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**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

Managing for Sustainable Development Results

OECD DAC Guiding Principles

The DAC adopted these Guiding Principles on Managing for Sustainable Development Results, via written procedure, which closed on 12 July 2019 at noon Paris time.

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Managing for Sustainable Development Results

OECD DAC Guiding Principles

1. Background

1. The Guiding Principles on Managing for Sustainable Development Results (MfSDR) (hereafter the “Guiding Principles”) aim to help development organisations navigate complex development co-operation and humanitarian challenges to reach their expected results and support sustainable development effectively. They set a renewed practice in results-based management in development co-operation that builds on the Managing for Development Results (MfDR) principles that were endorsed by development agencies at the international roundtable on results in Marrakech (February 2004). These new principles reflect the changing context for development co-operation and the broader set of actors involved, and help organisations to address the recurrent challenges they have been facing in practice.

2. The Guiding Principles build on a series of reviews. They were developed and finalised following an iterative process involving the OECD/DAC Results Community and a multi-donor Reference Group¹ that steered the development of the Guiding Principles. Key development stakeholders from developed and developing countries involved in results-based management took part in an online consultation. **The proposal is for the Guiding Principles to be adopted by the DAC at the 10 July 2019 meeting.**

2. Rationale for developing the Guiding Principles

3. Interpretation and practice of results-based management (RBM) in development co-operation has evolved over the last twenty years. The context for development co-operation itself has also changed. The SDGs stress the need to work in partnerships, adopt cross-sectoral approaches and focus on localised, context-based approaches while targeting those left behind; all aspects having an impact on results approaches and systems. Meanwhile opportunities in using new technologies have grown.

4. Development co-operation providers have developed various, often mixed, approaches to address this complexity and navigate volatile and uncertain environments. In developing their approach to results, most providers are also driven by the pressing need to be accountable to their domestic constituencies. They therefore focus reporting on outputs and short-term outcomes, often relying on sets of standard, aggregate indicators. This may come at the expense of using results information for learning, adapting and achieving longer-term outcomes. In partner countries, this may also make it more difficult to align to national results frameworks and to incentivise bottom-up, context-sensitive approaches. In a number of domains (e.g. private sector engagement), providers have shifted their policies and management practices to adapt to Agenda 2030, but are still

¹ The Reference Group comprises representatives from Finland, Norway, Sweden, Switzerland, USAID, Asian Development Bank, the Multilateral Organisations Performance Assessment Network (MOPAN) Secretariat and the Joint Inspection Unit (JIU) of the United Nations System.

struggling to get the evidence they need to ensure their engagement has sustainable development impact. Meanwhile newer development co-operation providers are building their results approaches and systems, often with limited resources, and seek guidance and learning from practice.

3. Scope of the Guiding Principles

5. The Guiding Principles are aspirational and should serve as a reference point. They aim to guide development organisations in setting-up or refining results-based management approaches that are fit for the 2030 Agenda for Sustainable Development. The Guiding Principles will also help to support institutional change and promote a culture of results. In partner countries, they will help guide providers towards more efficient and harmonised results-based management systems, conducive to collaborative approaches.

6. While they provide a framework applicable by all development organisations, public and private, at any level and across a variety of interventions, the operationalisation of the Guiding Principles should be interpreted in the context of each organisation, and adapted depending on their mandate and organisational complexity.

7. The Guiding Principles consist of a Preamble followed by six Principles. The Preamble sets the context, purpose, status and scope of the Principles. The six Guiding Principles build on the MfDR principles and incorporate principles that have been adopted since 2004, including the principles for effective development co-operation agreed in Busan in 2011. The first three principles set the direction while the three others focus on the organisational set-up for MfSDR. The principles are closely inter-related, and each principle should be read and applied in connection with the others. The Guiding Principles are accompanied by a brief description of key elements to explain and help operationalise them.

4. Process for developing the Guiding Principles

8. The Guiding Principles draw on a series of reviews that were conducted by the Secretariat in the last five years and were synthesised in the 2019 OECD Working Paper “Learning from Results-Based Management Evaluations and Reviews”.² These reviews created a substantive evidence base on the practice of results-based management in development co-operation and informed the Guiding Principles³.

² To note also a review of results-based management challenges and practices among DAC members and observers that led to a policy paper on [Measuring and managing results in development co-operation](#) published in 2014; and seven case studies on members’ results-based management approaches synthesised into a [Policy Paper](#) in 2017.

³ This work is also informed by insights from the October 2018 workshop of the OECD/DAC Results Community and In-Depth seminar. It also draws on focused discussions on thematic aspects, e.g. the event on “Managing for Development Impact: Key building blocks for donors and DFIs” organised by the OECD/DCD Results Secretariat in January 2019 in the context of the OECD PF4SD week, and EvalNet (DAC Network on Development Evaluation) meeting (27-28 February 2019).

9. The following steps led to the proposed adoption of the OECD DAC Guiding Principles:

- First draft developed by the Secretariat and the Reference Group in February 2019
- Discussion at the OECD/DAC Results Community workshop on 4-5 April 2019
- Consultation and review with the Reference Group (15 to 29 April 2019)
- Online consultation accompanied by an outreach strategy: the consultation took place between 6 and 27 May 2019 and included a survey and four interactive webinars. There was broad participation in terms of the number of participants, variety of the institutions represented, and geographical spread. The consultation showed a very high level of consensus: on average, 94% of participants agreed with the proposed principles with very slight variation per principle (Box 1).
- Consultation and review with the Reference Group (3 to 10 June 2019)
- Consultation of the OECD/DAC Results Community seeking approval on a non-objection basis (11 to 24 June)
- Draft Guiding Principles transmitted to the DAC on 26 June 2019 for adoption at the 10 July meeting.

5. Disseminating, monitoring and evaluating Guiding Principles

10. The OECD/DAC Results Community will play an important role in helping members, experts and friends of the Community to disseminate and implement the Guiding Principles, as appropriate. The workshops will be a vehicle to report and share good practices related to the implementation of the Principles. Tools will be developed and capacity development activities conducted to support their operationalisation depending on the context of each institution.

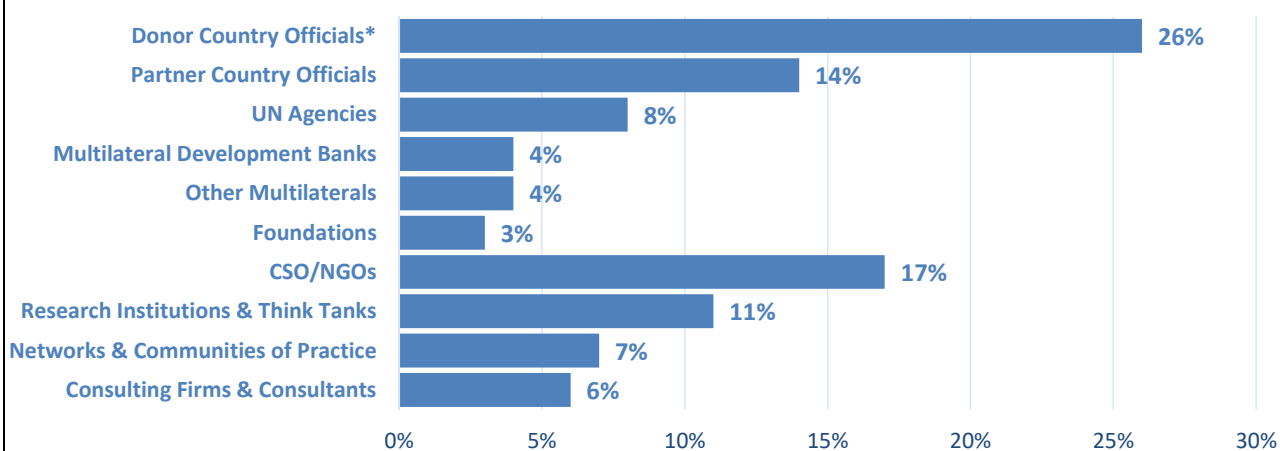
11. The Guiding Principles will also serve as a reference in, and benchmarks for, the DAC peer review process. The OECD/DAC Results team will design a plan for an evaluation in the mid-term (3 to 5 years). Working together with the DAC Network on Development Evaluation, an evaluation team will be mandated to develop a framework combining qualitative and quantitative methods and assess how the principles are understood and used, and to what effect. Depending on the results of the evaluation, principles will be adjusted and toolboxes or guidelines developed to meet the needs and requests from providers.

Box 1 – Results of the on-line consultation

Participation: A total of 250 contributions from 60 different countries were received, with participation in the survey being the preferred engagement method (192 responses). 54 people registered to the webinars, with some of them also responding to the survey. Nine additional contributions were received via e-mail. As shown in Figure 1 below, all categories of stakeholders that are involved in results-based management in development co-operation took part in the consultation.

Figure 1: Institutional affiliation of respondents

(as a percentage of respondents who provided information on their institutional affiliation)



* DAC and non-DAC member countries

Overall degree of agreement

Overall, there is a strong support for the proposed six guiding principles. Responses to the survey show that the average degree of agreement (agree or strongly agree) is 94%, with slight variations among the principles (from 95% for principle 4 to 93% for principle 3) (Figure 2).

Figure 2: Overall degree of agreement



Comments made during the webinars and via e-mail confirm an overall high-level of agreement, with principles considered as useful and timely. Participants also expressed a positive appreciation of the consultation process, which allowed an open and diversified participation.

Source: Consultation process – Synthesis report (<http://www.oecd.org/dac/results-development/docs/Managing-for-Sustainable-Development-Results-Synthesis-Report.pdf>)

Annex A. OECD DAC Guiding Principles on Managing for Sustainable Development Results

Preamble

More than ever, development actors are called upon to join efforts and maximise the impact of individual and collective interventions to achieve the Sustainable Development Goals. The Guiding Principles on Managing for Sustainable Development Results (MfSDR) help development organisations navigate complex development co-operation and humanitarian challenges to reach their expected results and support sustainable development effectively. They set a renewed practice in results-based management in development co-operation that builds on the Managing for Development Results (MfDR) principles that were endorsed by development agencies at the international roundtable on results in Marrakech (February 2004). These new principles reflect the changing context for development co-operation and the broader set of actors involved, and help organisations to address the recurrent challenges they have been facing in practice.

The Guiding Principles on Managing for Sustainable Development Results are aspirational and should serve as a reference point. They guide development organisations in setting up or refining results-based management approaches that are fit for the 2030 Agenda for Sustainable Development. The Guiding Principles will also help to support institutional change and promote a culture of results. While they provide a framework applicable by all development organisations, public and private, at any level and across a variety of interventions, the operationalisation of the Guiding Principles should be interpreted in the context of each organisation, and adapted depending on their mandate and organisational complexity.

While recognising that development is a complex undertaking, it is expected that through applying these principles, development organisations will contribute better to sustainable development results, becoming more efficient and effective in collecting and using data for steering and learning, alongside accountability and communication purposes. It is also expected that applying the principles will lead to more efficient and harmonised results systems, conducive to more collaborative approaches. As a result, development organisations will maximise the effects of their individual and collective interventions on sustainable development, to the benefit of all communities in partner countries including those left behind.

The six Guiding Principles build on the MfDR principles and incorporate principles that have been adopted since 2004, including the principles for effective development co-operation agreed in Busan in 2011. The first three principles set the direction while the three others focus on the organisational set-up for MfSDR. The principles are closely inter-related, and each principle should be read and applied in connection with the others.

The Guiding Principles are accompanied by a brief description of key elements to explain and help operationalise them. A guidance note providing more information on how the principles can be applied at the corporate, portfolio, thematic, country, programme and project levels of institutions, as well as at the national level, clarifying the concepts, identifying interdependencies and comprising a set of good practices will be developed in the short term. It will show the variety of tools and strategies that countries, development agencies and private actors can use. Together with the principles, this guidance note will form a handbook for practitioners of results-based management in development co-operation.

The OECD/DAC Results Community will share practices related to the implementation of the Guiding Principles on a regular basis. Guiding Principles will be subject to an independent evaluation in the medium term to assess how they are understood and used, and to what effect.

Managing for Sustainable Development Results:

- Principle 1. Support sustainable development goals and desired change
- Principle 2. Adapt to context
- Principle 3. Enhance country ownership, mutual accountability and transparency
- Principle 4. Maximise the use of results information for learning and decision-making
- Principle 5. Foster a culture of results and learning
- Principle 6. Develop a results system that is manageable and reliable

Principle 1. Support sustainable development goals and desired change

Managing for Sustainable Development Results (MfSDR) approaches should maximise the impact of efforts towards achieving social, economic and environmentally sustainable development that leaves no-one behind.

Key elements

- MfSDR supports the achievement of sustainable development outcomes. The results system is inherently linked to the ultimate objective of development policy and contributions to achieving agreed-upon global or national development frameworks, in particular the 2030 Agenda including the Sustainable Development Goals (SDGs) and the pledge to leave no-one behind, as well as the Paris Agreement on Climate Change.
- Development organisations set for themselves clear expected results measured by indicators aligned to the SDGs, and design and apply flexibly sound methodologies at corporate, portfolio, country, sector, programme and project levels to achieve these results.
- Development organisations mainstream results-based management across all dimensions of management and related decision making, spanning strategic management, operational and change management processes, partnerships, and performance and knowledge management. Recognising the evolving and complex nature of development, development organisations promote adaptability and emphasise learning.
- Wherever relevant, development organisations promote coherent, cross-sector and cross-disciplinary approaches and incorporate them into measurement, learning and reporting systems, in line with the integrated approach of the SDGs.

Principle 2. Adapt to context

MfSDR systems, methods and approaches should be flexible to allow for tailoring to different operational contexts, modalities of engagement, and types of partnerships.

Key elements

- Recognising that development is a complex undertaking involving many different actors and confronted with volatile and uncertain situations, development organisations tailor their approach to the various partnerships and modalities of engagement, and adapt to each partner country context and local change processes. They also need to be flexible enough to adjust to rapidly evolving situations.
- Development organisations seek a balanced approach between compliance with internal requirements and empowerment at ground level. Managers have the authority and flexibility to tailor the management approach depending on the type of engagement and local context.
- Development organisations focus on achieving long-term outcomes rather than only on short-term deliverables. Depending on the circumstances, managers can adapt the deliverables and arrange resources as required to achieve the desired outcomes. This requires a sound understanding of the local dynamics, clear outcomes and adaptable outputs. Iterative (rather than linear) approaches might be adopted to address the complexity of the operational environment. Processes are documented to monitor progress and facilitate learning.

Principle 3. Enhance country ownership, mutual accountability and transparency

MfSDR approaches should foster development effectiveness by strengthening and using partner countries' systems for strategic planning, monitoring and statistics, and promoting participatory approaches to enhance ownership, mutual accountability and transparency.

Key elements

- At partner country level, development organisations align their indicator framework to partner country results frameworks, prioritising national indicators that are aligned to the SDGs. They synchronise planning cycles with partner countries' own cycles and harmonise their respective results frameworks to minimise costs and avoid duplications.
- Development organisations strengthen and maximise use of partner countries' monitoring and statistical systems, enhancing national capacity to plan and develop results frameworks as well as to produce and analyse data, including disaggregated data to capture results related to populations left behind.
- Trust and mutual learning among partners at country and sub-national levels are valued. Dialogue among partners and participatory approaches supporting locally-led problem solving are promoted. Broad involvement – supported by appropriate capacity building – is sought in problem analysis, design, planning, monitoring, evaluation and use of results to foster broad-based ownership and ensure sustainability.
- Development organisations foster mutual accountability when engaging in partnerships, with a clear understanding of the common goal and each parties' contribution to achieving shared outcomes and sharing risks, while regularly assessing the effectiveness of the partnership.
- Development organisations promote transparency, sharing their results frameworks, and ensuring that results information and data are available to all involved stakeholders and the broader public – including to specific target groups with understandable language and appropriate communication channels.

Principle 4. Maximise the use of results information for learning and decision-making

While responding to communication and accountability needs, results information should systematically be used for learning and decision-making in order to improve delivery and enhance impact.

Key elements

- Results information, which includes quantitative and qualitative data and evidence from both monitoring and evaluation, is used for learning and decision-making at every level - ranging from corporate to project level - alongside its use for communication and accountability.
- The purpose and ways in which results information is used are clearly specified. This includes in particular how management, staff and partners use data for:
 - Steering and learning:
 - Steering the development co-operation programme and allocating resources strategically to enhance effectiveness and impact
 - Adapting the implementation of a programme to evolving situations
 - Learning what works and what does not work at project, portfolio and policy levels, and make changes where needed.
 - Communication: communicating on the programme, at different levels, and to various audiences at national and partner country level to raise awareness, build public trust in development co-operation and mobilise citizens into action for the SDGs.
 - Reporting and accountability: providing feedback to domestic stakeholders and partners on achievements, what has been learned, and challenges of the programme.
- Whether the interventions are successful or not, organisations and their partners use results information to foster learning and to support constructive and proactive management decision making.

Principle 5. Foster a culture of results and learning

A culture of results should be promoted and sustained through consistent leadership, and supported by appropriate guidance, tools and capacity building as well as proper incentives.

Key elements

- Leadership widely communicates the purpose of and drive behind results-based management. It uses results information effectively for programme management at the corporate level and strategically for policy influencing at a political level.
- Leadership promotes a results and learning culture within the development organisation and with partners, supported by appropriate guidance and tools on how to manage for sustainable development results. It allocates appropriate resources to support the effective implementation of the results approach.
- Promoting a corporate results and learning culture also requires a sound and coherent change management process, focusing on strengthening capacity of both providers and partners' systems; ensuring enough space for analysis of results information and peer learning on both successes and failures; and providing tailored incentives to design results frameworks, collect data, report both positive and negative results, and use results information adequately to adapt and improve programme interventions.
- Careful experimentation in support of innovation is valued as a way to foster better results.

Principle 6. Develop a results system that is manageable and reliable

While providing credible results information that can be used by all partners, results frameworks, measurement and reporting systems need to be suitable to each organisation's needs and capacities

Key elements

- Results management is developed in a straightforward way, with a balance between simplicity and utility. The system focuses on key results indicators, ensures clear purpose for any data that is collected and supports effective communication between stakeholders while minimising reporting burden.
- Monitoring and evaluation systems are set up to produce credible quantitative and qualitative evidence that meets the needs and capacities of the development organisation and its partners. Appropriate feedback mechanisms to both policy-makers, operational staff and partners help to ensure that findings are used at the appropriate level to improve delivery, learn, and shape strategy and decision-making.
- Information systems support the collection, aggregation, analysis, and sharing of results information. Systems are digitalised as appropriate, and data confidentiality is protected by clear protocols. Providers' efforts to grow data systems must be co-ordinated to ensure connectivity between systems. Meanwhile appropriate attention is kept to ensure that qualitative results information is collected and processed.
- Keeping the system manageable, reliable and adaptable is a continuous effort that requires on-going capacity building at all levels. The system is reviewed on a regular basis, including the quality and use of the results information that is generated, in order to improve the system gradually, and maintain it as fit for purpose, user-friendly and lean.