

Thematic Review of CARE Denmark with a special focus on partnerships, monitoring & evaluation and on financial and organisational management

Final Report

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LIST OF ABBREVIATIONS AND ACRONYMS

ALP	Adaptation and Learning Programme
CAPA	Community Adaptation Plan of Action
CARE	Cooperative for Assistance and Relief Everywhere
CBO	Community Based Organisation
CBA	Community Based Adaptation
CFUG	Community Forest Users Group
CFMG	Collaborative Forest Management Group
CHULI	Churia Livelihood Improvement Programme
CI	CARE International
COP	Conferences of the Parties (to convention)
CSO	Civil Society Organisation
CSRC	Community Self-Reliance Centre
CVCA	Climate Vulnerability and Capacity Analysis
Danida	Danish International Development Assistance
DMFA	Danish Ministry of Foreign Affairs
DEO	Oplysningsforbundet
DDC	District Development Committee
DFID	Department for International Development
DRMC	Disaster Risk Management Committee
ECOWAS	The Economic Community Of West African States
FECOFUN	Federation of Community Forest Users Nepal
HLLRC	High Level Land Reform Commission
HUGOU	Human Rights and Good Governance Advisory Unit
INGO	International Non-Governmental Organisation
NGO	Non-Governmental Organisation
JPA	Joint Parliamentary Assembly
LAPA	Local Adaptation Plan of Action
LIP	Livelihood Investment Programme
MFA	Ministry of Foreign Affairs, Denmark
NGO	Non-Governmental Organisation
MoU	Memorandum of Understanding
NRM	Natural Resource Management
PECCN	Poverty, Environment, Climate Change Network (CARE)
REDD	Reducing Emissions from Deforestation and Forest Degradation
RT	Review Team
SWOT	Strengths, Weakness, Opportunities and Threats
TOR	Terms of Reference
TUSTA	CARE partner in Vietnam
PEC	Public Education Centre
PECCN	Poverty, Environment and Climate Change Network
PNGO	Partner Non-Governmental Organisation
PVSE	Poor, Vulnerable and Socially Excluded
RDF	Rural Development Foundation
UCPA	Underlying Causes of Poverty Analysis
UNFCCC	United Nations Framework Convention on Climate Change
VSLA	Village Savings and Loans Association
VDC	Village Development Committee

EXECUTIVE SUMMARY

The 2013 Thematic Review focuses on partnerships and monitoring of results. It follows on to the thematic reviews of 2002 focusing on local partners and cost efficiency as well as the 2006 thematic review focusing on gender. The 2013 review team found that significant achievements have been attained through CARE-supported activities regarding climate change and natural resource management. In these areas, evidence collected by means of solid fieldwork with Southern partners has successfully fed into advocacy both internationally and in Denmark. Notably, CARE's Poverty, Environment and Climate Change Network (PECCN), hosted by CARE Denmark, has been at the cutting edge of climate change adaptation, REDD safeguards, etc. Another example is CARE Denmark's support for pastoralists' rights in Niger in partnership with the AREN pastoral organisation, which has also served to enrich advocacy efforts with the regional pastoral network Billital Maroobé in West Africa. A third example is a partnership with the Danish retailer Coop and exporters in Kenya in pursuit of more inclusive and sustainable export value chains.

CARE Denmark is a capable and professional NGO with a well-focused programme in the field of natural resource management and with relatively few priority countries. Nevertheless, a number of recent critical internal evaluations have prompted profound reflections, as CARE Denmark had underestimated the challenges of getting the various CARE field offices within CARE International to understand the full implications of Danida's Civil Society Strategy (2008). CARE Denmark deserves praise for its efforts, exerted through country programming on the ground, to influence CARE International towards genuine partnership agreements with predictable financial commitments for the full programme period, instead of merely subcontracting local CSOs to deliver inputs to CARE's own programmes.

In November 2012, CARE Denmark approved a relevant, sound and well-thought-out new Programme Strategy, which has been spearheading the operationalization of CARE International's Vision 2020 with its ambition to form stronger partnerships with civil society actors and social movements, as well as to strengthen 'local-to-global' advocacy. CARE Denmark is moving in this new direction with all its new generation programmes in the seven priority countries. It will be a challenge to change organisational attitudes and culture related to how CARE staff handles these partnerships in the future.

CARE Denmark is changing its way of selecting partners. Instead of subcontracting a relatively high number of CSOs, future programmes will involve a reduced number of strategic partnerships. The preference is for broad-based CSOs with democratic structures and constituencies among marginalised groups, and less for NGOs with limited membership bases. It seems that CARE has built upon adequate preparatory processes in close collaboration with partners, e.g. for the new programmes in Uganda, Ghana and Nepal. Noticeably, this requires stronger emphasis on analysis of civil society actors, and here the Review Team observed room for improvement, seeing the need for a more profound context analysis of the space for civil society in highly politicised contexts such as Nepal. The Niger country programme seems to have already gained valuable experiences of applying CARE Denmark's new programme strategy.

Like many other NGOs, CARE Denmark faces a challenge in beginning to work with a human rights-based approach as opposed to a rights-based approach. CARE Denmark applies a method called 'the underlying causes of poverty', which, in the Nepal - CHULI case, has contributed to impressive empowerment of women's groups. However, human rights, including indigenous peoples' rights, could feature more prominently in CARE Denmark's new programme in Nepal.

CARE Denmark's new Programme Policy highlights the "Change Triangle" as the recommended approach to capacity development, with strategic services being linked to organisational capacity building and advocacy. In Nepal CARE is developing a new method for comprehensive organisational assessments, which goes beyond the "Due Diligence Assessment Instruction" already applied for assessing partners' financial and administrative capacity. The Review Team is concerned, however, that technical aspects, such as professional

skills related to agriculture and climate change, will be left out of future assessments. It will be important to strike a balance between organisational and technical capacity development when working with sustainable natural resource management.

CARE International has traditionally self-implemented the up-scaling of activities in case of broader replicability. In this sense, CARE Denmark's new programme policy charts a new course by opting for influencing public policies and monitoring public institutions' performance. During the visit to Nepal, the Review Team questioned the degree to which this approach is feasible in a state as fragile as Nepal, where many good policies are already in place, which the state is too weak to implement. While CARE Denmark should be commended for including a national advocacy component with national CSO networks, CARE may be advancing too fast in downscaling its cooperation with local NGOs in the districts, as this work has been praised by the communities for its participatory methods and transfer of technical skills.

A consequence of CARE Denmark's shift in strategy has been challenges in the organisation's ability to report, in parallel, on results from projects being phased out and from new programmes being implemented. The framework consultation report for 2011, submitted to Danida in September 2012, was assessed and CARE Denmark's ability to report on results – especially on the strategic level – was rated as 'unsatisfactory'. It will be difficult for CARE Denmark to adhere to Danida's requirement for the years 2012 and 2013 as well. The major challenges for CARE Denmark are: 1) The old programmes are country specific, and reporting on overall strategic and cross-cutting issues across all country programmes has not been taken into account in the various project designs; 2) The new programmes will use indicators which are cross-cutting and which will enable reporting at a cross-country strategic level. However, time is needed for the programmes to be implemented and yield tangible results.

The reporting challenges have made the management of CARE Denmark prioritise improvements in its monitoring and evaluation system with a view to reporting according to the requirements of Danida. So far, new guidelines for CARE Denmark's annual reporting format have been drafted with two purposes: 1) to report on results achieved in 2012 and 2) to draft the chapter on results in new programme documents. The new system should strengthen a more strategic approach, whose focus is on change and reporting, not only on results but also more broadly, e.g. regarding outcomes. However, the process of drafting a new monitoring and evaluation system is not only a technical exercise, but also an organisational learning process, in which the role of senior management is central if it is to succeed.

CARE Denmark's staff is highly skilled, motivated and adequate for the tasks of CARE Denmark. The Finance Department faces additional challenges due to the introduction of the new financial system (Pamodzi), while the Programme Department will face additional challenges due to the shift in programme strategy. In CARE's Programme Department, the process is organic in the sense that no formal procedures or manuals (e.g. on quality assurance) have been formulated, while constructive colloquial criticism among staff members takes place in the context of the general division of responsibilities. As part of CARE Denmark's quality control of new programmes, internal procedures should be strengthened, but apart from this, CARE Denmark generally has relevant procedures, formats and guidelines which can be expected from an NGO of CARE Denmark's size and scope of work. A matter of concern, however, is that apparently CARE Denmark seconded staff to country offices do not enjoy the same personal security measures as permanent staff. As CARE operates in increasingly risky areas equipment such as satellite telephones should be made available when on field missions, and seconded staff should be covered by all relevant procedures for personal security, focusing on reducing risks during travel.

Overall, the 2013 Review Team concluded that CARE Denmark's ability to meet Danida's requirements is satisfactory.

1. INTRODUCTION

1.1. Background

In accordance with the Strategy for Danish Support to Civil Society in Developing Countries, thematic reviews are undertaken of 'framework organisations'¹ in order to enhance the professional dialogue between Danida and these organisations. The present thematic review of CARE Denmark pursues the following objective:

CARE Denmark's professional performance in relation to the themes chosen for the current thematic review (results through partnerships and monitoring & evaluation) assessed at head office level as well as in the field (Nepal). This includes a general assessment of CARE Denmark's current financial and organisational management capacity to operate programmes under the MFA framework agreement.

Annex B presents the Terms of Reference, which instruct the review of CARE Denmark to make assessment of the performance of the organisation in terms of delivering results in partnerships within natural resource management, climate change and food security. This review sets particular store by assessing CARE Denmark's capacity to change, e.g. its shift from working widely at the local level mainly through service delivery to working with advocacy at the local, national and international level in order to promote rights.

The Ministry of Foreign Affairs conducted an external desk assessment of CARE Denmark's results reporting 2011, which identified some challenges with regard to reporting at the strategic level as well as in the formulation of clear and measurable indicators. This 2013 review looks into CARE Denmark's systems for monitoring and evaluation, as well its administrative, managerial and organisational capacity to fulfil obligations under the MFA agreement.

In 2012, CARE Denmark had an annual turnover of around DKK 118 million, of which 48 million came from the Danida funding framework agreement. Through the framework agreement with Danida, CARE Denmark currently supports programmes in Uganda, Niger, Ghana, Kenya, Mozambique, Tanzania, Vietnam and Nepal.

1.2. Previous assessments

CARE Denmark was founded in 1987 with the purpose of furthering sustainable rural development. As described further in the next chapter, CARE Denmark is a member of CARE International, and its programmes are implemented in co-operation with CARE country offices and their civil society partner organisations. CARE Denmark entered into its first framework agreement with Danida in 1995 based on the positive recommendations of a capacity assessment. Since then, Danida has commissioned one capacity assessment and two thematic reviews, which are briefly summarised in the following.

The Capacity assessment of CARE Denmark (2000) concluded that CARE Denmark had strengthened its organisational profile significantly over the previous five years (since the first capacity assessment conducted in 1995). The thematic focus on agriculture and natural resources was found to be well defined, while CARE Denmark's work was geographically focused on six core countries supported under the framework agreement. The technical capacity at CARE Denmark headquarters had improved, and the organisation was found to be well equipped to enter into strategic discussion with CARE country offices. The major challenges identified were: the transition from self-implementation to partnership, more focus on advocacy, a more systematised approach to capacity building, and transition from project to programme approach.

The Thematic review on local partners and cost efficiency (2002) featured the themes of 'implementation through local partners' and 'cost efficiency'. It also made an assessment of CARE Denmark's follow-up to recommendations from the 2000 capacity assessment. The review found that CARE Denmark was following up satisfactorily on recommendations at strategic levels, but that there might be a need for a more systematic approach in order to ensure coherent results of efforts. As developments at the strategic level were generally found to be satisfactory,

¹ Major Danish development organisations, including CARE Denmark, have signed long-term 'framework agreements' with the Danish Ministry of Foreign Affairs (MFA).

the review in essence recommended that CARE Denmark shift its emphasis in the change process from the strategic level to the implementation level, since progress was lagging behind at the latter.

As follow-up to the thematic review, CARE Denmark drew up its Master Plan 2000 – 2005, which was centred on the process of change from CARE Denmark acting as service delivery project implementer to a new programme approach in line with the Danish Civil Society Strategy (2000), with emphasis on implementation through local partners and focus on capacity building and advocacy.

The Thematic review with focus on gender (2006) concluded that CARE Denmark had initiated a necessary change process whereby programmes would focus more on overcoming gender inequalities and ensuring that poor men and women benefit from the support provided. It was underlined that, given the set-up of CARE Denmark programmes being implemented by CARE country offices, programme documents should clearly describe how gender inequalities would be dealt with. Moreover, it was affirmed that monitoring systems and documentation needed to be enhanced.

Recommendation (1) Bearing in mind the long time span between the initial capacity assessment and the reviews, the MFA should undertake regular assessments-cum-reviews of organisations with framework agreements such as CARE Denmark.

1.3. Review Methodology

The 2013 Review Team conducted a desk study in Copenhagen, followed by meetings with the chairmanship of the Board of CARE, the day-to-day management, the administrative department as well as with all individual staff members of the programme department. All staff participated in a workshop based on responses to a questionnaire developed by the RT with the aim of identifying organisational Strengths, Weaknesses, Opportunities and Threats, as well as coming closer to an understanding of CARE Denmark's added value and partnerships.

In order to observe CARE Denmark's partnership and monitoring in practise a field visit was paid to Nepal between 12 and 19 June 2013, where the Review Team met with CARE staff, Nepalese CSOs, both partners and non-partners, as well as with the office of Danida's HUGOU programme (Human Rights and Good Governance Advisory Unit). The Review Team was composed of: Elsebeth Tarp, Danish MFA (team leader) together with external consultants: Hans Peter Dejgaard, Mikael Keller and Arun Rijal (only Nepal study). Jane Werngreen Rosales from Danish MFA participated as a resource person on Human Rights Based Approaches in the visit to Nepal.

This main report encompasses an introduction in Chapter 1, followed by a description of CARE Denmark in chapter 2. Chapter 3 contains examples of the achievements and Chapter 4 offers an assessment of CARE's approach and 'added value' to partnerships. Chapter 5 assesses the monitoring system, while Chapter 6 looks at organisational and financial management. Finally, the reports recommendations are summarised in Annex A.

The Review Team would like to thank all individuals and organizations met for their support and valuable contributions. The views in this Review Report reflect the opinions of the Review Team, and not necessarily those of the Danish Government.

2. MANDATE AND STRATEGIES OF CARE DENMARK AND CARE INTERNATIONAL

2.1. About CARE Denmark

Founded in 1987, CARE Denmark is a Danish NGO dedicated to strengthening the capacities of poor people living in rural areas with the purpose of improving their livelihoods based on sustainable development, while fostering recognition of and respect for their rights. CARE Denmark is an independent NGO whose founding charter declares it to be non-sectarian and non-political. CARE Denmark is a member of CARE International, and programmes are implemented in co-operation with CARE Country Offices and their civil society partner organisations.

CARE Denmark's strategic plan 2006-2012 has recently been replaced by 'Vision 2020' approved by the Board of CARE Denmark in March 2013. It outlines the vision to "be recognized for creating permanent results through help

to self-help for poor and vulnerable people in the developing countries, as it provides the best value for money. This way CARE Denmark will remain the development organisation that most Danes support when they think of long-term assistance”.

2.2. CARE International towards Vision 2020

CARE International was established when a number of private US organisations sent emergency relief packages to war-torn Europe and Japan after World War Two. When this was no longer needed, CARE’s focus shifted to the developing world. It has today become one of the largest humanitarian organisations in the world. In 2012, the work of CARE International strengthened the capacity of 83 million people in 84 countries, according to its annual report.

The new CARE DENMARK vision is in full alignment with CARE International’s Vision 2020, which was approved by the Board of CARE International in June 2011. It states that:

“CARE will be a global force and partner of choice within a worldwide movement dedicated to ending poverty. We will be known everywhere for our unshakeable commitment to the dignity of people. Within this global movement, CARE is known for its work across the relief, recovery, and development spectrum and its particular focus on empowering poor women and girls as a means to overcome poverty.”

CARE seeks to understand the local causes and trends with respect to poverty, identifying the links between these and global causes and trends. The new vision entails a major shift within CARE, with the intention of moving from own implementation of most projects, as was the case some ten years ago, towards drawing on rights-based perspectives in collaboration with social movements, like-minded organizations, the private sector, governments, and other partners on the basis of identifying opportunities for “transformational” change.

CARE International is a non-political and non-religious confederation of 12 independent organisations in the following countries: Australia, Austria, Canada, Denmark, France, Germany, Japan, the Netherlands, Norway, Thailand, the UK and the USA. In the field, national members co-operate closely, although they also operate independently, each choosing to specialise in particular development themes. Thus, CARE Denmark is the global lead member in the area of natural resource management and climate change.

2.3. Major changes in CARE International

'Vision 2020' stresses that CARE International should be less top-heavy and reduce its operational costs. A majority of senior leadership positions in the organisation’s countries of cooperation are held by persons from less developed countries. These months, CARE Denmark’s chairperson, Mr. Christian Nissen, sits on the Transition Oversight Committee of CARE International, which is working on how to transform CARE International into a more networked organisation and on how to raise the effectiveness and efficiency of field operations. The committee is also engaged in fleshing out a new organisational set-up with a centrally established legal entity owned by national members, CARE Global, which will be vested with the authority of, and held accountable for, a series of key line management functions as agreed upon.

Current CARE International costs are too high to be sustained, which lessens the availability of resources needed to fund the transition towards the implementation of CARE’s Vision 2020. This understanding has been hammered home by a significant deficit of about USD 15 million in CARE US’s financial statement last year. Consequently, the Transition Oversight Committee of CARE International underlines the need “*to rapidly implement a new financial model with an equitable cost sharing approach and a focus on cost reduction, driving efficiencies, reducing the use of unrestricted income ...*”.

CARE US has traditionally exerted major influence by being responsible for 45 field offices² as well as for the regional offices, where all senior management staff have their contract with CARE US headquarters in Atlanta.

CARE Denmark has never been in charge of any field office, and therefore, always being dependent on CARE US led offices in all its countries of cooperation, except Vietnam (led by CARE Australia). As stated in the interview with the

² CARE Australia is managing ten field offices and CARE Canada seven field offices.

chairmanship, CARE Denmark enjoys reduced prices for the services provided by field offices due to subsidies delivered by CARE US. At the same time, however, these offices have incurred too many expenses, including an excess of expatriate staff and project-implementing personnel. This problem of high cost level has recent years caused CARE International to lose many tenders called by the European Commission.

CARE's new Vision 2020 anticipates that the majority of country offices will be self-governed and managed by CARE member organisations and, in some cases, by CARE Global. Country offices are not expected to have an independent legal status, although they may set up local advisory boards. It is also expected that some country offices will be closed, as it has already happened in the Philippines. CARE Global is foreseen to take over management of the current regional offices from CARE US. This may include technical support, fundraising, advocacy, regional programme strategies and managerial assistance to country offices.

The coming years of change in CARE International holds the potential to further favour CARE Denmark's desire to enhance a strategic partnership approach with increased delegation of competences and responsibilities to local civil society partners, supported by CARE field offices with considerable less staff and playing less visible roles. This fits well with the 'new generation' of CARE Denmark programmes described in the next chapter confirming the shift towards strategic partnerships with CSOs in the prioritised countries.

3. MAJOR ACHIEVEMENTS OF CARE DENMARK

This chapter briefly describes the achievements of some CARE-supported activities in climate change, natural resource management, where evidences from solid fieldwork with southern partners has been successfully linked to advocacy at international level and in Denmark.

3.1. CLIMATE CHANGE

3.1.1. The Poverty, Environment and Climate Change Network

CARE's Poverty, Environment and Climate Change Network (PECCN), hosted by CARE Denmark and funded with support from DANIDA, runs CARE International's global work on climate change in over 30 countries around the world with 70 dedicated projects/programmes. CARE Denmark undertakes the management of PECCN and pays half of its budget. In this way, CARE Denmark influences CARE International's climate change work, which in 2012 is reported to reach almost 350,000 persons around the world. As confirmed in a Review in 2012³, the PECCN network has been at the cutting edge of developing and delivering innovative climate change programmes. One example is the Climate Vulnerability and Capacity Analysis (CVCA), which is used widely both by CARE and by others, and is recommended by the EU. However, the international mechanism to access and compensate loss and damage is not in place, but on the agenda for the upcoming negotiations.

Another example is the 'loss and damage' issue addressed by CARE up to and during the 2012 UN Climate Change Conference in Doha, where PECCN supported civil society in establishing an international mechanism to assess and compensate widespread loss and damage caused by climate change. The results included publication of two policy reports in collaboration with ActionAid, WWF and Germanwatch. The issue of loss and damage generated intense coverage by the BBC, Reuters, AFP etc. The loss and damage publication is now a priority document in international climate change negotiations promoted by international CSOs among others.

In relation to REDD initiatives (Reducing Emissions from Deforestation and Degradation) CARE Denmark through PECCN and Southern Voices play a key role in supporting the Accra Caucus on Forests and Climate Change, composed of civil society groups advocating for the rights of forest dependent people. CARE is actively lobbying at the COP and the inter-sessional in Bonn in favour of accountability in the implementation of REDD safeguards, etc. Among the many members is FECOFUN, which was a strategic CARE partner in Nepal.

³ Inception Review of Centre of Expertise. Jørgen Skytte Jensen. IMPAKT. 2012.

The Accra Caucus is directly linked with Southern Voices, which is one of the biggest Southern civil society networks related to the climate negotiations. Southern Voices is backed by a consortium under the auspices of the Danish 92 Group (with secretariat at CARE Denmark) in alliance with IIED and CAN International. This has been an effective way of providing skills and spaces for participants from Southern CSO networks aiming to become more efficient in influencing negotiations at the COP and in Bonn.

In Ghana, the Adaptation and Learning Programme (ALP) worked with the Kasa⁴ platform to organize climate change training, which led to the formation of a Kasa-led climate change working group with support from CARE and the Dutch Embassy. The working group later trained the parliamentary committee responsible for climate change issues. The government invited and consulted with CARE and other NGOs on the need for a national climate change policy. Already the previous year the 2011 World Bank Report on Ghana's Natural Resources and Environmental Governance mentions the Kasa platform as a success.

3.1.2. Ensuring safeguards for forest dependent communities

CARE Denmark has supported the development of international social and environmental standards (redd-standards.org) for so-called REDD programmes (Reducing Emissions from Deforestation and Degradation). This was finalized in 2012 (version 2). The REDD+ Social and Environmental Standards Initiative is being rolled out in a number of countries, including Nepal, where CARE, in partnership with FECOFUN, has been working with national stakeholders to adapt the standards to the national context. In conjunction with this, CARE Denmark produced a report entitled "forest for all" in preparation for the Rio+20 Conference in 2012, as well as an animated video that was viewed 44,000 times on Youtube. Both products were based on experiences from Nepal.

3.2. Examples of campaigns and projects

3.2.1. Human rights and pastoralist organization in Niger

In Niger, CARE Denmark has worked within the area of pastoralism since 1998. A strategic partner is AREN with more than 40,000 members nationwide. In collaboration with IWGIA and in dialogue with the Danish Institute for Human Rights, CARE Denmark has supported the documentation of violations of pastoralists' rights, which has served to substantiate advocacy as well as to train AREN pastoral activists in human rights.

Five years ago, CARE and partners embarked on developing a pastoral water approach, which was radically different from the existing approach used to obtain water at the village level. Strategic service delivery of fifteen experimental wells was undertaken, where all groups passing through the area were consulted and user agreements were concluded before each well was dug. The approach was developed in close dialogue with the Regional Directorate for Water and with the Ministry of Water. A handbook on the establishment of pastoral wells was finalized in 2011, and continued advocacy efforts over the five years resulted in its being adopted as part of a new national strategy expected to be passed by the National Assembly in 2012, thus opening the door for greater investment in pastoral wells, especially by donor agencies and organizations. This project has achieved international recognition as "good practise" and holds the potential to go beyond good water management to include conflict mediation.

3.2.2. European milk powder

A report co-produced by Care Denmark documented that milk powder from the EU is partly to blame for underinvestment in the local milk value chain. The report formulated a set of concrete policy recommendations for EU, ECOWAS and governments in Sahel as put forward by CARE Denmark's partner, the regional pastoral network Billital Maroobé, which has members in seven West African countries. The findings of the study were presented during the Joint Parliamentary Assembly (JPA) in May 2012 to EU and African parliamentarians.

⁴ Kasa is a CSO platform in Ghana, that seeks to strengthen civil society and media organizations in a concerted effort to monitor the implementation of NRE policies and to support advocacy for sustainable governance.

Furthermore, Billital Maroobé became co-authors of a joint declaration highlighting the role of small-scale farming in Africa, which was signed by 12 million African farmers and submitted to the Danish Minister for Development Cooperation, Christian Friis Bach. This is a good example of a CARE Denmark partner taking the lead.

3.2.3. Up-scaling participatory watershed management

In Vietnam, CARE Denmark and its partner TUSTA have pioneered a so-called 'Visioning Approach'⁵ to participatory watershed management. It was piloted in 8 communes, and in 2011 it was scaled up by the district authorities to encompass the remaining 15 communes of the district. In 2012, the approach was adopted by local governments in at least two other districts, and it has been shared both nationally and internationally. A similar model was piloted by CARE Denmark in Nepal, and, as the first of its kind in that country, the whole watershed plan was approved in 2012.

3.2.4. Sustainable export value chains with COOP Denmark

A new and different kind of partnerships represented by CARE Denmark's partnership with the private sector. The Danish retailer Coop and CARE entered into a longer-term strategic partnership in 2012, and part of this joint endeavour focuses on developing more inclusive and sustainable export value chains. Innovations are tested regarding three different export vegetables, namely sugar snaps, baby corn and green beans. This work is carried out in Kenya in collaboration with the Kenyan exporter Sunripe.

A number of bottlenecks in the value chain are addressed to increase quality, volume, stability, customer loyalty, environmental management, and risk sharing. As part of this partnership, CARE has shared knowledge and experience with Coop to substantiate the development of the latter's new Africa Savannah brand, now on sale in Coop stores. The lessons learned from the pilot project in Kenya are expected to benefit Coop's purchasing operations in Africa. CARE and Coop have also initiated the Savannah Storytellers' initiative, in which eight voluntary storytellers have toured Denmark, offering over 80 public presentations on Danish development aid and trade with Africa to more than 5,000 consumers and Coop members in Denmark.

3.2.5. Speculation in food commodities

Following the dramatic price spikes in basic foodstuffs during the global food crises in 2008 and 2010, CARE Denmark, in partnership with Oplysningsforbundet DEO, Concord Denmark, Danwatch and Corporate Observatory Europe, launched an advocacy campaign in Denmark against financial institutions' speculation in food commodities with the aim of influencing the public debate and new EU legislation regulating financial markets. Using cases, evidence and testimonies from partners in Ghana and Uganda on the link between financial speculation in Europe and food insecurity in the world's poorest countries, the campaign attracted broad media attention through a hearing at the Danish Parliament, a debate meeting in Aalborg and a side event during the EU-ACP Joint Parliamentary Assembly, which was held in Denmark.

Furthermore, policy dialogue with relevant institutions and ministries, including the Danish EU Presidency, the Danish Agriculture and Food Council, the Danish Bankers' Association and Nordea, made it possible to significantly influence the debate and the EU legislation process, which is still ongoing. Following the public debate that has arisen in Denmark and Europe, Nordea and a range of other European banks have decided to stop their speculative activities in food, as they no longer see it as a socially responsible investment.

Conclusion

The above are examples which illustrate how CARE Denmark's work ranges widely from concrete concepts successfully applied in the field to advocacy at local, national and international levels. They also bear testimony to the fact that the effect attributable to CARE can be difficult to verify, as many international NGOs are in play lobbying for policy changes. The Review Team has not been able to assess the degree to which CARE Denmark's

⁵ Visioning is a methodology for empowering communities to take command of their future by deciding how they wish it to be in their own terms. Participants discuss and develop a single vision for the entire community. See: http://www.careclimatechange.org/files/CARE_docs/CARE_VN_Visioning_Document.pdf

partners are in the frontline at international levels, and consequently whether CARE Denmark's capacity development efforts have led to enhanced advocacy skills.

The Review Team finds that CARE Denmark has been good at identifying opportunities (with the EU, with the private sector), but may need to further enhance its efforts to bring partners into the frontline.

4. CARE DENMARK WORKING WITH PARTNERS IN THE SOUTH

This chapter contains an analysis of the major change process that CARE Denmark is undergoing with the new generation of programmes in all priority countries. The chapter is particularly focused on the assessment of CARE's partnership approach.

4.1. Relevance of CARE programmes

The immediate objective of all CARE programmes reads: "*Civil society organisations representing people who are vulnerable and dependent on natural resources build and use evidence on gradual rights realization in policy, planning and implementation, acting as credible, legitimate and accountable change agents.*"

With this objective CARE aims to contribute to a fairer and more sustainable world in which impact groups enjoy social and environmental and climate justice. CARE will use a rights-based approach to empower poor people as citizens and rights holders, strengthen their ability to organise in civil society organisations in order to influence decision makers and duty bearers to respect, protect and fulfil their rights.

This is clearly consistent with DANIDA's Civil Society Strategy (2008) and recent publication 'A Greener World for All',⁶ whose various draft versions have indeed been actively commented upon by CARE Denmark. CARE has defined two priority themes:

- the right to food and equitable access to natural resources – e.g. food security, land, forest resources, fair global trade patterns etc.;
- climate change – community resilience, finance for adaptation, effective disaster risk reduction, global mitigation efforts and low-carbon development options.

CARE Denmark selects southern partners who work on behalf of poor and vulnerable people as credible, transparent and legitimate change agents with participatory internal governance. Female participation in the leadership is an important indicator.

The so-called impact group for CARE Denmark's programming is people who are poor and vulnerable and dependent on natural resources. CARE Denmark emphasises activities which lead to enhanced performance and accountability of local organisations, whereas CARE International has a tradition of service delivery and measuring results accordingly, such as counting the number of people reached by the support, e.g. 2.7 million people increased from 2005 to 2010 their average income by 117% in Bangladesh, India, Sri Lanka and Vietnam according to the CARE Asia Impact Report (the same methods is applied in the other continents).

4.2. Context sensitivity and in-country presence

The CARE country offices are generally strong on technical skills, e.g. natural resources, forestry, water, and emergency relief. Through CARE International, CARE Denmark has access to all services of these country offices, thus enabling the organisation to keep its finger on the pulse of national context and trends. Country offices are closely involved in the implementation and monitoring of CARE Denmark supported programmes.

CARE Denmark operates within a decentralised framework, as the office in Copenhagen has delegated considerable responsibility to country offices in charge of day-to-day implementation and monitoring. Furthermore, CARE

⁶ Strategic Framework for Priority Areas: Natural Resources, Energy, and Climate Change. Danida 2013.

Denmark has placed an international representative, referred to as “adviser” in CARE Denmark’s job descriptions, in most of the priority countries, which is not the case of other CARE International members.

Despite this, CARE Nepal seems to have limited experience of undertaking context analysis related to the role of civil society organisations, which is relevant in the planning of new programmes. While the Niger programme document for instance contains an analysis of the role of civil society in the present situation, the same has not yet been included in the Nepal draft programme document, although CARE Nepal has consulted existing analysis on the role of civil society and carried out a number of studies and conducted a mapping exercise as well as a gender analysis. The Review Teams finds that the civil society aspect could feature more prominently in the project context analysis.

Additionally, both the new Ghana and Uganda programmes have a good context analysis, but is weak on analyses of civil society aspects.

Recommendation (2) *CARE field offices should improve their attention to continuously updating the context analyses, which includes relevant trends, factors and stakeholder assessments related to the role of civil society within the overall areas of CARE Denmark supported programmes.*

4.3. CARE Denmark’s work undergoing major change

CARE Denmark’s work in the South is currently undergoing a major shift from partner implementation of service deliveries towards strategic partnerships with civil society organisations. CARE’s programmes have traditionally focused on improving the livelihoods of poor people at the community level. Without abandoning this overall mission, however, CARE is moving towards a stronger human rights-based approach in collaboration with selected civil society partners capable of undertaking advocacy.

As a brief background, CARE Denmark drew up a partnership strategy in 2003, which stated the need for a “paradigm shift” based on the following changes:

- From projects to programmes
- From service delivery to institutional development of civil society
- From self-implementation to partner implementation
- From needs-based work to advocacy and a human rights-based approach.

CARE has become increasingly acknowledged as a capable and professional NGO, which has a well-focused programme in the field of natural resource management and relatively few priority countries. The change of course in 2003, however, was more reflected in planning documents than in practical implementation to the degree expected. This was clearly detected in the ‘Meta-evaluation’- carried out in 2010 and in “Think piece on civil society strengthening and its role in programs funded by CARE Denmark” from 2011.

The process of changes started already in 2010 with CARE Denmark’s meta-evaluation of its programmes in five countries: Ghana, Niger, Uganda, Vietnam and Nepal. Another critical evaluation from 2012⁷ outlined major differences between implementation on the ground in Mozambique and the planned programme document. It stated, “Effectiveness in terms of compliance with program goals is limited, as the advocacy component of the program was never developed, and the program ended as being implemented as a traditional area based rural extension and natural resources management program with limited scope beyond the local context.”

In addition, the Mozambique evaluation concluded that partnerships with two CSOs can be characterized as sub-contracting with limited mutuality and capacity building beyond the implementation of the programme. It recommended CARE Denmark to re-invent their partnerships in Mozambique with a focus on organizational capacity building for advocacy and broader civil society strengthening as a goal in itself.

These critical evaluations lead to numerous internal discussions within CARE Denmark. It was realised that working within a huge international organization like CARE International has pros and cons. On the positive side, the field offices can be shared with other members; whereas the negative side consists of the decision-making process and

⁷ Evaluation of Forestry and Agriculture Programme in Mozambique (FAPIM). CARE Mozambique. August 2012.

differences in programme approach. Many CARE offices have been implementing massive service delivery projects as well as emergency assistance for many years, and though partners are involved in the implementation, they are often seen mostly as a cost-efficient way of implementing projects through sub-contracts.

These reflections within CARE Denmark resulted in an impressively open and self-critical paper: *“Think piece on civil society strengthening and its role in programs funded by CARE Denmark.”* This is probably the most strategic document that the Review Team has read. It has led to major changes in how CARE Denmark is operating. Its contents were not only discussed within CARE Denmark, but were also distributed to the country offices as well as to CARE International. The paper, verging on the provocative, sent a clear message as to the direction in which CARE Denmark wants to move.

The key recommendations in the *Think piece* were as follows:

- Move away from an exaggerated focus on concrete outputs at the community level.
- Only deliver specific services (such as training and inputs) when it serves a strategic purpose within the broader strategy of promoting rights and empowerment.
- Engage with more daring partners that are willing to address thorny power issues and hold duty-bearers accountable.
- Work more with civil society at the national level and link civil society both vertically and horizontally.

These points were thoroughly discussed in 2012 and led to the revision of CARE Denmark’s Programme Strategy to be approved by the Board in November 2012.

In the ‘new generation’ of CARE Denmark programmes, civil society strengthening stands out as the primary objective, as the focus is on advocacy and strategic partnerships. The key requirement for being a strategic partner is willingness to be a credible, transparent and legitimate voice of poor and marginalized target groups.

Similar wording is sometimes heard from other members of the CARE International family. The real difference is to be found in how it is operationalised, as CARE Denmark is introducing major changes in the participatory preparation of new programmes and not least new Partnership Agreements (contracts). These involve delegation of competences and responsibilities to partners far beyond the standard contract thus far in force for CARE organisations⁸, which contains many detailed requirements and is confined to a maximum of 1 year with limited predictability. This time limit springs from a decision taken by CARE US, which is the entity legally responsible for all field offices through which CARE Denmark is operating (except Vietnam operated by CARE Australia).

A key consideration behind this short timeframe is the sensitive distribution of risks and possible financial loss. This situation was exacerbated when CARE US came close to losing its US AID certification five years ago, making CARE US even more reluctant to delegate long-term financial management to its partners.

Consequently, CARE US has set the pre-condition for allowing CARE Denmark to enter into these new-fangled long-term Partnership Agreements that CARE Denmark also takes full responsibility for possible loss of financial resources handled by partners. This has been accepted by CARE Denmark, which has significant equity capital as explained further in chapter 6.

Conclusion

In conclusion, CARE Denmark appears to have underestimated the challenges of getting the various CARE field offices (CARE International) to understand the full implications of the Danida civil society strategies (2000 and 2008), which emphasise the linkages between advocacy and capacity development of partners, while strategic service delivery is conceived only as a means of strengthening these. In the view of the Review Team, CARE Denmark deserves praise for its efforts, exerted through country programming on the ground, to influence CARE International towards genuine partnership agreements with predictable financial commitments in the full programme period - instead of merely sub-contracting local CSOs to deliver inputs to CARE's own programmes.

⁸ See the CARE guidelines: CARE International Code, 2011.

Recommendation (3): CARE Denmark should continue the on-going efforts to promote genuine partnership agreements with Southern partners (including financial commitments for the full programme period) - in which CARE Denmark, as a minor member of CARE International, can contribute by setting concrete examples, thus influencing the wider CARE International family in the same direction. This also seems highly relevant to the implementation of the 'Vision 2020' strategy.

4.4. CARE Denmark's approach to partnership

CARE Denmark's new programme policy heralds a major shift in the planning and implementation of future Danish supported programmes. The Review Team recognises that CARE Denmark's new programme policy is much more in line with Danida's Civil Society Strategy (2008) than what was previously the case. Noticeably, CARE Denmark formulated, as early as in 2003, its first Partnership Strategy⁹ which, however, was only implemented to a limited degree.

As CARE Denmark depends on country field offices managed by CARE US (except Vietnam which is managed by CARE Australia), it is a challenge to change organisational attitudes and culture related to how CARE staff will handle these partnerships in the future. This was clearly acknowledged by the deputy director of CARE Nepal, who described the resistance that will inevitably be faced, as many CARE staff may lose their jobs in the coming years due to partner implementation and demands for new staff qualifications.

While the management of CARE field offices in Niger and Nepal have been open toward these changes, it has been more difficult for the field offices in Mozambique, Uganda and Ghana, which are used to the more traditional approach of sub-contracting CSOs for CARE owned programmes. An example of this is the case of the new programme in Ghana¹⁰. It is the impression of the Review Team that CARE Denmark has handled the preparatory processes well in the different countries – both in regard to the CARE field offices and in regard to the new strategic partners.

4.4.1. Strategic partnerships and assessment of contracts

CARE Denmark adheres to CARE International's Vision 2020 with its ambition to form stronger partnerships with civil society actors and social movements, and to take advantage of CARE's strength in 'local-to-global' advocacy, thus making CARE more relevant as a partner to local development actors.

CARE Denmark's Programme Strategy (2013) stresses that future programmes must be aligned to their partners' strategic plans and must be genuinely driven by civil society actors, not by CARE. It is stated that *"each CARE Denmark-funded programme must work with between two and five civil society organisations, who determine programme interventions in collaboration with CARE based on their plans for organisational development and objectives on behalf of their constituencies."*

CARE Denmark prefers to partner with CSOs that share CARE's values in general, work with advocacy, have a membership base among the impact group, and are credible, transparent and legitimate representatives with democratic internal governance. This corresponds well with international best practices of strategic partnership, as recently confirmed in the INTRAC-led evaluation of Danida's Civil Society Strategy, which concluded that the strategic partnership approach has proved to be a particularly effective means of enhancing ownership based on partners' own strategic priorities and building upon their own internal governance systems.

In 2009 in the CHULI programme in Nepal, CARE Denmark initiated partnerships with seven CSOs, of which two were strategic partners¹¹), while five district-based NGOs were implementing partners. The Nepalese CSOs have signed three-year Memoranda of Understanding with CARE Nepal. However, they could only obtain one-year financial commitments due to CARE US contract formats. Against this background, the Review Team acknowledges

⁹ CARE Denmark's Partnership Strategy, March 2003

¹⁰ Forestry and Extractive Industry Civil Society Support (FEICS) Program 2013 - 2017 in Ghana.

¹¹ The two strategic partners are the Federation of Community Forest Users (FECOFUN) and the Community Self-Reliance Centre (CSRC).

the importance of CARE Denmark having drawn up a new contract format (Partnership Grant Agreement), which was first applied in Niger and Uganda, allowing partners to obtain financial commitments for the entire programme period. This allows for a higher degree of delegation of competences and responsibilities to partners.

Below is an excerpt from an overview of the six countries, which have changed to the new partnership format with multiannual financial commitment (presented in full in annex F). As indicated in all interviews with CARE programme staff in Copenhagen, this new model has been applied in Niger serving as the “guiding star”. The other countries are set to follow the same path. Only this year did Nepal enter into this new planning mode.

For a brief comparison between Nepal and Niger regarding partnerships:

- Nepal: From 2009 to 2013, two strategic partners and five subcontracts provide inputs to CARE’s CHULI programme. A three-year MoU has been signed (financial commitments only for one year). From July 2013, “new generation” programme is introduced with three strategic partners for six years. MoU for three years. The duration of the financial commitments has yet to be clarified.
- Niger previously had 10 partners as sub-contractors with support from CARE Denmark. The “new generation” programme is made up of partnership agreements (new contract format) with one regional pastoral network, one large national pastoral association and one small pastoral organisation focusing on water.

Conclusion: Although the change process has been agreed within CARE International, it has proven to be more time-consuming for CARE Denmark than envisaged. In view of the Review Team, it is impressive to observe the amount of work and energy that CARE Denmark has invested into reviews, reflections, dialogues and negotiations with CARE field offices about new programme design and selection of new strategic CSO partners in six countries.

4.5. Selection of partners and programme preparation

CARE Denmark is changing its way of selecting partners. Instead of having a relatively high number of CSOs on subcontracts, future programmes will involve a reduced number of strategic partnerships. A ‘strategic partners’ should, apart from representing social movements within the CARE Denmark priority areas adhere to the following definition in the Programme strategy: *“Strategic partners must be civil society organizations that already use policy advocacy and monitoring to achieve structural changes – or at least be genuinely interested in developing their advocacy skills and activities. Secondly, they must work for goals that overlap with our overall programme goals and share CARE’s values. Thirdly, they must be accountable to constituencies in the impact group.”*

Accordingly, the preference is for broad-based CSOs with democratic structures and constituencies among marginalised groups, and less for NGOs with limited member bases.

In the case of the preparation of the new programme in Uganda, it took one year, until June 2013, to select new partners. First, a call for expression of interest in collaborating in the NRM sector was circulated to 30 organisations. Seven out of these 30 organisations were selected to take part in programme design using defined criteria. Strategic partnerships are now being forged with five organisations.

The Review Team has noticed that the preparation of the new CARE Denmark 'Right to Adequate Food 2013-2019 programme' in Nepal has been participatory. An example of this was a two-day workshop held with partners in February 2013. The workshop was attended by four shortlisted candidates. Lately the Nepal office has selected three out of the four, all national networks with head offices in the capital Kathmandu. CARE has used the *“Criteria for selection of strategic civil society partners”*, which CARE's team in Nepal drew up with reference to the CARE Denmark Programme Policy.

The definition of strategic partner in Nepal has also ruled out the possibility of working with more district based and/or technical NGOs with limited member bases. And the Review Team has noted with concern that CARE Nepal has not undertaken capacity/organisational assessments of the selected three future strategic partners.¹² This

¹² As a response to this CARE argues that strategic partnerships are not expected to be the only working modality and type of collaboration. Hence, CARE can partner with more technical/knowledge partners in e.g. the strategic pilots at the local level. The

remark refers particularly to a newly established farmers' association, the National Farmers Group Federation (NFGF), which has been promised six years' support as a strategic partner without complying with a certain level of organisational capacity (according to a capacity assessment¹³). However, only a 3-teay MoU and a specific contract for a 1-year financial support as a start of the new cooperation with CARE is to be signed. It seems well justified to include farmer organisations in the new programme. CARE has selected this farmer association for being a legitimate and representative organisation for smallholder farmers and for being independent of political parties. Nevertheless, it is a question whether NFGF will remain so for the next six years within a highly politicised context.

Looking at the opportunities, the Review Team finds that CARE Denmark is among the Danish NGOs with the strength to expand into regionally focused programmes, in particular in the Sahel region. This region is characterized by being highly fragile, and NGOs should generally be extremely conscious of risks and conflicts, in addition to having a solid foundation based on many years of work with civil society partners.

While the process towards more strategic partnerships have only recently begun in Nepal, interviews with staff at HQ level indicate that the Niger country programme has already applied the new approach, yielding results which could convince the Review Team that CARE Denmark has the capacity to change towards cultivating partnerships of a more strategic nature. The Review Team has noted that CARE Denmark's work in Niger appears to stand out as being prepared with a high level risks and conflicts consciousness, and CARE Denmark has a solid foundation based on many years of work with civil society partners in Niger. Thus, if anyone can expand operations into more countries in the Sahel, taking a regional approach, it is CARE Denmark. This could be further investigated through the suggested additional country study on CARE Denmark's work in Niger.

Unfortunately the Review Team was unable to visit Niger, mainly for security reasons related to a MFA lead mission, who would have had to travel outside Niamey in order to get sufficient information. Thus, in order to give CARE Denmark the benefit of the doubt, the Review Team recommends that Danida conducts a study in Niger before the next consultations with CARE Denmark, preferably led by an organisation with years of experience of strategic partnership, as well as profound knowledge of Niger and the region. The IIED in London would be a good choice. The terms of reference and work methodology should be similar to the TOR on partnership in this Review Team's TOR, albeit more explicit as to whether the CARE Denmark context and risk analysis is up to date or not. Such a study would also be of great inspiration for the Danish Regional Sahel Peace and Stabilisation Programme (2013-2017).¹⁴

Conclusion

CARE Denmark is moving consistently in a new direction with all its new generation programmes in the six priority countries. However, the operationalisation of the partnership approach has varied, not least due to significant differences between field offices, of which the one in Niger apparently has been the most receptive to change toward genuine partnerships. This emphasises the need for gathering lessons learnt over the last two years of experience. This could possibly be inspired by the Partnership Analysis¹⁵, looking into how CARE field offices/CARE Denmark have responded to these key priorities, among others:

- Achieve an overview of, and discuss, a common vision, common interests and strategies
- Reconcile expectations and discuss respective contributions
- Clarify respective roles and responsibilities
- Raise awareness of the benefits of mutual influencing.

definition of strategic partnerships are based on lessons learned from CHULI and the partnerships (strategic and non-strategic) and an assessment of which type of organization will be more effective in bringing social change through mobilization, alliance building and advocacy. It was decided that being a representative, legitimate voice of the impact groups was key to that ability to bring change.

¹³ Regarding the selection of the new farmer organisation as strategic partner, the criteria' in CARE Nepal's Partnership Strategy (2207) are not met regarding competency/credibility, formal structure, affiliation or leadership in regional, national and international networks as well as partnership history with CARE not less than three years.

¹⁴ MFA, Danish Regional Sahel Peace and Stabilisation Programme, 2013-2017, *draft not public programme document (June 2013)*.

¹⁵ The "Partnership Analysis" developed by the Danish umbrella network, CISU, in its new Organisational Manual (March 2013).

***Recommendation (4):** Danida should contract IIED or a similar organisation with solid experience of strategic partnerships to undertake a Study complementary to this Review in order to document the CARE Denmark partnership approach in Niger.*

4.6. Human rights based approach and gender equality

CARE International has a strong focus on improving the lives of women and girls and protecting their rights. During the mission in Nepal, the Review Team noticed that also men and local authorities (mainly male) are considered in the coming programme. The Review Team finds this development positive, as it is essential to include the actual decision-makers (most often men) as part of the process of ensuring women and girls their rights and protection. By promoting a more holistic approach to gender rights, programmes can be implemented more effectively. Interviews with the three national network partners in Nepal confirm that human rights principles, such as participation and transparency, have been applied in the new Nepal programme.

CARE Denmark – like many other NGOs – faces a challenge in beginning to work with a human rights-based approach as opposed to a Rights-based approach (RBA). The aim is that conscious and strategic use of human rights instruments and mechanisms – both nationally and internationally – should enhance and strengthen the work. It is also important to include complaints mechanisms in the HRBA, e.g. by learning how to use the special procedures of the Human Rights Council as well as shadow reporting to Universal Periodic Reviews and Treaty Bodies. Another opportunity is the CEDAW convention.

Regarding the important human rights principle of inclusion and non-discrimination, CARE has, among other methods, introduced 'the underlying causes of poverty', which plays an important role in the analysis of root causes of poverty. The Review Team finds the CHULI programme to be impressive in achieving empowerment of women's groups, which set out to enhance women's capacity to analyse their own situation. The method encompasses a participatory analysis of the underlying causes of poverty and a mapping of power relations at the local level.

CARE might face a challenge in translating this into human rights language – from wording such as “poor, vulnerable and marginalised” to “excluded and discriminated against”, which are, in many cases, the root causes of poverty and marginalisation. In this regard, CARE can add value to those of its local partner organisations which already work with these groups.

The Review Team had expected that a strategic priority related to rights, including indigenous peoples' rights would feature more prominently in CARE Denmark's final version of its new Programme Policy (April 2013). The RT noted that this has taken been removed - it was included as a third focus theme in an earlier draft version dated September 2012. In 2010, CARE Denmark developed a guideline, 'CARE Denmark guideline for support to Indigenous Peoples and Ethnic Minorities'. The guideline is still a draft version. With Indigenous Peoples Rights featuring very prominently in the climate change negotiations, in particular in relation to REDD, and with Nepal as a priority country, with at least 37% (but in reality over 50 %) indigenous people, CARE could do more to include indigenous peoples' issues. Nepal has ratified both the Convention against Racial Discrimination and ILO Convention 169 on indigenous peoples' rights. In terms of inclusion and working from a human rights perspective, indigenous peoples rights is a political topic in all countries of cooperation. Discussions lasted for 20 years before the UN Declaration on the Rights of Indigenous Peoples was adopted in 2007 (ratified by the Nepalese parliament).

***Recommendation (5):** CARE Denmark should continue to develop its human rights-based approach in the programmes, including the implementation of indigenous peoples' rights according to ILO Convention 169, and finalise its guidelines on support for indigenous peoples.*

4.7. Advocacy, networking and information work

Advocacy is a fundamental tool in a rights-based approach that favours poor people and sustainable development. It can take place locally, regionally, nationally and internationally.

As described in chapter 3, CARE Denmark has been involved in a number of intense advocacy activities. This includes CARE Denmark's leading role in the Poverty, Environment and Climate Change Network (PECCN), and in the regional

pastoral network Billital Maroobé in seven West African countries, which has expressed concerns to the EU, ECOWAS and governments in Sahel over European milk powder.

All 'new generation' CARE programme documents have civil society strengthening as their primary objective and encompass advocacy with strategic partners. This change might be a challenge for some of the CARE country offices. Accordingly, further support and advisory services from CARE Denmark could be important for strengthening 'local to global' advocacy linkages.

CARE Denmark's project in Uganda is just one of several examples of how CARE Denmark's programmes have made strides in recent years in moving away from partnerships focusing on activities at the local level towards supporting the long-term agendas of stronger CSOs operating at several levels and seeking to link issues from a local to a national level. Since 2011, CARE Denmark's REPA programme (Rights, Equity and Protected Areas) has put greater emphasis on supporting national level advocacy – and hereby encourage local partners to play their watchdog role in holding governments accountable to good governance in the sector of natural resource management. The Review Team notices a clear move towards CSOs being in charge of implementation at both national and district levels.

In Nepal, CARE Denmark's programmes have traditionally focused on implementing activities at the community level, while advocacy has been less prominent, as observed by the Review Team in Nepal. As stated in the final evaluation, results of advocacy in the CHULI programme were expanded over time as regards the local level (Village Development Committee) and local-national linkages. Some activities have also been conducted in relation to REDD with a report on forest and climate change up to the Rio+20 summit and FECOFUN has participated in climate negotiations. However, from the viewpoint of the RT, CARE Denmark could benefit from stronger linkages between its programmes in the South, and its work in the North, both at international levels and related to CARE's information work and "branding" in Denmark.

CARE Denmark has reported a number of information activities in Denmark. The so-called storytellers have had a significant outreach to 3,025 participants at 94 public meetings in 2012 as well as coverage in the local press. For 2013, speakers have already been booked for 80 public meetings with Savannah Storytellers, which is a joint effort with COOP. *The RT encourages CARE Denmark to work for stronger branding of CARE Denmark in Denmark by bringing more strong cases ("breaking news") from the south to the attention of the public in Denmark. Cases could relate to human rights and/or climate relevant issues of interest to a Danish public.*

The climate change exhibition '100 Places to Remember Before They Disappear' has had three outdoor exhibitions on the dikes of Southern Denmark in Højer, at the Energy Museum in Bjerringbro and at the Trapholt Museum in Kolding. The exhibition has attracted more than 100,000 visitors and has given rise to extensive local press coverage. In addition, 3,200 school children and their teachers were introduced to the issues through teaching materials and tours of the exhibitions conducted by CARE Denmark's storytellers.

Recommendation (6): *CARE Denmark could benefit from stronger linkages between its programmes in the South, the involvement of its partners in advocacy at the international level, and CARE's own advocacy and information work in Denmark.*

4.8. Application of aid effectiveness agenda within CARE

Examples of actual alignment of CARE's monitoring and reporting system to the partner organisations' own systems has been relatively scarce, as project documents and progress reports are often prepared exclusively for Denmark and other donors within the CARE family. As an example of weak harmonisation, CARE Ghana implements at least ten (10) projects annually supported by different categories of donors with different reporting requirements and reporting formats. This adds to the workload of both CARE Ghana and its CSO partners. The staff time spent on these administrative tasks could have been more advantageously spent on working with the programmes.

The Review Team has noted that CARE Denmark's new Programme Policy clearly addresses such challenges by stating that future programmes should implement the development effectiveness principles of ownership, alignment, harmonisation, managing for development results and mutual accountability. CARE Denmark is working for greater flexibility in relation to existing CARE International regulation of grants to partners.

In Nepal, the Review team saw an interesting example of aid effectiveness. Since 2009, CARE Denmark has supported a basket fund for land rights with the Community Self-Reliance Centre (CSRC). The basket fund is also supported by MS Nepal, ActionAid, Canadian Cooperation Office, and Oxfam GB and, as the main contributor, Danida Human Rights and Good Governance Advisory Unit (Danida HUGOU). All donors have agreed on joint support for the common partners' Strategic and Operational Plan, which, according to CSRC, has been a significant benefit for them. CSRC informed the Review Team that they had rejected funding from US-AID due to its demand for single-format reporting.

For two of the three new partners in the Nepal programme, it will be a challenge to strengthen their planning and monitoring capacities. This indicates an essential need for improvement of downward accountability ("forward accountability" in CARE terms) to the partners' constituency, which is crucial for a democratic and accountable civil society.

***Recommendation (7):** With the aim of reducing transactions costs, CARE Denmark should step up efforts for further harmonisation with other members of CARE International on shared planning, monitoring and reporting. Furthermore, CARE Denmark could, together with strategic partners, explore the scope for increased joint core funding based on alignment to partners' strategic plans, relying on its partners' governance structures, annual work plans and reports to their own annual assembly or board.*

4.9. Capacity development of partners

CARE Denmark's new Programme Policy highlights the "Change Triangle" as the recommended approach to capacity development, with strategic services being linked to the two other cornerstones of civil society strengthening, that is, organisational capacity building and advocacy. This method documented by the Danish NGO Forum is founded on the idea that realising change requires a strategic and participatory process of CSOs in close interaction with their constituencies.

The Review Team has been informed that the Niger programme is inspired by this approach. A key element of the CARE-supported programme in Niger is capacity development of the local Diffa chapter, which is the most marginalized local member of the AREN association, but with quite a large membership base. Strengthened capacity was achieved by (i) identifying individual advocacy action plans for CSO partners according to their priorities, (ii) improving financial accounting capacity, (iii) developing strategic plans, and material support (new and used office equipment, used project vehicles).

In Nepal, the Review Team has observed that CARE's tools for organisational capacity assessments are outmoded compared to those of the Change Triangle (or similar methods). What CARE has been using for years is the so-called "Due Diligence Assessment Instruction", which is conducted to determine if a sub-recipient has sufficient capacity in place. Here the main focus is on technical and financial management capacity. It produces a total score regarding the inherent risk taken by CARE country office when signing a contract. CARE Nepal has developed a new tool to analyse capacity and there have been some difficulties in applying the new one.

CARE has realised that this method is not the most adequate for capacity development of new partners, for which reason CARE Nepal/DK is developing a new method for comprehensive organisational assessment. The Review Team finds that technical aspects not should be left out of such an assessment. It will still be important to strike a balance between organisational and technical capacity building, when working with natural resource management.

Several CARE programme officers in Copenhagen stated that they often prefer the involvement of local specialists in undertaking the capacity assessments, partly because CARE offices often do not have this in-house capacity, and partly because a local organization wanting to impress CARE as a financier might be reluctant to shed light on its own weaknesses. The Review Team finds that CARE Denmark could give Southern partners a better chance of owning the capacity assessment to make them more open to its recommended change processes.¹⁶

¹⁶ In response to this finding CARE DK argues that Whereas third party may be involved to facilitate assessments - to promote frankness and honesty of national partners - all programmes use a participatory approach in which the partners own the

4.10. Replicability and sustainability

The pursuit of financial, organisational and technical sustainability is important, and the RT has examined how CARE Denmark is making concepts and lesson learned replicable on a broader scale, and whether these are cost-effective. This issue is discussed less than expected in the new programme documents. There is also an absence of reflections on exit strategies, which the RT found to be formulated too late in the CHULI project in Nepal. CARE Denmark could benefit from exploring the concept of exit strategies, seeking to clarify how to end support already from the programme preparation process.

CARE International has traditionally self-implemented the up-scaling for broader replicability (in other districts of the same country). In this sense, CARE Denmark's new programme policy is a major change in opting for influencing public policies and monitoring public institutions' performance. For this purpose, CARE Denmark supports strategic partners in becoming credible, legitimate, transparent and accountable change agents across their day-to-day operations in processes that go beyond activities supported by the programme. The Review Team finds it to be well aligned to Danida's Civil Society Strategy that partners' capacity and ability feature as an indicator of long-term impact and sustainability of the Danish support.

The Review Team discussed intensively, during the visit to Nepal, to which degree this approach is feasible in a state as weak and fragile as Nepal. It was confirmed by several sources, including the head of the HUGOU programme in the Danish Embassy, that many good policies are already in place in Nepal. The main challenge is the lack of political will and institutional capacity to implement them, e.g. by the Ministry of Agriculture within the fields, where the CHULI project has promoted an impressive level of participation and transfer of skills in the areas related to 50 Village Development Committees.

Whereas the RT agrees with CARE Denmark's attempt to include the national advocacy component with national CSO networks, CARE may be too fast in downscaling its work with local NGOs in the districts in Nepal. In order to be a trusted and welcomed partner in the national level dialogue, a continuous supply of evidence from the field is needed, and this is where CARE has its comparative advantage and has been praised by the communities for its participatory methods and technical skills.

Recommendation (8): CARE Denmark should continue its engagement at the local level and make stronger efforts to ensure that the policy dialogue between its partners and their authorities is based on solid evidence linking the local to the national level. This is in particular relevant in states in fragile situation such as Niger, Nepal and Northern Uganda.

5. MONITORING AND EVALUATION

Reporting on results is one of five areas to which CARE Denmark has decided to pay special attention in order to live up to its vision and mission for 2020: *"To ensure that CARE Denmark remains recognised for creating sustainable results through self-help, [...] CARE Denmark will introduce accountability, documentation and dissemination of performance and results"*¹⁷

The aims are:

- Recognition from Danida in terms of an increased budget allocation
- Recognition from other institutional donors
- Improvement of CARE Denmark's ability to influence national and international development discussions

In order to fulfil this, four initiatives have been taken:

- Establishing a process to identify core themes

capacity assessments and the organizational development plans. In many cases, partners' organizational development plans are supported by several INGOs.

¹⁷ CARE Denmark, 'CARE Denmark's Vision 2020' (approved by the Board on 4 December 2012).

- Developing and implementing new monitoring and evaluation systems
- In the light of the new systems, CARE Denmark will create new formats for documentation (reports) to communicate results and impact
- In order to make the new systems work, staff will be trained – both abroad and at home.

This decision to focus strategically on results reporting was taken in December 2012 together with other major decisions, e.g. on programmes and partnerships.

5.1. Present challenges for CARE Denmark

The major challenge for CARE Denmark is to maintain its ability to report, in parallel, on results from projects being phased out and from new programmes being implemented. According to CARE Denmark, reporting on results – especially on the strategic level – has been difficult for 2011 (submitted to Danida in September 2012) and will continue to be difficult for 2012 (to be submitted to Danida in September 2013) and for 2013 (to be submitted to Danida in September 2014). The major challenges are:

- The old programmes are country specific, and reporting on overall strategic and cross-cutting issues across all country programmes has not been taken into account in the various project designs. Hence reporting will primarily be on results achieved within each country.
- The new programmes will use indicators which are cross-cutting and which will enable reporting at a cross-country strategic level. However, time is needed for the programmes to be implemented and yield tangible results. Consequently, results in the first year(s) might be few.

According to CARE Denmark, reporting requirements have been further complicated by the fact that Danida's reporting guidelines were changed in 2012. The new guidelines have a stronger focus on measuring results against set targets, and on reporting by programme rather than on a country-by-country basis¹⁸

Hence, at the time of writing this review report, CARE Denmark is in the process of drafting new programmes in all its countries of cooperation. Most of the new programmes are due to start in the course of 2013. Moreover, following the decision in 'Vision 2020' regarding a strategic focus on results reporting, the entire programme set-up and programme management cycle (including monitoring and evaluation) is being redefined and reformulated. This gives rise to challenges for CARE Denmark's 1) ability to report on results and 2) overall monitoring and evaluation system.

5.1.1. Assessments of Reporting and Monitoring System

In 2012, CARE Denmark's Presentation to the Framework Consultation 2013 – 2016 was reviewed by an external consultant on behalf of Danida. The exercise consisted of a desk study of the Presentation to the Framework Consultations submitted by every Danida framework organisation. It assessed each organisation's ability to report (not the actual results achieved)¹⁹ within the following areas: i) Strategic level, ii) Programme/thematic level, iii) The five thematic areas set out in the Civil Society Strategy and vi) The organisation's results-based management system/monitoring system.²⁰

The overall assessment of CARE Denmark was not satisfactory, which can be seen in the following table:

¹⁸ Interview with CARE Denmark's Programme Director Lisbeth Møller on 16 June 2013.

¹⁹ A similar exercise was conducted in 2011, where the overall assessment of the organisations' ability to report was rated as unsatisfactory. Hence, and after consultations with the organisations, it was decided to make a similar assessment in 2012.

²⁰ Ministry of Foreign Affairs, Internal Grant Committee Meeting 12 June 2013, agenda item 5, file no.: 104.N.1-14.

	2010	2011
Strategic level	2	1
Programmatic level	2	3
Thematic level	4	3
Monitoring system	3	2
Total score	9	9
Average score	3	2,25
Narrative assessment	Medium	Poor

Table. External assessment of CARE Denmark's reporting ability²¹

As can be seen from the table above, the two main areas in which CARE Denmark obtained low scores ('very poor' or 'poor') were: 1) the strategic level and 2) its monitoring system. Looking at the document produced by CARE Denmark, it is noticeable that it only entails *process* indicators on the strategic level. However, at the programme/country level, a set of uniform indicators have been used. Accordingly, aggregation to an overall/strategic level should have been possible. The Review Team notes that the chapter on strategic results elaborates on present challenges and on the intention of CARE Denmark to shift its strategic focus to become more aligned with the official Danish Civil Society Strategy.

The guidelines currently in force were drafted in 2008 for each of the existing programmes (which are now being phased out), and CARE Denmark has stressed its awareness of the shortcomings of the present monitoring system. It has clearly been designed to deliver quantitative measurements for each year of the following nine indicators (the latter seven only if applicable to the programme). See table below.

Indicators within the following areas:	Results	Outcome	Mainstreamed into the programme
People directly supported by the programme	X		
People indirectly affected by the programme	X		
Livelihood improvements	X and/or X		
Natural resources governance	X and/or X		
Capacity building	X and/or X		
Advocacy	X and/or X		
Gender equality mainstreaming			X
HIV/AIDS mainstreaming			X
Climate change adaptation and disaster risk reduction mainstreaming			X

Table. Overview of indicators in CARE's present M & E System

Consequences

When presented in February 2013 with the result of the external evaluation of the reporting, CARE Denmark submitted a note to DMFA with a response to the external assessment.²² The main argument of CARE Denmark with regard to the assessment was that its poor ability to report at the strategic level springs from its ongoing major shift in programme strategy. According to CARE Denmark, the organisation proposed to resubmit its 'Presentation to the Framework Consultations' in order to rewrite the chapter on strategic results. However, DMFA responded that this was unnecessary, as the negative assessment would not affect the funding.²³

In May 2013, however, the above assessment ended up substantiating the allocation of an additional DKK 30 million to framework organisations, thus excluding CARE Denmark from access to this money. It was reasoned that the

²¹ Lisbet Fich, 'Desk review of Danish Framework organisations' reports for 2012, CARE Denmark', 10 December 2012

²² CARE Denmark, Lisbeth Møller, 'Notat vedrørende CARE Danmarks resultatberetning 2011, 2012 og 2013', 15 March 2013.

²³ Interview with CARE Denmark's Programme Director Lisbeth Møller on 4 June 2013.

assessment, despite its shortcomings, was the only objective basis on which the funds could be allocated. Accordingly, the two organisations which had a ‘poor’ score, did not receive any additional money. The DKK 30 million was distributed between the remaining four organisations, which had scored either ‘medium’ or ‘good’.²⁴

5.1.2. CARE Denmark’s Response to Challenges

Immediately after the results of the external assessment was communicated to CARE Denmark, the management of CARE Denmark decided to hire an external consultant to assist the organisation in improving its reporting according to the requirements of Danida.²⁵ The main tasks of this consultant are as follows:

“The(se) changes in CARE Denmark’s own Programme Policy as well as in Danida’s reporting guidelines, has necessitated the development of a new monitoring and reporting system, which is able to adequately capture progress against CARE Denmark’s policy and meet the new criteria for reporting set forth by Danida.

Annual reporting to Danida is always focussing on the previous year, whereas changes in monitoring systems are forward looking and difficult to implement retrospectively. Consequently there is a need for a two-pronged approach, where this year’s report [for the year 2012] tries to capture as much information from the new monitoring and reporting system as possible, and at the same time incorporating changes into country programmes, so that targets and results are measured more systematically for future reporting and learning”²⁶

At the time of writing this report, the external consultant has conducted a series of initiatives to strengthen CARE Denmark’s ability to both formulate and understand the requirements of an adequate monitoring and evaluation system. The consultant underlined that the main problems seem to be at the strategic level, whereas CARE Denmark is basically doing a good job at the programme level.²⁷ Difficulties are especially foreseeable in the coming years, when CARE Denmark will not only be implementing new programmes, but also redesigning its entire monitoring and evaluation system.

Conclusion

The RT finds that the decision to hire an external expert to assist with a response to the shortcomings of the latest ‘Presentation to the Framework Consultation’ is adequate and in line with good management. However, the process of drafting a new monitoring and evaluation system is not only a technical exercise, but also an organisational learning process, in which the role of senior management is central if it is to succeed. The RT strongly encourages CARE Denmark to look at this change process also as an opportunity for a good organisational learning process, driven by CARE staff themselves.

Moreover, much as the RT understands CARE Denmark’s disappointment as to the consequences of the latest external assessment for allocation of funds, the RT also acknowledges the difficult task of finding an objective tool for distributing the additional funds. The RT finds that more communication and agreement between DMFA and CARE Denmark on indicators is highly needed.

5.2. A New Monitoring and Evaluation System

The process of redefining a new monitoring and evaluation system has started, meaning that the external consultant has drafted new guidelines for CARE Denmark’s annual reporting format, which are now being used for two purposes: 1) to report on results achieved in 2012 and 2) to draft the chapter on results in new programme documents. The new system takes the good elements of the existing approach and combines them with more

²⁴ Ministry of Foreign Affairs, Internal Grant Committee Meeting 12 June 2013, agenda item 5, file no.: 104.N.1-14 and interview with DMFA, HCP on 7 June 2013.

²⁵ In the ‘Desk review of Danish Framework organisations’ reports for 2012, CARE Denmark’, 10 December 2012, several suggestions on specific areas which were assessed could be improved were listed, please refer to page 9 of the desk review.

²⁶ CARE Denmark ‘Terms of Reference, Development of a new Results-based Monitoring and Reporting system for CARE Denmark’s framework funded programmes’.

²⁷ Interview with external consultant Charlotte Örnemark on 10 June 2013.

strategic approaches, whose focus is on change and reporting, not only on results but also more broadly, e.g. regarding outcomes.

The foundation for an improved system lies at the country level, where the individual programme must be able to encompass both strategic and programme-specific elements. In order to achieve this, CARE Denmark has initiated the following:

- CARE Denmark partners and Country Offices shall identify which results areas they wish to report on, and which indicators they will use to support their analysis.
- CARE Denmark will compile the information from country offices in order to see which indicators are cross-cutting.

As a result, “CARE Denmark reporting will seek to demonstrate and analyse progress against broader thematic goal fulfilment across programmes”.²⁸ This implies that, when fully implemented, the system will be able to report on results regarding various cross-cutting issues, most notably the two strategic focus areas.

Moreover, the guidelines contain a chapter on ‘progress on civil society strengthening as a key driver for change’, which will enable CARE Denmark to report on this theme, which is “the backbone of activities across themes and the main mechanism through which results are achieved in the thematic results area.”²⁹ The guidelines are only at a draft stage and not complete. The external consultant will submit a new version during the summer 2013 (after the submission of this review report).

5.2.1. Downward Accountability

In the assessments referred to above, the focus has been on CARE Denmark’s ability to report upwards to donors (primarily Danida). However, at the centre of good programme management is the ability to be downward accountable to recipients of the aid. In CARE’s language, this is referred to as ‘forward accountability’ or ‘impact group accountability’.

An example of how this principle is applied in the CARE Denmark framework-funded programme in Nepal is the work of SAHAS (a partner organisation of CARE) working in the CHULI area. The model is applied more broadly too. SAHAS has applied an internal accountability framework with four pillars as indicated in the figure below:

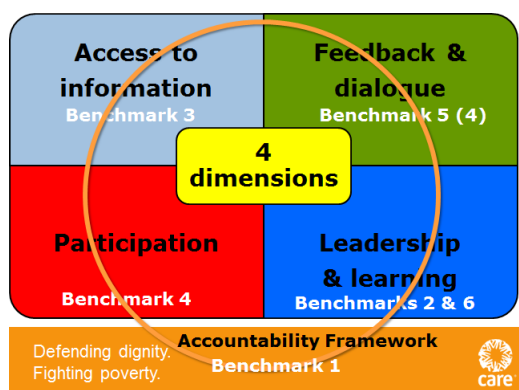


Table. CARE Nepal's Impact group accountability

The principles behind the framework are well aligned with the benchmarks of the international self-regulatory body, Humanitarian Accountability Partnership (HAP), as indicated above: i) Establishing and delivering on commitments, ii) Staff competency, iii) Sharing information, iv) Participation, v) Handling complaints and vi) Learning and continual improvement.

Internationally, CARE is undertaking a baseline study aimed at joining the HAP. Meanwhile, CARE Nepal is trying to integrate the principles of HAP into its work without formal certification. CARE has supported SAHAS to conduct

²⁸ CARE Denmark, Draft revised guidelines for CARE DK Annual Reporting Format- 8 March 2013.

²⁹ CARE Denmark ‘DRAFT revised Guidelines for CARE DK Annual Reporting Format – 8 March 2013’, page 5.

public audits and hearings of activities and budget in the district with the participation of impact groups (transparency, participation, feedback, access to information), develop a website with relevant information (transparency, access to information), establish a complaints handling mechanism to collect gratitude and grievances from impact group members regarding the behaviour of project staff (feedback and dialogue), and strengthen a system of incentives and disincentives to encourage accountable behaviour of staff (leadership and learning).

Conclusion

The RT finds that the draft guidelines on the new monitoring and evaluation system provide a well-structured and sound foundation for reporting. They contain a number of relevant analytical definitions and tools. A full assessment is not possible, as the guidelines are only available in a draft, while a more elaborate version has yet to be developed by CARE Denmark. However, the RT is concerned about the high level of ambition in the new monitoring and evaluation system. Considering the shift to more strategic partnerships and the crucial role to be played by the respective CARE country offices in implementing the new programmes, it might pose problems to introduce a highly sophisticated system, which neither the new partners nor the country offices are familiar with. This is further complicated by a simultaneous shift from a strong focus on results reporting towards outcome mapping.

5.2.2. Internal Consultative Processes

Consultative processes are an integral part of a sound Monitoring and Evaluation System. However, such processes are not confined to activities specifically concerned with monitoring and evaluation, but are central to the entire programme management cycle. The RT has paid special attention to consultative processes at two levels: 1) partnerships 2) internal appraisal and quality assurance. For the former, please refer to section 4.4. about Partnerships in the previous chapter.

The internal consultative processes consist primarily of two types: 1) staff from the Programme Department assesses programme documents etc. 2) strategic issues are discussed with the Project Committee.

Role and capacity of CARE DK's Programme Department

In the Programme Department, the process is organic in the sense that no formal procedures or manuals (e.g. on quality assurance) have been formulated, while constructive colloquial criticism among staff members takes place in the context of the general division of responsibilities. Accordingly, the Programme Director in Copenhagen has led the strategic process since the decision to focus on strategic partnerships. On a day-to-day basis, her role is to supervise and to assist each of the Programme Officers in negotiations, e.g. with CARE country offices, especially in difficult circumstances.

CARE Denmark's programme coordinators (working at headquarters in Denmark) are highly motivated and skilled academics with work experience in development from 6 to 15 years. Each Programme Officer has day-to-day responsibility for their designated country programme(s). Moreover, he/she provides constructive criticism and quality assurance with regard to products prepared by CARE Denmark staff in country offices. The Programme Officer has an overall function regarding contents, process, budget (together with the Finance Department) and communication 'upwards' with donors.

In programmes, CARE Denmark has seconded staff at local CARE country offices who are responsible for drafting relevant project documents. However, all documents are to be approved by the relevant Programme Officer. Only strategic documents – such as an overall programme document – are to be approved by the Programme Director (and by the Board).

Each Programme Officer seems to have more technically related areas of competence, e.g. on forests, HIV/AIDS, Green Growth, REDD, Climate Change, in addition to general competences. However, a formal system of using these

competences is not in place, though “we use each other’s competences a lot across the Department whenever there is time”.³⁰

Furthermore, as the only member of the CARE family, CARE Denmark has placed advisers³¹ for programmatic support and ensuring timely and quality annual reporting in relation to the framework-funded programme and other Danish funded activities. His/her level of effort is primarily directed at supporting quality implementation through close coordination with CARE Country Managers. The RT finds these staff secondments to Southern CARE offices important as an avenue for attaching a CARE Denmark fingerprint of added value to the more traditional CARE International approach, e.g. these international advisers promote CARE Denmark's new programme policy in terms of Danida’s Civil Society Strategy.

During the visit to Nepal, the RT had the impression that the CHULI project and the subcontracted local NGOs have been unable to draw on CARE's expertise in relation to their work with the communities and local government on the Local Adaptation Plan for Action (LAPA). CARE's Poverty, Environment and Climate Change Network (PECCN) held a training workshop for the CHULI project. However, there was probably insufficient technical support for these local NGOs with weak technical capacity to make the most of this in their work with adaptation plans in the communities.

Role of the Project Committee

The Project Committee which is comprised of voluntary members meets four times a year. Its function is to advise on more strategic issues, e.g. on the Civil Society Strategy, development of new programmes etc. Since meetings are rigidly scheduled for one year at the time, the Committee is, in some instances, unable to give feedback on specific project proposals (primarily to the EU due to short deadlines).

The Chair of the Project Committee has asked CARE Denmark’s management to ensure that central proposals to Danida are discussed in the Committee before they are submitted for approval by the Board of CARE Denmark.

Conclusion

While the RT acknowledges the constructive and positive internal feedback taking place in practice in CARE Denmark, the RT finds that the informality of this process may entail some flaws, as a tight-knit organisation might in some cases be unable to rise above informal relationships in the working environment and provide relevant colleagues with critical feedback.

As part of CARE Denmark's quality control of new programmes, the RT encourages CARE Denmark to strengthen internal procedures related to the use of safeguards and technical checklists. This is too important to be left to discussions within a Project Committee composed of voluntary contributors, who can in no way be held responsible for quality assurance. A starting point is to draft a quality assurance manual. The management of CARE Denmark should be presented with the results of internal appraisal process before endorsing new programmes.

This does not take away ownership from partners, on the contrary, this may be one of the strongest professional contributions which CARE Denmark can provide to partnerships. As part of an appraisal process screening notes based on safeguard policies should be developed in relation to Human Rights, including Indigenous Peoples' Rights and Gender, and on Climate Change. In order to internalise the new procedures, intensive staff training and follow-up (i.e. feedback from management) are needed. There are several ways of ensuring the relevant feedback and to obtain a leaner organisation. One is to have a retainer contract with an external consultancy company (or several) with competences in central cross-cutting themes and the capacity to provide impartial expert advice.

Recommendation (9): *In order to enhance the quality of CARE Denmark’s products and development results CARE Denmark should develop formal procedures for appraisals and quality assurance. As part of an appraisal process screening notes based on safeguard policies should be developed in relation to Human Rights, including Indigenous*

³⁰ Interview with CARE Denmark’s Programme Director on 16 June 2013.

³¹ Full-time advisers have been placed in Nepal, Niger, and Uganda. In Ghana, a professional spends 15 hours per week providing advisory services, whereas the Mozambique programme is too small to finance such an advisor position.

Peoples' Rights and Gender, and on Climate Change. In order to internalise the new procedures, intensive staff training and follow-up (i.e. feedback from management) are needed.

Recommendation (10): CARE Denmark should continue to use its staff competences, e.g. when seconded staff needs feedback on specific areas. CARE Denmark's headquarters should be organised so as to allow for quick and direct consultation with subject matter specialists.

6. ORGANISATIONAL AND FINANCIAL MANAGEMENT

This chapter focuses on CARE Denmark's organisational and financial management, including fulfilment of Danida requirements for framework organisations.³² Further details can be found in Annex C, D and E.

6.1. Overall assessment in relation to Danida's requirements

This section presents an overview of assessments of CARE Denmark's performance in the reporting period with regards to Danida's requirement. This is done with regards to: 1) Financial audits carried out the DMFA with further information in section 6.3; 2) Framework Consultations and 3) Assessment on reporting.

In the following table an overview of the different meetings between CARE and Danida:

	2008	2009	2010	2011	2012
Financial audits					
	17 December 2008	4 November 2009		25 May 2011	
<i>Conclusion</i>					
	During the previous monitoring visit, the low equity was noticed. The team notes a considerable improvement and has no further comments.	No comments on previous report.		The MFA finds CARE Denmark's administration of the frame agreement to be satisfactory.	
Framework consultations					
		15 December 2009		19 January 2011	14 December 2011
<i>Conclusion</i>					
		The framework budget 2010 was approved. CDK has performed and implemented activities on agreed three main targets for 2008 & 2009.		The framework budget 2011 was approved. The ministry and CDK agreed on a review to be conducted preferably during 2011.	The framework budget 2012 was approved.
RAM (Resource Allocation Model) Report					
			2010	2011	
<i>Conclusion</i>					
			Score: 3.00 (Medium)	Score: 2.25 (Poor)	

Table. Overview of meetings and overall conclusions of CARE Denmark's ability to adhere to Danida's requirements

³² For an overview of the organisational structure of CARE Denmark, including interlinks between the different CARE organisations internationally please refer to Annex C.

Conclusion: The overall assessment of CARE Denmark’s ability to meet Danida’s requirements is satisfactory. No major problems have been detected in either the financial audits; in the framework consultations or during this review (the question about CARE Denmark’s ability to narrative reporting on results was discussed in the previous chapter).

6.2. Organisational management

The National Director undertakes the day-to-day management together with the Programme Director, who acts as his deputy. However, significant decision-making competence is placed in the four departments. Accordingly, Department Directors are able to lead their respective departments rather autonomously.

The Secretariat is assessed to be a tight-knit organisation. An assessment of the staff shows a highly professional, hard-working group, many of whom have been in the organisation for many years – especially in the Finance and Programme Departments. Most have well-established networks and close internal working relations. Exchange of experiences and information takes place through various channels, including weekly staff meetings.

6.2.1. Staff composition

The Secretariat employs a total of 38 persons, of whom 21 are academics. The staff are divided into the following departments:

Finance Department		Communications Department	
Director	1	Director	1
Academic staff	3	Academic staff	3
Administrative staff	6	Administrative staff	3
Total	10	Total	7
Programme Department		Fundraising Department	
Director	1	Director	1
Academic staff	8	Academic staff	2
Administrative staff	1	Administrative staff	6
Total	10	Total	9

Table. Overview of staff in the four departments of CARE Denmark

There are significantly more women than men employed in CARE Denmark – approximately 70 percent are women. In the management, three out of five are women. In 2012, the average staff turnover was 5.8 years. This is a significant change from 2008, where the turnover was 3.6 years.

There are no plans to hire more staff or to change the staff composition. However, CARE Denmark has stated that they will use e.g. the Danish Institute for Human Rights’ courses for NGO employees in order to complement the staff’s competences.

Conclusion

The Review Team finds that the staff composition is adequate for the tasks of CARE Denmark. The staff is highly skilled and motivated.

However, it is noted that the Finance Department faces additional challenges due to the introduction of the new financial system (Pamodzi), while the Programme Department will face additional challenges due to the shift in programme strategy. Please refer to section 6.3 (Financial management) for further information on Pamodzi and to section 5.2.2 (Internal Consultative Processes) for an assessment of CARE’s Programme Department.

6.2.2. Procedures, Formats and Guidelines

CARE Denmark generally has the relevant procedures, formats and guidelines which can be demanded of an NGO of CARE Denmark’s size and scope of work. The RT has paid special attention to anti-corruption policy and ethical codex; UN’s and EU’s terror list, financial procedures and personal security. Please refer to Annex D. ‘Procedures,

Formats and Guidelines' for an assessment and overview of procedures etc. Regarding personal security the RT has noted the following:

Personal security

CARE International has a Safety and Security Planning Guide,³³ which must be used at all CARE offices. Moreover, a specific 'Visitors' Information Briefing'³⁴ is drafted for each country.

In Nepal the RT was informed that CARE Denmark seconded staff to country offices do not necessarily enjoy fall under the same personal security measures as permanent staff. Most notably, seconded staff might not have access to relevant equipment, such as a satellite telephones when on field missions.

***Recommendation (11):** CARE Denmark should take immediate steps to assess if their seconded staff are covered by the relevant procedures for personal security, focusing on reducing risks during travel. Personal security issues include the risk of carrying cash, moving alone in hotspot conflict areas, being abducted, driving in the dark and catching diseases, as well as the need for carrying emergency equipment (satellite telephone) and for staff reporting to the Danish Embassy/Consulate when arriving in a country.*

6.3. Financial management

The financial capacity of CARE Denmark has been assessed based on a dialogue with the DMFA's KVA (the quality assurance office), as well as through an inspection of procedures applied at headquarter level and in the field (Nepal only).

6.3.1. Headquarters

The major challenge for CARE Denmark is the introduction of CARE International's new financial system 'Pamodzi'. Pamodzi is planned to be implemented throughout all CARE's offices. The system has posed significant problems for most CARE organisations which have implemented it, most notably concerning basic usability.

CARE Denmark has signed a Memorandum of Understanding with CARE US, and will implement the system eventually, but has decided not to do so until being reassured that it will be able to produce relevant donor reports and fulfil CARE Denmark's internal control requirements. CARE Denmark is now testing the system, and Pamodzi runs in parallel with the current financial system 'Scala'. The system is putting strain on the Finance Department's human resources, and an additional employee has been hired (on so-called 'løn-tilskud') just to work on the existing system in order for permanent staff to work on Pamodzi.

The first real test of Pamodzi will be the financial reports from country offices, which are in the process of being submitted at the time of writing this report. These reports are central for CARE Denmark to be able to report on the framework agreement for the fiscal year 2012. Apart from the shared challenge regarding Pamodzi, challenges vary for each of the offices reporting back to CARE Denmark on the Danida framework funding: CARE Vietnam (not part of Pamodzi) is the most efficient, while the offices in Uganda and Ghana are subject to tight control by CARE Denmark in order for them to meet the agreed deadlines. CARE Nepal usually experiences substantial under spending of funds, and this 'low burn rate' is subject to continuous discussion between CARE Denmark and CARE Nepal (especially in the third and fourth quarter of the year).

If everything proceeds according to plan, CARE Denmark will consider implementing Pamodzi no earlier as of 1 January 2014. However, throughout interviews with the RT, CARE Denmark has underlined that the key issue for them is to secure relevant data in order to report back to donors.

6.3.2 Financial capacity of partners

The RT finds that the partner organisations visited in Nepal are able to meet the requirements of CARE regarding financial reporting. Designated persons from the organisations were educated in administration and accounting. As

³³ CARE International 'Safety and Security Planning Guide', version June 2009.

³⁴ CARE Nepal 'Security Information Briefing' Updated: 7 February 2013.

part of the screening of partners, a due diligence on administrative and financial capacity is carried out. It is noted that CARE Nepal is the focal point for reporting back to CARE Denmark, and is thus responsible for the quality of the financial reporting. However, the RT is concerned whether (new) strategic partners have the necessary capacity to fulfil financial requirements, which are added to existing requirements. CARE Denmark has updated the Partner Finance Guidelines in accordance with this new strategic approach. For further assessment of partnerships, please refer to section 4.4. (chapter 4).

6.3.3. Financial audits

During the financial audits carried out by the DMFA, no major issues have been raised, and the overall assessment is that CARE Denmark is fulfilling the requirements of Danida.³⁵ It shall be noted that DMFA previously have observed that CARE Denmark had a relatively low equity. In 2012 this has been raised to more than 10 million DKK, hence fulfilling the requirements of DMFA. Please refer to Annex E ‘Financial Overview 2008 – 2012’ which entails a more detailed assessment of the development of equity.

On 12 June 2013 CARE Denmark submitted a status report on the issues raised during the latest financial audit and framework consultation. DMFA has informed the RT that a financial audit is most likely to take place during the autumn of 2013.

Conclusion: CARE Denmark and its partners' financial capacity comply with the required standards. However, the implementation of Pamodzi and the new role of partners in the countries give rise to concern. The RT stresses the essence, to maintain Danish support, of CARE Denmark being capable of reporting back on results achieved.

***Recommendation (12):** CARE Denmark should insist on its cautious approach to the implementation of Pamodzi and continue to focus chiefly on donor reporting. Moreover, it is recommended that CARE Denmark, as part of its screening of partners, make an in-depth assessment of partners’ administrative and financial management abilities.*

6.4. Cost-effectiveness³⁶

In CARE Denmark, cost-effectiveness can be assessed using different parameters. In this review four parameters have been used:

6.4.1 Administration

The Board of CARE Denmark has decided that administrative expenses may not exceed 12 percent of total expenses. According to CARE Denmark, 12 percent is the best estimate of the proportion needed for CARE Denmark to be able to provide the necessary quality of service.

Administrative expenses				
2008	2009	2010	2011	2012
13%	13%	12%	15%	12%

Table. Overview of administrative expenses 2008 – 2012

CARE Denmark acknowledges that 12 percent is slightly above similar organisations. However, differences in calculation methods of ‘administrative expenses’ blur the picture. CARE Denmark has informed the RT that ISOBRO might be in the process of defining a uniform method of calculating administrative expenses. In 2011, the percentage was 15 due to less revenue from Danida as well as from corporations and foundation the total revenue was lower than the other years.

6.4.2. Fundraising

Fundraising expenses are calculated on the basis of collected funds. CARE Denmark aims to keep this cost at a maximum of 25 per cent. In 2012 the percentage was 31. This sprang from substantial investment in obtaining funds

³⁵ <http://amg.um.dk/en/technical-guidelines/financial-management/>

³⁶ ‘Cost-effectiveness is the extent to which the program has achieved or is expected to achieve its results at a lower cost compared with alternatives.’: http://siteresources.worldbank.org/EXTGLOREGPARPROG/Resources/grpp_sourcebook_chap11.pdf

from private companies and acquiring new members. With regard to the latter, the return of investment is 13 months – and CARE Denmark spent DKK 1 million more in 2012 compared to the previous years.

Fundraising expenses				
2008	2009	2010	2011	2012
29%	18%	23%	26%	31%

Table. Overview of fundraising expenses 2008 – 2012

6.4.3. Country offices

Country office expenses have been a contested area within CARE for the last couple of years. Due to the financial difficulties of CARE US, a discussion on sharing the cost of country offices has emerged with a tendency for CARE US to increase the percentage to be paid by other CARE organisations (up to 15 percent). However, CARE Denmark has maintained a principle of not contributing more than 10 percent. In return, CARE Denmark second staff to the country offices where it has programmes – a procedure welcomed by the respective country offices.

6.4.4. Performance audits

CARE Denmark’s auditor (PwC) carries out performance audits in relation to economy, efficiency and productivity. In relation to economy, contracts, maintenance and running cost are monitored on a regular basis. Tenders are invited for, for instance, cleaning services, waste management etc. Flight tickets are limited to economy class and CARE Denmark mainly uses UNITAS and Vejle Rejser as travel agencies. Per diem rates follow government rates. In general, procurement in Denmark and for projects is very limited, and Country Offices follow national procurement guidelines.

Conclusion: The overall assessment of CARE Denmark’s cost-effectiveness is satisfactory.

6.5 Overall funding

The overall assessment of CARE Denmark’s expenses shows an organisation with sound financial management which has the breadth of view necessary to ensure a reasonable match between income and expenses. In Annex E an overview of CARE Denmark’s overall funding and breakdown by source and cost is presented.

6.5.1. Danida’s contribution to CARE Denmark’s funding

Looking more detailed into how much Danida contributes to CARE Denmark’s funding, the following picture emerges:

Danida Income	2008	2009	2010	2011	2012
Danida income framework agreement (in % of total income)	41%	40%	38%	41%	41%
Danida income framework agreement (in 1,000 DKK)	38.906	40.221	40.157	40.194	44.861
Danida income single projects (in % of total income)	16%	17%	20%	8%	10%
Danida income single projects (in 1,000 DKK)	19.219	16.677	23.900	7.523	11.061
Total Danida income (in % of total income)	57%	57%	58%	49%	51%
Total Danida income (in 1,000 DKK)	58.125	56.898	64.057	47.717	55.922

Table. Overview of Danida funding 2008 – 2012 (excluding administration fee).

Conclusion: The DMFA has been financing approximately 51 per cent of the total funding of CARE Denmark in 2012. This implies a dependency on one major donor, which would render any organisation vulnerable to change in the main donor’s funding strategy, in this case of DMFA. Please refer to section 6.3 below for an assessment of CARE Denmark’s funding base.

6.5.2. Own Financial Contribution

Restricted and unrestricted funds are raised from private (individual) donations, membership fees, corporations, foundations and from the Danish Telethon (Danmarks Indsamling). CARE Denmark exceeds the required 10 % own financial contribution in all reporting period years, which can be seen from the table below.

	2008	2009	2010	2011	2012
Own financing requirement from Danida	10%	10%	10%	10%	10%
CARE Denmark (in per cent)	13%	25%	27%	26%	20%

Table. Overview of own financial contribution 2008 – 2012

With the new Danida criteria for calculating CARE's own financial contribution, EU funds and other institutional funding can be added to the calculation model from 2013. CARE Denmark has no problem exceeding the new 20 percent level of own financial contribution. Even if a 20 percent requirement was not to be imposed by Danida, CARE Denmark would still pursue a diversification of its sources of finance, and it would not change its strategy. It shall be noted that, in 2013, CARE Denmark's own contribution will be approximately 92 percent according to the new calculation rules from Danida.

Conclusion:

The own contribution percentage of CARE Denmark is highly satisfactory.

6.6. Fundraising Strategies

Since 2010, CARE Denmark has invested extra resources in its fundraising, because previous years showed that CARE Denmark has good potential for raising income from both individual donors and the private sector.

A new fundraising strategy was therefore developed and tested in 2010, and based on the results a new long-term fundraising strategy has been further developed and implemented in 2011 and up to 2013. To achieve CARE's vision, ensure CARE's public commitment (folkelig forankring) and own financial contribution, the fundraising strategy for 2013 focuses on three performance areas:

1. Private donors – supporting members and active donors and participants in activities and campaigns.
2. Strategic partnership with the private sector and foundations.
3. Networking with companies, other NGOs and educational institutions.

The four overall fundraising areas for the fundraising strategy are therefore:

Recruitment and retention of existing and new donors and members:

- Including recruitment of new CARE members via 'face-2-face' recruitment and testing of new recruitment methods and membership campaigns.
- Recruitment of new donors and leads via two yearly integrated fundraising campaigns, namely the "Walk in her shoes campaign" and CAREs Christmas gift concept.
- Conversion and re-recruitment of donors and lapsed members.

Upgrading existing donors and members: Development of a new donor concept for new and existing donors.

Income from foundations:

- Optimising and developing CAREs relationship with private and public foundations and developing a more personal contact to board members of foundations.
- Integrating the habit of applying to foundations more widely in CARE's networking.

Cooperation with the private sector:

- Development of new partnerships with the private sector either as strategic partners, campaigning partners or corporate members.
- Nursing and developing existing partnerships
- Development of new fundraising activities in cooperation with the private sector.

In 2013 there will also be special focus on implementing CARE's new donor database to make it possible to segmentalise and target the communication to each category of donors and supporters of CARE.

Conclusion: Dependence on DMFA makes CARE Denmark vulnerable to possible changes in official Danish support to the organisation. The sources of funding could be more diversified, and the RT acknowledges that CARE Denmark has taken many measures to ensure a broader funding base.