinates national capacity-building activities can provide a focus not just for monitoring and evaluation, but for other similar capacity-building efforts; it becomes the natural contact point for support efforts by international partners. The use of existing monitoring and evaluation structures was advocated under the PRSPs wherever possible, as long as monitoring and evaluation systems are kept simple.

76. National reporting encompasses capacity-building efforts (such as under the UNAIDS), but empirical evidence on increased capacities is often scarce (especially in programme-based approaches).

77. Clarifying the objectives of capacity-building (such as under the WFP), based upon thorough national needs assessments and the production of a simple results framework were seen as basic steps of monitoring and evaluation. However, the refinement of intermediate indicators (i.e. the steps needed between outputs and outcomes) was also needed. Yet, the refinement of intermediate indicators rarely takes place, as these indicators are the ‘missing middle’ in the PRSP context;

78. The significance of engaging and thereby influencing politicians, parliaments, civil society and the media debate through monitoring and careful packaging and dissemination of results (in particular PRSPs) were discussed in several global programmes. The theory of political change behind some merely participative approaches had proved to be naive in practice.

79. In the ISDR case, national, regional and international organizations are encouraged to actively explore the refinement and application of these indicators in their mandated areas. This will require concerted and collaborative effort by academics, practitioners and policymakers, with a strong focus on achieving practicality and effectiveness in particular national settings. This will also require the ISDR secretariat to foster follow-up supporting activities, including workshops, to advance the development and use of indicators as a tool for both work programming and progress reporting, along with associated practices such as benchmarking.

80. The challenges facing climate change stakeholders appear formidable. They clearly have a bearing on the approaches to monitoring and evaluation that are feasible now and that may be potentially the most productive and useful in the future. These challenges include:

- (a) Variable – sometimes weak – national commitment to mitigate the causes of, effects of, or adjustment to, climate change;
- (b) Domestic internal pressures for progress may be weak or diffuse (endogenous accountability may be correspondingly weak as a result);
- (c) The corollary is that accountability pressures may come predominantly from the external funding agencies;<sup>17</sup>
- (d) A plethora of institutions and people at different levels of government are involved in the evaluation, many of which may be unfamiliar with each other, having rarely collaborated before;
- (e) A combination of public sector; private sector; NGOs and civil society; and academic/research institutions may be involved in capacity-building activities, making collaboration complex;
- (f) The great diversity of target groups: national and local government policymakers; professional or technical analysts; scientists and academics; media professionals; members of the public; local impoverished, vulnerable and/or partially illiterate communities;
- (g) The diversity of funding agencies, which have their own policies, procedures and expectations for reporting, monitoring and evaluation processes, and pressures for accountability.

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<sup>17</sup> This was called ‘upwards accountability’ in the presentation made by the United Nations Institute for Training and Research at the expert workshop on monitoring and evaluating capacity in the developing world in November 2007.

Annex I

**Most Significant Change technique  
(including practical examples of its application in the Lao People's  
Democratic Republic)<sup>1</sup>**

1. The Most Significant Change (MSC) technique – first developed in Bangladesh for the evaluation of a complex rural development programme – involves the following:
  - (a) MSC process managers identify broad domains of change that they think are important and should be evaluated;
  - (b) Stories, that is, brief descriptions of changes that observers deemed to be most important in the last reporting period, are periodically collected from key stakeholders (including field staff, clients and beneficiaries). The observers are asked to state why they thought the change was so important;
  - (c) These stories are then analysed and filtered up the through the levels of authority managing the programme intervention that is being evaluated. Each level (in specially formed committees) reviews stories emerging from the levels below and passes on the most significant story to the next level above;
  - (d) The criteria used to select the most significant stories are recorded and given to all stakeholders so that rounds that follow are informed by earlier selections and criteria;
  - (e) After several rounds the MSC stories selected by the uppermost level in each domain are documented along with the reasons why these stories were chosen. This takes place about once a year;
  - (f) This document is sent to programme funders with a request that they select those that most fully reflect the outcomes they wish to support financially along with the reasons for their choice;
  - (g) The results are then sent back to all stakeholders;
  - (h) Visits may be made to the sites of reported change events in order to check the accuracy of reporting and glean more information about particularly significant change events.
  
2. The primary purpose of the MSC technique is to facilitate improvement of a given programme by focusing the direction of work towards explicitly valued directions and away from less-valued directions. The central aspect of the technique – in the view of the people that developed it – is not the stories, but the deliberations and dialogue surrounding the story selection process.
  
3. Optional additional steps can include the following:
  - (a) Quantification of information at the time of MSC story collation and quantifying the extent to which MSCs identified in one location have taken place elsewhere;
  - (b) Monitoring the operation of the MSC process itself: who participated, how different types of events were recorded and what effects the MSC has had on programme operation and its financial backing (see the example given below from Laos).

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<sup>1</sup> See Darts and Davies (2002) and Davies and Darts (2005).

4. Thus characteristics of MSC include:
  - (a) A continuous search for significant programme outcomes;
  - (b) Deliberation of the value of these outcomes;
  - (c) The assessment takes place over time;
  - (d) The technique is responsive to the changing nature of the programme and its context;
  - (e) Programme policymakers and funders are engaged in dialogue about the value of changes being introduced by the programme and the outcomes;
  - (f) Non-experts (story writers) are engaged in evaluation;
  - (g) Dialogue is based on real events and concrete outcomes, not abstract indicators;
  - (h) Experience of MSC indicates that the people involved relate to information better when in story format (storytelling is an ancient cross-cultural process of making sense out of routine experience, which is familiar to all).
  
5. In an assessment of MSC application in Laos,<sup>2</sup> the conclusions were the following:
  - (a) Benefits gained were worth the time invested (mainly staff training and meetings);
  - (b) Beneficiary participation in the Adventist Development and Relief Agency (ADRA) monitoring and evaluation programme increased as a result of the application of the MSC technique. The beneficiaries reportedly felt more involved and informed;
  - (c) Staff engagement in monitoring changed from activity progress reporting to a focus on what beneficiaries were doing, feeling and thinking. Participation of in-country and donor country management staff in monitoring increased;
  - (d) After initial difficulties in grasping MSC concepts, staff enjoyed participating and were willing to work on MSC activities over weekends;
  - (e) It tested the research skills of field staff and indirectly identified deficiencies therein that could be addressed in future;
  - (f) There had been a significant shift in the thinking of staff about development and their role within six months of MSC being implemented;
  - (g) It appears to have contributed to organizational learning;
  - (h) It is a replicable model, but would have to be adapted before use in other contexts;
  - (i) The MSC was successfully developed and implemented,<sup>3</sup> but it was not designed to assess the overall impact of the ADRA programme. Additional evaluation techniques would need to be used to achieve this.

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<sup>2</sup> An Adventist Development and Relief Agency (ADRA) programme, which applied to community health, rural water supply and sanitation and health education projects.

<sup>3</sup> The goals set for MSC by management include: increasing stakeholder participation in monitoring and evaluation of the ADRA programme; developing the analytical skills of field staff; improving the ability of the ADRA programme in Laos to assess the impact of projects and how the programme interacts with beneficiaries; and to improve project management.

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<sup>1</sup> To access the complete set of case studies please go to <[www.ecdpm.org](http://www.ecdpm.org)> then the 'knowledge and innovation' menu. All capacity study documents are available under the 'capacity' link.

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