

# **Management Remarks on the Evaluation Reports**

22 March 2019

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## I. Background

This document intends to articulate the Management's analysis of the key points of the NIRAS and KPMG evaluations. In a recent meeting with Sida, representatives from CPDE and IBON were encouraged to provide explanation to some of the deficiencies and hindrances highlighted by the evaluations that may tend to 'stick' and skew perception towards a negative conclusion. In response, the purpose of the document is to highlight the main conclusions and contextualise key deficiencies and hindrances.

## II. Key Conclusions<sup>1</sup>

It is our assertion that both evaluations, when seen as a whole, provides a positive picture of CPDE's value that merits support from development partners and other stakeholders. That is:

- added value as a platform facilitating organised engagement of civil society from countries all over the world in effective development cooperation agenda at global and (to a lesser extent) country level; and,
- value for money in terms of delivery of inputs, outputs and impact with the necessary internal control and management systems in place.

To wit, the following are the evaluations' key conclusions:

- It (CPDE) has achieved most of its targets in terms of inputs and outputs<sup>2</sup>
- CPDE had indeed played a decisive role in facilitating global CSO engagement. CPDE had managed to secure CSO seats in important global fora that work on effective development cooperation and make use of these platforms to bring the voice of CSOs and marginalised people to the table
- Constituency of CPDE reported that they had increased their (organisational<sup>3</sup>) capacities to do advocacy and research
- If making a broad definition of participation... 84 countries have participated in a CPDE activity since 2014... far more than the targeted 50; If making a narrower definition of "active participation"... the number of active countries has been around 35-45. CPDE has almost reached its target of having active participation of CSOs from 50 countries
- CPDE mandate to enhance CSO's own effectiveness was mainly highlighted by CPDE staff and by the external stakeholders. CPDE constituency see CPDE as first and foremost the amplifier of the voice of the marginalised and an advocate for people-centred development...To these CSOs, some of the Istanbul Principles are seen as entrenched in their very essence and core function
- Sufficient organisational structure and policy framework, complemented by a sufficient level of internal controls
- Management structure has clearly defined roles, authorisations and authorities and there are clear reporting lines in place
- Global structure, internal routines and financial management processes provide a framework for accountability, liability and sound decision-making



### III. Contextualising Deficiencies and Hindrances

While the abovementioned conclusions highlight the positive regard of the evaluation on the work done, CPDE acknowledges and welcomes the recommendations in addressing the deficiencies and hindrances. To these recommendations it is worthwhile to point out that:

- Many of these challenges were identified and being worked on before, during and after the evaluation. To which, NIRAS report acknowledges 'this evaluation was trying to assess a "moving target" and it should be acknowledged that some issues raised may have already been addressed.'
- There are certain challenges (e.g., Philippine bias and limited engagement of other platforms) that require context, deeper analysis and appreciation on the way the CPDE as a platform works.

#### *A. Difficulties with financial management*

The KPMG (echoed by the NIRAS) evaluation has identified deficits in financial management. Most of the recommendations of the KPMG report have been addressed<sup>4</sup>. To summarise:

- IBON policies and revisions developed in the past were dated indicating policy owner; as with policies developed and revised henceforth
- Past finance reports reviewed and supporting documents and proper audit trail in expenses/ payment completed. To be enforced strictly henceforth.
- Currency conversion will be documented clearly in next reports
- Strict adherence to authorization and approval enforced
- Travel policy revised with standard rates for travel allowances per country
- Policy on use of corporate credit cards established and disseminated
- Whistleblowing policy drafted and currently being discussed. (draft provided to Sida)
- Audit log created with updates on responses to observations regularly updated
- Update on management response to Audit discussed in the last BoT
- Systematic documentation and justification of procurement of goods and services in line with procurement guidelines strictly enforced
- Retention period of project related accounting materials adjusted to seven (7) years; partners advised accordingly.
- Review and approval of plans revised and documented; reporting will be implemented in April reporting
- Compliance policy reviewed in the meeting with coordinators of implementing partners
- Service LA reviewed with coordinators of implementing partners

The only action point that is yet to be implemented is the system for review and approval of reports pending a month after conclusion of the programme period (when partners are due to report).

The existence of systems of control and management as well as the overall resolve of IBON, and the platform to assist IBON as financial management organisation, to address issues identified facilitate the decisive progress towards implementing improvements.



## ***B. Philippine bias in representation and funding***

The NIRAS evaluation identifies this bias in two areas:

- In representation (structure, news coverage and staffing) - there is too much focus on the South East Asia/Pacific in general and the Philippines in particular
- In funding - implementing partners identified as 'IBON Affiliates', most of which are based in the Philippines, have received 33% of the total grants given to grantees

The following points need to be said to contextualise these findings:

### ***On representation:***

- This 'bias' was identified as an issue and is being deliberated by the platform even before the NIRAS evaluation. Since this imbalance is the result of global and regional mandates, the effects of adjustments can only be seen after the term of representatives is concluded. Concretely, the Coordination Committee agreed to form ad-hoc commissions to deal with the issue decisively within the next few months.
- News coverage is done through direct coverage of the Global Secretariat and solicited from all implementing partners. The bias is a result of presence and actual submission. All the coordinators of implementing partners have resolved to communicate activities from their respective constituencies better and systems are currently being developed to improve coverage.
- The Global Secretariat is based in the Philippines and, as such, is able to recruit locals more efficiently. At the time of the evaluation, 3 of the 12 Global Secretariat staff are foreign nationals. The implementing partners are based in all regions and also employ CPDE Coordinators part-time from their own locality.

### ***On funding:***

- The balance of country base of implementing partners, like representatives in structures, will be dealt with decisively within the next few months by the Coordination Committee
- The implementing partners serve their particular (regional, sectoral, thematic) constituencies by providing coordination and financial management services and the funding goes into a workplan that is democratically deliberated.
- If unpacked, only a percentage of funding coursed through the Philippine based organisations are actually spent in activities held in the Philippines. Further, most of activities conducted in the Philippines are either global or regional involving participants from other countries. To illustrate, Philippine based organisations' activities and their costs' in the multi-donor programme is annexed<sup>55</sup>. This concretely shows that the resources were utilised for the benefit of a broader constituency beyond the country where bias is being assumed.

## ***C. (Lack of) Pro-active cooperation with (other) CSO networks***

The NIRAS evaluation indicates that CPDE has yet to proactively seek cooperation with CSO networks that have been established to engage with other relevant streams.

It needs to be clarified that:

- CPDE engages all platforms (including CIVICUS, which is a CPDE member active in the CSO DE and EE WG) relevant to development cooperation such as the CSO DAC Reference Group, CSO FfD Group, UN MGoS, EU PFD. Engagement of and with other platforms is carefully discussed and strategised in the Coordination Committee.
- There is a need to recognise that configurations for civil society participation have their own protocols and modalities. Respecting these modalities and engaging with them in an organic



way is not an overnight process and requires building trust and establishing value added. CPDE cannot simply drop in on other coalitions and leverage some kind of authority nor should it. As such this is a work in progress with incremental gains starting to emerge and bear fruit as seen by the engagement with UN processes on FfD and SDGs.

## IV. Concluding Remarks

CPDE believes that the effective development cooperation agenda is relevant now more than ever. It is critical to delivering the SDGs ensuring that the means of implementation adhere to effectiveness principles. In the advent of more trendy development issues, CPDE remained steadfast in advancing the agenda, ensuring that it is framed in contemporary development discourse (e.g., aid modernisation, private sector engagement, conflict, migration and fragility, partnerships, etc.). While this has presented some challenges in mobilising a broader civil society base, CPDE succeeded in keeping the agenda alive within civil society and positively contributed to other stakeholders' position to move toward the same direction.

As with the response to the recommendations of the NIRAS evaluation indicates, CPDE welcomes the results of the evaluation and intends to take this opportunity to learn, improve the organisation and deliver on its mandate. The Coordination Committee, in its coming meetings, will organise itself to (ad hoc) commissions to address issues pertaining to governance, communication, membership, outreach and partnership and fund management.

If there are questions or further clarification on information and analysis, CPDE is open to discussion and deliberation in the spirit of partnership.

We look forward to working with development partners and other stakeholders to further improve the way we work and better deliver on our mandate to promoting development effectiveness among CSOs and other actors.

### Endnotes

<sup>1</sup>These formulations are directly quoted from Final Reports

<sup>2</sup>A detailed comparison of ToC intention vs. delivery is attached as Annex A

<sup>3</sup>Qualification supplied

<sup>4</sup>See management response and updates on recommendations for the KPMG evaluation attached as Annex B. Also, CPDE response to NIRAS evaluation is attached as Annex C.

<sup>5</sup>Please see analysis that shows breakdown of grants of Philippine based organisations in Annex D