

# EVALUATION DEPARTMENT

Report 2 / 2020



ANNEXES 4-6

## Evaluation of the Norwegian Aid Administration's Approach to Portfolio Management

**Commissioned by**  
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## Annex 4: Programme to Combat Marine Litter and Microplastics

### Evolution of portfolio

The Programme to Combat Marine Litter and Microplastics (Marine Litter) is a relatively recent initiative in Norwegian development assistance. It was established in 2018, by the Ministry of Foreign Affairs (MFA) and Norad, in response to the increasing body of evidence on the effects of marine litter on marine ecosystems and biodiversity and the Norwegian government's commitment to achieving Sustainable Development Goal (SDG) 14 and the UN Environment Assembly (UNEA) four resolutions<sup>1</sup> on marine litter and microplastics in 2014, 2016, 2017 and 2019 respectively.<sup>2</sup>

The United Nations Environment Programme (UNEP) has estimated that annual global costs related to marine litter are US\$13 billion, the production of plastic is approximately 280 million tonnes – increasing by 5% annually – of which 10-20 million tonnes end up in our oceans.<sup>3</sup> Leading experts and think tanks have raised concerns about the current weaknesses in existing international frameworks to combat marine litter, citing a need for greater coherence and commitment to addressing the problem.<sup>4</sup>

There is a growing global consensus on the severity of the problem which is perhaps best illustrated by the commitments under SDG 14 – where UN member states agreed to prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution – by 2025 (Goal 14.1), in addition to the subsequent high-level commitments by member states that agreed on a vision of zero emissions on marine litter (December 2017). Further commitment includes an agreement to strengthen the knowledge base to inform evidence-based policy development and the global framework on marine litter (March 2019).

### Overall commitment

In 2018 the Norwegian Government created the Programme to Combat Marine Litter and Microplastics, committing a total of 1.8 billion NOK (approx. 400 million NOK annually) over a four period (2019-2022). The programme has been developed within the remit of Norwegian development assistance, and will contribute specifically to the achievement of the Goal 14.1. The programme commits to the prevention and reduction of marine pollution by 2025, the vision of zero emissions on marine litter adopted by the UN (2017), and positions Norway to take a leading role in international efforts to combat marine litter.

### Purpose

The UNEA adopted four resolutions<sup>5</sup> on marine litter and microplastics in 2014, 2016, 2017 and 2019 respectively. The resolutions underline that land-based waste prevention and management are central to addressing the problem of marine pollution. These resolutions form the basis of the Marine Litter programme, which will support initiatives that contribute to the UN's vision of zero emissions of plastic litter to the ocean. It will be geographically focussed on developing countries that contribute most to littering, or where there is evidence that littering and pollution is increasing (for example Small Island Developing States).

### Logic

While the programme focusses on marine plastic litter, it takes a holistic approach to the pollution cycle. It seeks to strengthen the infrastructure and systems for the management of plastic waste which will help to

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<sup>1</sup> UNEP/EA/Res.7 (January 2018): [available here](#).

<sup>2</sup> SDG 14 seeks to conserve and sustainably use the oceans, seas and marine resources for sustainable development: [SDG 14 Platform](#).

<sup>3</sup> UNEP (2014). *Valuing Plastics: The Business Case for Measuring, Managing and Disclosing Plastic Use in the Consumer Goods Industry*.

<sup>4</sup> Ecologic Institute and Adelphi (2018), 'No More Plastics in the Ocean. Gaps in Global Plastic Governance and Options for a Legally Binding Agreement to Eliminate Marine Plastic Pollution. Discussion Paper'.

<sup>5</sup> UNEP/EA/Res.7 (January 2018) [Available here](#).

reduce marine pollution in developing countries. It acknowledges that there may be synergies between systems and infrastructure for plastic waste and other types of pollution – and will seek to maximise such.

### ***Why focus on plastic?***

Plastic is estimated to constitute approximately 80% of all marine pollution.<sup>6</sup> Plastic waste occurs in various sizes and types. Microplastics are particles less than 5mm, while nano plastics are less than one micron (0.0001 mm) in size. They can be added to common products or formed as a result of plastic fragmentation which increases with exposure to UV radiation and mechanical forces.<sup>7</sup> Microplastics can contain harmful organisms, are easily ingested by marine organisms which has the potential to damage marine biodiversity and enter the food chain.

### ***Factors which affect marine litter***

The two main factors that impact the amount of waste that ends up in the marine environment, are population size and increased production and the quality of waste management systems.<sup>8</sup> The reasons for inadequate waste management systems can be linked to political, legal, institutional, socio-cultural, economic, environmental and technological conditions. In many developing countries, waste management regulations and laws are weak. Poor management, systems and expertise can result in overcrowding landfills and illegal disposal. Low status and wages in the waste sector can lead to limited capacity. Where regulations and systems exist, bribery and corruption practices can fuel illegal dumping. In some countries, there are informal structures and economies around waste management. Using these services, however, requires behaviour change. Waste management services also has the potential to create employment in economies where poverty and inequality persists.

### **Objective**

The key objective is to prevent and reduce the extent of marine litter from large sources in developing countries. To achieve this, the Programme will focus on four outcomes:

1. Plastic waste management in partner countries is improved (considered more long term).
2. Selected coastal areas and rivers are cleared of waste and the waste is sustainably managed.
3. Private sector's performance regarding sustainable production and use and responsible waste management is improved.
4. Global commitments and national and regional instruments to prevent marine litter (including microplastics) are strengthened.

### **Current approach to portfolio management**

#### **Development and oversight**

The Programme is overseen by the MFA, Norad and the Ministry for Climate and Environment (MCE). An inter-ministerial group comprised of officials from these entities developed the Programme concept to ensure that the principles of the portfolio are aligned with international normative work on marine litter and the environment, and in accordance with foreign and development policy objectives.

Following ministerial approval, The Programme Group consisting of representatives from the MFA, Norad, the MCE, the NEA and the MTIF was established by the MFA following a decision taken by the MFA. The mandate for the group is still under development but, in theory, the MFA leads (and chairs) as the primary budget holder and ministerial sign-off authority. The Group meets monthly (rotating location) to discuss various issues related to the Programme such as the assessment and selection of potential partners, the results agenda, communication protocol, relevant meetings, etc. Members of the Group have a lot of

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<sup>6</sup> Available here : [https://sustainabledevelopment.un.org/content/documents/Ocean\\_Factsheet\\_Pollution.pdf](https://sustainabledevelopment.un.org/content/documents/Ocean_Factsheet_Pollution.pdf)

<sup>7</sup> UNEP and GRID-Arendal (2016). Marine Litter Vital Graphics. United Nations Environment Program and GRID-Arendal. Nairobi and Arendal. [www.unep.org](http://www.unep.org), [www.grida.no](http://www.grida.no).

<sup>8</sup> Jambeck et al (2015). Plastic waste inputs from land into the ocean, in Science, 13 February 2015.

exchanges in between the meetings, especially Norad, MFA and MCE. A technical session is often included as part of the meeting in order to enhance the knowledge and competence of the group members. The Group also engages in technical dialogue on bilateral projects (embassy level) and assesses them for fund awards. In addition, team meetings are held weekly between Norad employees working strictly or mostly with the portfolio. The Programme Group also uses teams to share documents and comment in parallel on documents.

### **Commitments to date**

The Programme is considered to be still in its early stages of development and will evolve over time. 1.6 billion NOK has been committed over a four-year period (2019-2022). The Programme Group are keen to have some flexible funds over the four years, so there is no pressure to allocate the annual amount of 400 million in each period. Of the 2019 allocation, approximately 248 million NOK (238 million of which is managed by Norad) has been committed (July 2019).<sup>9</sup>

### **Performance management**

The MFA is ultimately accountable for the Programme and the achievement of results according the global results framework.<sup>10</sup> Interventions funded are required to report on the basis set out below, which is then summarised according to the key result areas defined in the framework. Interventions are also required to report with regard to their own results framework which is annexed to each agreement.

Supported interventions must demonstrate: a) their relevance for achieving the objectives of the Programme, b) their capacity to report against the achievement of the objectives and c) their ability to manage risk. All interventions are required to deliver a results framework that shows which goals (outcomes - one or more) the initiative will contribute to, the actions (outputs) it will deliver in order to reach the desired goals, and how progress will be measured. The MFA provides a results framework template – but also allows flexibility for the applicant to use their own. It must contain the following elements:

- Objectives
- Baseline
- Targets/milestones
- Source of data/means of verification for each target (indicators, case studies, evaluations, etc.).

Norad has developed some standard indicators that all partners are asked to integrate in their results framework, if they are working to improve waste management systems (Outcome 1). The purpose of standardisation is to enable the MFA to compile and associate results. For all other areas, the MFA and Norad summarise results on the basis of partners' individual reports, indicators and narrative performance descriptions. The Programme measures will be evaluated mid-term and end of term in 2021, for which 2% of the central budget has been allocated. Portfolio-level risk management is also a requirement, though it is not entirely clear who hold the responsibility for conducting, updating and managing risk throughout the project cycle. At the partner level, each partner is responsible for their own risk management.

### **Reporting requirements**

The MFA has a guidance manual published on grant management. This guidance manual has just been updated and is now called *Grant Management Assistant* as it is an online tool for Norad and MFA (including embassies). Types of grant agreements vary, and the applicable guidance for reporting is detailed for measures supported by aid funds with templates. Each project is managed on an annual cycle as per the agreement. MFA allocation letters are at the level of individual agreements and can be issued throughout the annual cycle. The programme level then mirrors the project level cycle. Annual progress

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<sup>9</sup> Budget analysis 2018-20.

<sup>10</sup> Global Results Framework – Marine Litter.

and financial reports are required. Following completion of the agreement, final financial statements or audit reports are required. Evaluations may also be required – and in some cases, the partner is responsible for ensuring that this takes place.

Reporting for multilateral partners is in accordance with the agreements that signed with Norway, or in line with the established reporting format determined by the Board. Reporting through bilateral support (embassy level) are followed up by the embassies. They are included in all overviews of the Programme (both budget and thematic wise) and will also have to follow the guidance developed for aggregate reporting. Currently, there are five projects at embassy level, and the Programme Group is developing a structure for what reporting will be required.

Figure 1: Alignment review

**Key**  
**Medium – Long term Outcome/s**  
 1. Waste management infrastructure & capacity exists  
 2. Sustainable waste management system in place and functioning effectively  
 3. Clean up campaigns effectively coordinated & implemented  
 4. Private Sector [Placeholder]  
 5. National & local authorities aware, have capacity & are committed to act on marine litter & waste management issues  
 6. National & local authorities create an enabling regulatory environment for tackling marine litter & waste management  
 7. Enabling global regulatory environment for tackling marine litter & waste management  
 8. Production & dissemination of evidence on sources, amounts, accumulation & effects of marine litter (& tech. solutions)

**Alignment Rating**  
 Fully aligned: ■ Partly aligned: ■ Not aligned: ■

Impact		By 2025, Norway has contributed to SDG 14.1, by preventing & reducing marine pollution (plastic litter) in partner countries							
Long-term outcome		Plastic litter waste management (inc. recycling) in partner countries is improved				Selected coastal areas/ivers cleared and waste sustainably managed			
Medium and long-term outcome		1	2	3	4	5	6	7	8
Avfall Norge	Clean Oceans through Clean Communities	Partly aligned	Partly aligned	Not aligned	Not aligned	Fully aligned	Partly aligned	Not aligned	Not aligned
BRS Conventions	Promoting Environmentally Sound Management of Plastic Waste	Partly aligned	Fully aligned	Not aligned	Not aligned	Fully aligned	Fully aligned	Fully aligned	Not aligned
UN FAO	EAF Nansen Programme	Not aligned	Not aligned	Not aligned	Not aligned	Partly aligned	Partly aligned	Partly aligned	Fully aligned
World Bank	Seventh Replenishment of the Global Environment Facility Trust Fund	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned	Partly aligned	Fully aligned	Not aligned
GRID Arendal	Support for the UN Environment programme of work	Partly aligned	Partly aligned	Not aligned	Not aligned	Fully aligned	Fully aligned	Fully aligned	Fully aligned
Interpol	Marine Pollution Enforcement Project, Phase II	Not aligned	Not aligned	Not aligned	Not aligned	Fully aligned	Fully aligned	Fully aligned	Not aligned
IUCN	Plastic Waste Free Islands	Not aligned	Fully aligned	Partly aligned	Not aligned	Fully aligned	Fully aligned	Not aligned	Fully aligned
UNOPS	Playing Music to Play-Out Plastics	Not aligned	Not aligned	Not aligned	Not aligned	Partly aligned	Not aligned	Fully aligned	Not aligned
Research Council Norway	NorGlobal 2	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned	Fully aligned
World Bank	PROBLUE: Multi-Donor Trust Fund to Support the Blue Economy	Fully aligned	Fully aligned	Fully aligned	Not aligned	Fully aligned	Fully aligned	Fully aligned	Fully aligned
SINTEF	Ocean Plastic Turned into an Opportunity in Circular Economy	Fully aligned	Fully aligned	Partly aligned	Not aligned	Partly aligned	Not aligned	Not aligned	Partly aligned
UNEP	UNEP Programme Cooperation Agreement	Fully aligned	Not aligned	Not aligned	Not aligned	Fully aligned	Fully aligned	Fully aligned	Fully aligned
World Health Organisation	Potential Human Health Impacts of Microplastics in the Environment	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned	Fully aligned
World Wide Fund	No More Plastic in Our Oceans from China	Not aligned	Not aligned	Not aligned	Not aligned	Fully aligned	Fully aligned	Fully aligned	Fully aligned
FUNBIO	Building Knowledge to Combat Marine Litter: Sao Paulo State	Not aligned	Not aligned	Not aligned	Not aligned	Fully aligned	Fully aligned	Not aligned	Not aligned
UNDP	Scaling Up: Model of Domestic Waste & Plastic Management	Fully aligned	Fully aligned	Fully aligned	Not aligned	Fully aligned	Fully aligned	Not aligned	Fully aligned
Norwegian Inst. For Water Research	ASEANO: Norwegian capacity building project for reducing plastic pollution	Not aligned	Not aligned	Partly aligned	Not aligned	Partly aligned	Not aligned	Not aligned	Fully aligned
SYSTEMIQ	Bali Partnership: From Commitment to Action	Not aligned	Not aligned	Fully aligned	Not aligned	Fully aligned	Partly aligned	Not aligned	Fully aligned
SYSTEMIQ	STOP Marine Debris	Fully aligned	Fully aligned	Partly aligned	Not aligned	Partly aligned	Not aligned	Not aligned	Fully aligned
World Bank	Oceans Marine Debris and Coastal Resources	Not aligned	Not aligned	Not aligned	Not aligned	Fully aligned	Fully aligned	Not aligned	Partly aligned
CEAN	Establishment of a Programme on Marine Litter and Microplastics	Not aligned	Not aligned	Partly aligned	Not aligned	Partly aligned	Not aligned	Not aligned	Fully aligned
Community Cooker Foundation	Using Community Cookers to Prevent and Reduce Marine Litter	Not aligned	Partly aligned	Partly aligned	Not aligned	Not aligned	Not aligned	Not aligned	Not aligned
Sustainable Seas Trust	Towards Zero Plastics to the Seas of Africa	Not aligned	Not aligned	Fully aligned	Not aligned	Partly aligned	Partly aligned	Partly aligned	Fully aligned



Figure 2: Number of projects with clear and partial alignment to the portfolios medium and- long-term outcomes

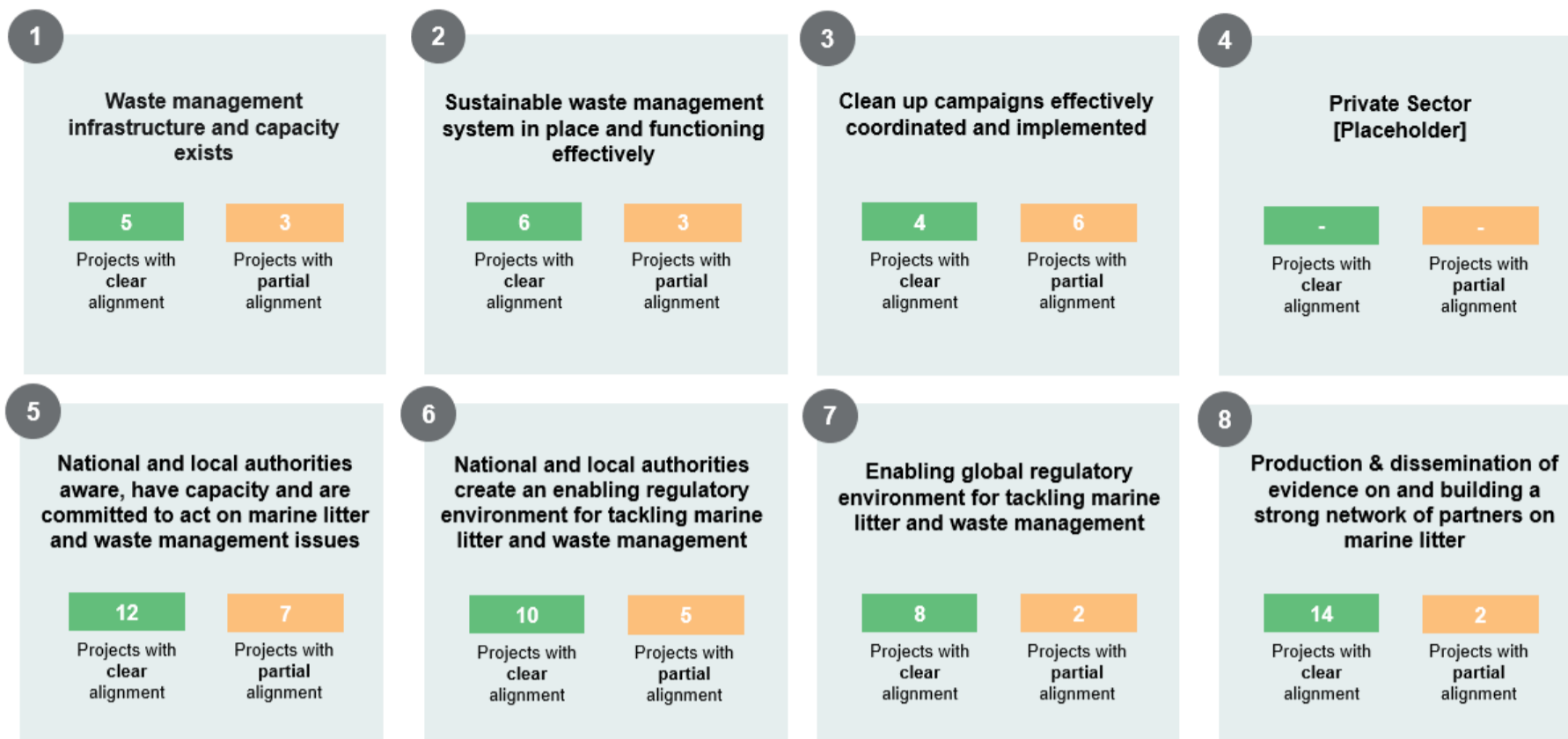


Figure 3: Type of partnership and resource distribution across the portfolio

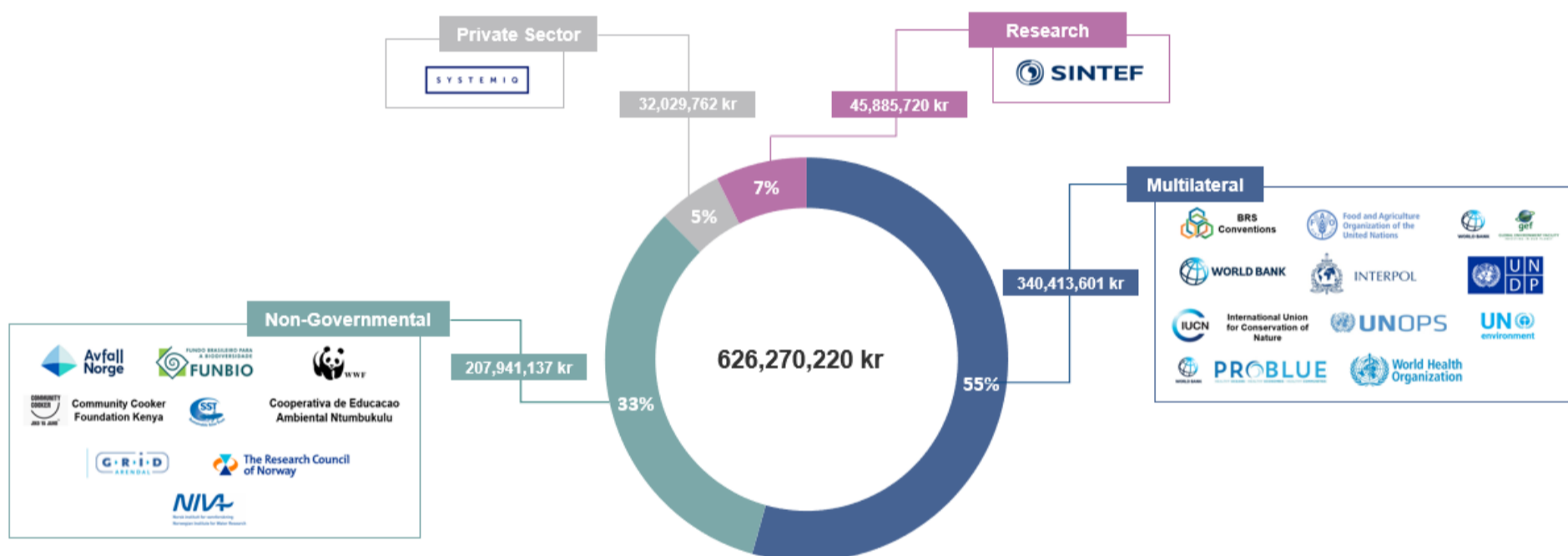
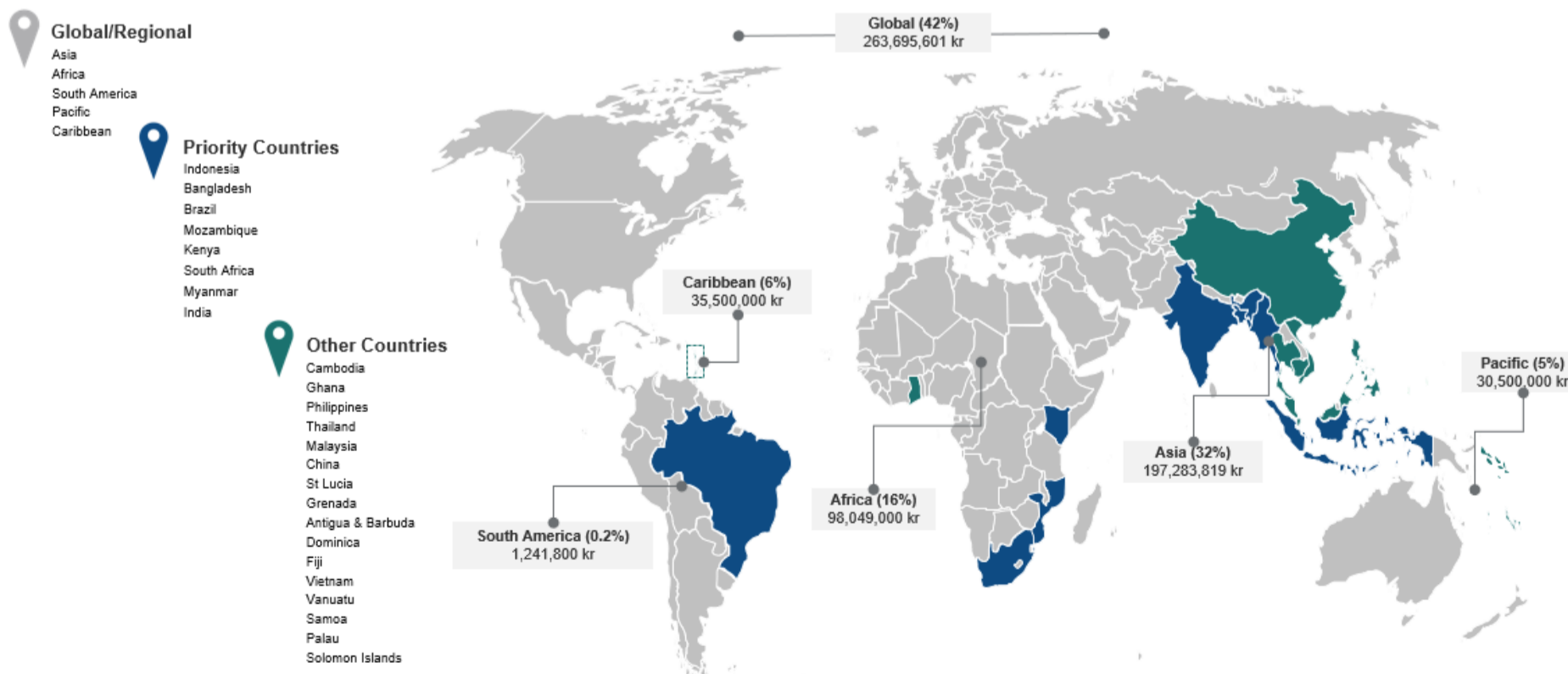


Figure 4: Portfolio geographical coverage and resource distribution



## Portfolio recommendations

The following section details our recommendations to the Marine Litter team to strengthen its portfolio management practices. These were co-created with the team at a workshop in Oslo in December 2019.

- 1. The Marine Litter Portfolio should formalize its mandate as a Programme Group.** We understand that the PG mandate is in the process of being approved by the MFA. Formally operationalizing the mandate would provide greater clarity on accountability, roles and responsibilities of the PG, the decision-making process and the resourcing requirements for managing the portfolio.
- 2. The Marine Litter PG should detail/map the portfolio timeline through to the end of cycle.** Mapping out the portfolio timeline will enable the PG to identify when decisions are required and the key reporting periods, and points in the portfolio cycle where it would be useful to conduct wider reviews, evaluations or synthesis reviews and learning events. Understanding when the portfolio is expected to produce information (and for what purpose) throughout its lifecycle will be important to identify what resources/capacity is required and the timing.
- 3. The Marine Litter portfolio should adopt a scheduled process for partner selection.** Competitive selection processes should, ideally, be scheduled within the overall portfolio approach or cycle. This would enable the portfolio team to align the portfolio expectations with partners expectations and manage grants over the cycle of the portfolio – adopting a longer-term approach that provides more realistic short, medium- and long-term goals/results.
- 4. The Marine Litter Portfolio should use the portfolio theory of change and alignment review as tools that are iteratively updated.** The PG should continue to evolve the TOC, particularly as the planned initiatives relating to the private sector are designed. Using the TOC as a basis to inform portfolio development and test assumptions and progress at scheduled periods throughout the portfolio cycle is helpful management practice.
- 5. The Marine Litter portfolio should continue to assess (and manage) partners using a results-based approach.** The current grant assessment process requires partners to submit results frameworks and theory of change. Partners are required to detail how they align/where they fit with the strategic intent of the portfolio (ToC) – but this could be improved and made more explicit. Partners should also be encouraged to clearly link their results frameworks to their ToC/logic. This would help the portfolio team to align partners and improve outcome level reporting. Partner level results frameworks are useful individual grant management tools and provide a basis for assessing partner level progress annually. Annual assessments could be synthesized at key stages in the portfolio cycle to assess wider portfolio level progress.
- 6. Marine litter should consider supplementing the portfolio evaluation planned for 2021 with additional country level evaluations.** While the portfolio evaluation in 2021 will generate useful insights and evidence into how the portfolio is performing to inform portfolio management, additional smaller evaluations that look at how the portfolio is coming together and working in priority countries would be beneficial. Given how new the portfolio is, and some of the questions the team have around how best to build waste management systems in a low and middle income context, we think more regular checks on performance at country would add significant value in informing ongoing adaptation and learning.

## Annex 5: Tax for Development Programme

### Evolution of portfolio

The Tax for Development Programme (TFD) is in its second phase of development. This second phase, 2019-23, builds on the achievement and experience of the first phase which was implemented during the period 2011-15. The intervening period, 2016-18, focussed on the continuation of a number of activities from the first phase and the design of the second phase.

### Phase I

The origins of the Programme date back to pre-2011, where early tax related interventions were implemented through bilateral support programmes (Zambia, for example) and policy-level preparatory discussions were initiated which led to the first phase being launched in 2011. The first phase witnessed a gradual increase in funding commitments – beginning with approximately 25 million NOK (2011) which had increased to 134 million NOK by 2015. This period coincided with the establishment of the ministerial role for overseas development within the MFA and the expansion of the natural resource wealth initiatives. The portfolio was mixed, mainly focussed on bilateral support to Zambia, Tanzania and Mozambique, which comprised 70-80% overall. These interventions were focussed on supply side interventions, such as tax administration and policy reform and institutional cooperation in tax administration. There were some demand side interventions, including support for civil society in the extractive sector and research as well as multilateral support through the IMFs dedicated trust funds on taxation. The first phase was overseen by a small secretariat, within Norad, which was established as a coordination mechanism. As the majority of funding was channelled bilaterally, Norad merged this function into the Oil for Development Programme Secretariat in 2015.

### Tax for Development Programme – Phase II

Phase II of the Programme has a five-year cycle from 2019 to 23. The period between Phase I and II witnessed the launch of the UN Sustainable Development Goals (SDGs) in 2015 and the Norwegian Government's commitment to double tax-related aid by 2020. With the SDGs, the Addis Ababa Action Agenda on Financing for Development and the Addis Tax Initiative (ATI), globally, efforts to finance tax reforms and domestic revenue mobilisation are increasing.

In 2016, Norway signed up to the Extractive Industries Transparency Initiative (EITI) and Norad and the the National Tax Authority (NTA) established a task team<sup>11</sup> to manage the expanding priorities in the tax sector and take stock of experience to date. The Task Report was finalised in early 2018, and a Tax for Development Programme Strategy also emerged during this process. The Strategy was approved by the MFA in early 2018, and Norad established then developed a portfolio type approach with different initiatives – bilateral; multilateral; and civil society. In April 2018, Norad signed a cooperation agreement with NTA for bilateral capacity support. The Programme Strategy has a greater level of ambition and is more structured than previous efforts. Norad published its International Centre for Tax and Development Working Paper 77 on Tax in Development in summer 2018, which has led to the launch of Phase II.<sup>12</sup>

### Overall commitment

In 2019, the Norwegian Government launched Phase II, committing a total of 1.6 billion NOK over a five-year period (2019-2023). The programme has been developed within the remit of Norwegian development assistance and will contribute specifically to the achievement of the government's commitment to double tax-related aid by 2020; the achievement of the SDGs by promoting viable

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<sup>11</sup> The task team comprised representatives from the MFA, the Norwegian Tax Authority and Norad.

<sup>12</sup> Phase II design is influenced by the Task Force Report (2018); TFD Strategy approved by the Minister (2017); TFD Phase II Plan (June 2018) and the ICTD Working Paper 77 (June 2018).

institutions and policies that support access to quality services and infrastructure investments to enable job creation and private sector opportunities.

### **Purpose**

The purpose of the Programme is to strengthen state–citizen accountability and increase financing for the SDGs by ensuring that tax systems contribute positively to stabilisation and state-building in priority countries. It will be geographically focussed on Norway's priority developing countries.

### **Logic**

The Programme is one of the delivery mechanisms for Norway to achieve the objectives of the ATI, but it is not limited to the ATI. The first ATI objective relates to doubling the level of tax-related aid, the second is about harmonising/improving national policies and practices in donor countries to enable effective domestic resource mobilisation in developing countries, and the third is about harmonising/improving national policies and practices in the developing world itself to enhance domestic resource mobilisation. It builds on these objectives by seeking to strengthen and improve global and regional institutional collaboration while also contributing to the research and evidence base on taxation in development.

### ***Why focus on taxation at the global, regional and national levels?***

At the global and regional levels, significant efforts have been made in recent years to improve collaboration on tax-related reforms, initiatives and advocacy by the four key organisations (the International Monetary Fund, the Organisation for Economic Co-operation and Development, the United Nations and the World Bank). The establishment of the Platform for Collaboration on Tax (PCT) in 2016 shows a commitment to improving international cooperation on taxation. Improved collaboration has resulted in a call for broadening participation, extending to regional organisations, professional bodies for tax administrations and civil society.

At the national level, increasing access to finance is a key challenge in low income countries. Despite low levels of income, the potential for increased saving, investment and tax collection is often very significant. It is estimated that low- and low-middle income countries have the potential to increase tax collection up to 3-10% of GDP in the medium to longer term. Development financing for taxation interventions was at 0.13% of total overseas development aid in 2015 – which is relatively low considering that aid accounts for more than 10% of GDP in almost half of the low-income countries globally, and more than one-third of total public revenues in an expanded group of both low- and low-middle income countries (26 countries). The purpose of focusing on taxation, domestically, is as a key source of financing for increased domestic expenditure to promote development.

### **Objective**

The main objective is to increased domestic revenue through taxation and reduce public revenue loss in priority developing countries. To achieve this, the Programme will focus on three outcomes:

1. Increasing public revenue in priority countries.
2. Implementing globally agreed standards for improved financial transparency and accountability.
3. Policy-level impact of research on domestic revenue and illicit financial flows.

## **Current approach to portfolio management**

### **Oversight**

The Programme is coordinated by a Secretariat comprising advisors in tax and development aid from Norad. The Secretariat develops annual plans and budgets based on the TFD Strategy and negotiates agreements for projects with partner institutions and consultancies, delivers technical guidance in relation to Norwegian tax aid to internal and external stakeholders and partners. The Secretariat administers most of the funding, agreements and partnerships directly. It reports according to the defined internal reporting schedule and standards.

Working group meetings take place quarterly. The group reviews progress across the portfolio and discusses plans for the Programme. Regular collaboration and communication take place on an ongoing basis – particularly sharing on areas of interest and responding to the needs of advisory services.

Outside the Secretariat function, portfolio selection (bilateral cooperation programmes and strategic global initiatives) is coordinated by the designated focal point for the Programme in the MFA on a bi-annual basis. Approval is then sought from the ministerial level - which entails preparatory work by the Secretariat, through the management line in Norad and finally the focal point in the MFA that ensures clearance at internal management level and makes representations to the political leadership in the ministry.

The Secretariat has proposed that a Governmental Advisory Committee is established for the Programme – which would meet bi-annually with the purpose of providing professional advice and recommendations for the strategy and composition of the Programme, and as well harmonising assistance within the field of domestic resource mobilisation of special relevance to the TFD Programme.

### **Commitments to date**

The Programme is considered to be still in its early stages of development and will evolve over time. 1.6 billion NOK has been committed over a five-year period (2019-23). It is important to note that the majority of the funding to date is directly managed by the Secretariat. 2019 allocations are estimated at 300 million NOK, of which 195 million NOK is administered by Norad.

The composition of the portfolio is considered to be emerging, but will comprise the following areas of support:

- Bilateral (including capacity support with the NTA on taxation reform).
- Multilateral (including support for the global entities on taxation).
- Academic (support to research on illicit financial flows and strengthening the TFD evidence base, through the Norwegian Research Council).
- Civil Society (including support for improved accountability and transparency).

### **Performance management and reporting**

The Programme is managed through the regular reporting/authorisation line in Norad which is then approved by the MFA. The Programme has an approved multi-year plan, which has resulted in a portfolio of agreements and projects, with associated annual plans, budgets and transfer of funding from the MFA annually through the regular process.

Reporting of progress takes place in line with the agreements cycle and in accordance with the overall financial and results reporting from Norad to the MFA. The Programme has an overarching results framework – which is the guiding document for the portfolio. It informs decisions on what initiatives to support to ensure that there is a balance investment in key areas at country, regional and international levels as well as supporting civil society and research across all levels. The Secretariat reviews proposals based on the likelihood that interventions can contribute to the results. The Secretariat is responsible for

tracking results and facilitating learning based on findings to inform and steer the composition and direction within the portfolio.

Supported initiatives must demonstrate how they link to the overarching framework and contribute to achieving the results. Each agreement managed by the Secretariat has separate results with indicators and targets. Progress against these are reported and feed into the collective reporting under the three portfolio outcome areas.

The Secretariat is planning to produce an annual progress report from Year 1 (2020), which will reflect on the overarching portfolio indicators, challenges and lessons learnt from the periodic reports from agreement partners. At the country level, the Secretariat have identified target countries that will be monitored and reported on. A separate methodological note is expected to guide this.

Responsibility for monitoring and managing portfolio-level risk sits with the Secretariat function and is reviewed for each project agreement.

### **Internal coordination**

The Programme recognises the cross-cutting nature of its work, and that other sections within Norad are engaged in ways to increase domestic resource mobilisation in one way or another. Ensuring coordinated policy advice is critical as linkages between increased domestic revenues and increased expenditure on SDGs at the country level are straightforward, requiring the engagement of multiple stakeholders. The Programme therefore focusses on fewer target countries. This which will enable the sharing of learning and the effective development of partnerships, supporting a more integrated approach. The Programme also recognises that there may be synergies that can be leveraged as part of global discussions on financing for development – which will be addressed through separate workstreams.

Figure 1: Alignment review

**Key**  
**Short – Medium term Outcome/s**  
 1. Civil society participate in, and influence global and regional dialogues on taxation and transparency  
 2. Underrepresented countries have greater ownership & buy-in to the international standards  
 3. Civil society participate in, influence and hold government to account for improved tax policy and resource mobilization  
 4. NTA tax collection capacity and understanding of various types of tax systems improved  
 5. High quality, policy relevant research is produced and effectively communicated

**Alignment Rating**  
 Fully aligned: ■ Partly aligned: ■ Not aligned: ■

Impact		Social contracts between state & citizens strengthened		Global financing for sustainable development goals increased		
Longer-term outcome/s		Tax systems more equitable, effective, efficient, predictable & transparent		Public revenue in priority countries increased		
		Global standards for financial transparency & tax collaboration adopted by underrepresented countries		Global standards for financial transparency & tax collaboration implemented in priority countries		
Medium-term outcome/s		Global standards for tax collaboration & financial transparency developed		Tax policy & legal framework revised/developed in line with international standards		
Short-term outcome/s		1	2	3	4	5
Global Witness	Mitigating the impact of natural resource curse: Tackling Illicit Financial Flows					
NRGI	Strengthening Accountability for Improved Natural Resource Governance					
Action Aid	Tax Justice for Gender Responsive Public Services					
Integrity Action	Students acting for Honesty, Integrity and Equality (SHINE)					
Thomson Reuters Foundation	Wealth of Nations – Finding Africa's Missing Billions					
International Monetary Fund	Tax Administration Diagnostic Assessment Tool Phase II (TADAT)					
Tax Justice Network Limited	Financial Secrecy and Tax Advocacy in Latin America (FASTLA)					
International Monetary Fund	Regional Technical Assistance Centre (CAPTAC-DR)					
CIAT	Norad Cooperation Programme					
Financial Transparency Coalition	Execution of the FTC 2018-2020 Strategy					
Global Financial Integrity	Advancing the IFF Agenda Through Partnerships and Outreach					
ICIJ	Training and Capacity Building Programme					
Norwegian Tax Administration	Institutional Cooperation in Tax Administration with Developing Countries					
OECD	Mainstreaming development into the OECD work on taxation					
Oxfam	Strengthening civil society for improved fiscal justice in East Africa					
International Monetary Fund	Revenue Mobilization Trust Fund (RM-TF)					
UNDP	Tax Inspectors Without Borders					
UNDESA	Support to Committee of Experts on International Cooperation in Tax					
World Bank	Global Tax Programme					
AFRODAD	Transparency and financial flows					

Figure 2: Number of projects with clear and partial alignment to the portfolios short- and medium-term outcomes

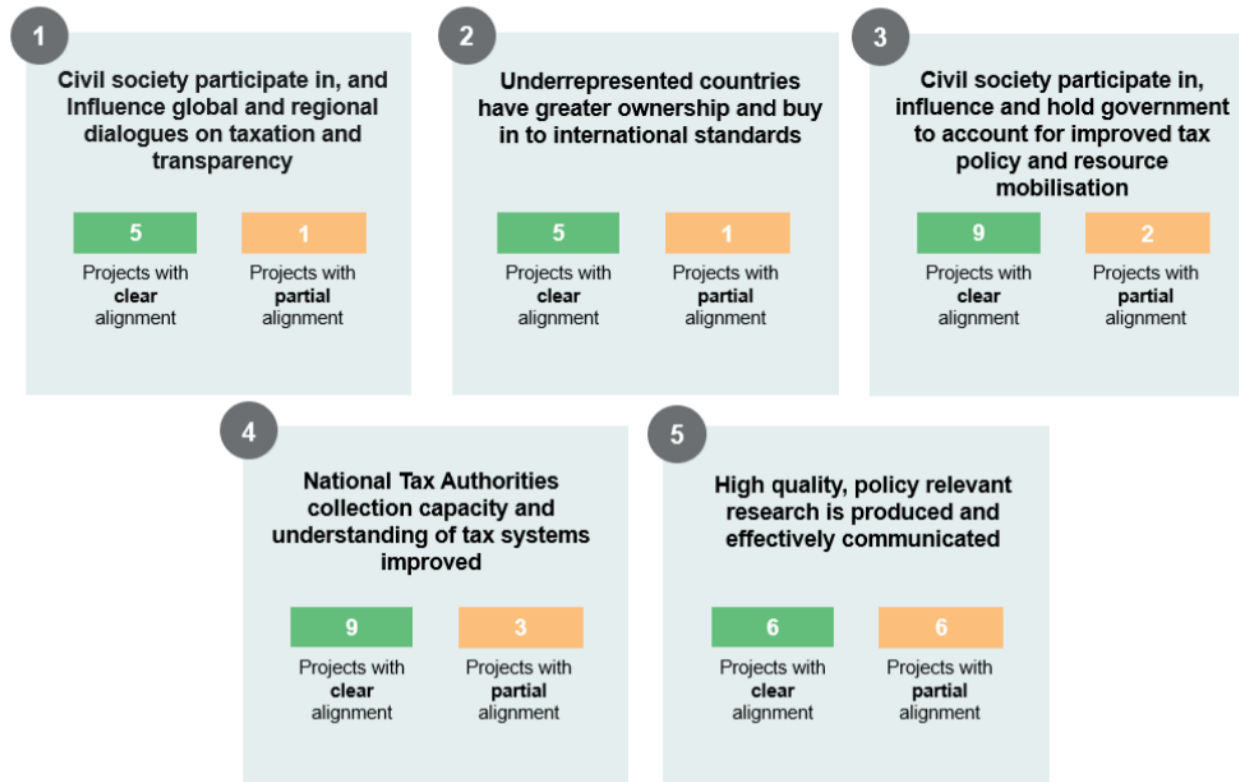


Figure 3: Type of partnership and resource distribution across the portfolio

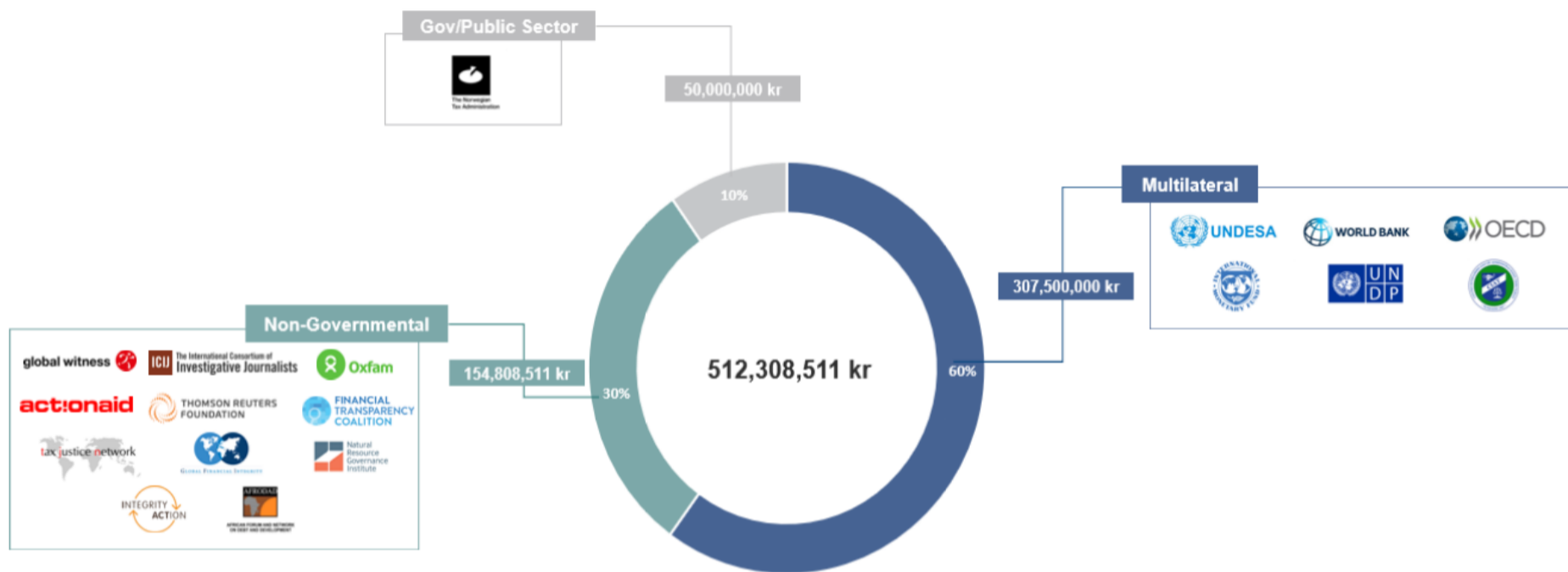
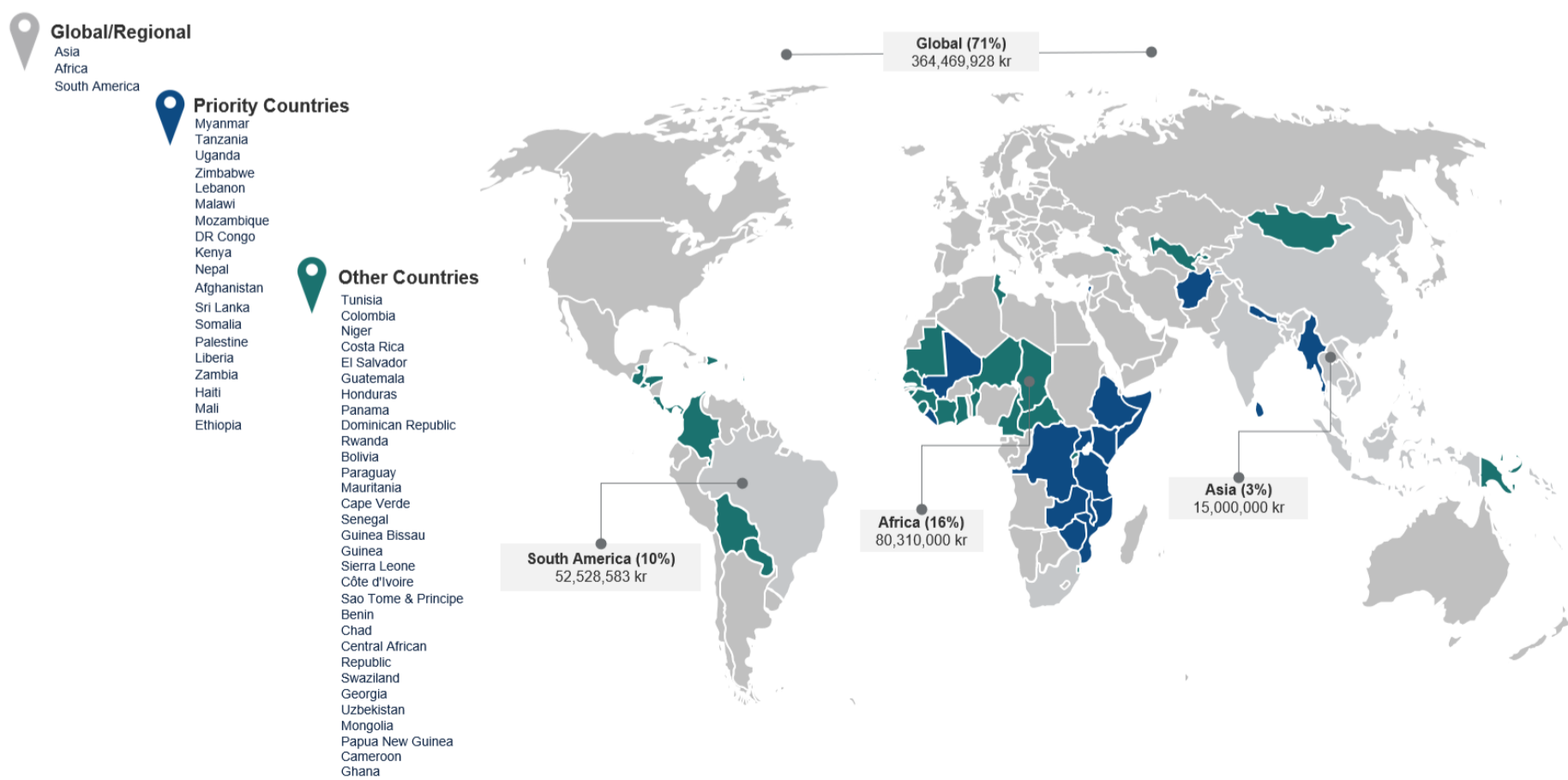


Figure 4: Portfolio geographical coverage and resource distribution





## Portfolio recommendations

The following details our recommendations to the TFD team to strengthen its portfolio management practices. These were co-created with the team at a workshop in Oslo in December 2019.

- 1. Systematize the engagement and consultation with SIVSA.** SIVSA manages a core component of the TFD portfolio – grants to civil society. While the engagement between the TFD secretariat and SIVSA seems to currently work well, it is relatively informal. Given the importance of this relationship to the successful delivery of the portfolio theory of change, this poses a delivery risk. As such, it could benefit for more formalisation. In particular, there should be formal agreement around at what stages in the grant management cycle the TFD Secretariat be consulted; and greater clarity on what information the Secretariat should receive from SIVSA and what type of relationships they have with the grantees that feed into the TFD portfolio.
- 2. Request from MFA a formal delegated mandate for the TFD portfolio.** Currently there is ambiguity around what delegated authority the TFD Secretariat has from MFA. As such there is uncertainty around what changes / decisions the Secretariat can take without MFA approval. This leads to inefficiencies in decision making. MFA needs to clarify exactly what mandate the TFD Secretariat has the management the portfolio.
- 3. Provide the TFD Secretariat with accountability for the TFD portfolio performance and management.** Several different Departments and Sections collectively deliver the TFD portfolio. This creates diffuse accountability. The TFD secretariat should be given a clear mandate to lead the portfolio management and learning processes and coordinate with each of the other actors.
- 4. TFD should establish a learning strategy. Currently the TFD Secretariat has several learning questions which if answered would strengthen the management and delivery of the portfolio.** It should catalogue these and plan for what questions need answered to assess portfolio performance, at what time we need to review them and how.
- 5. TFD should use the call down contract it is currently tendering for to generate the evidence to answer its learning questions.** The contract TFD is currently tendering for could provide an important channel for generating evidence needed for managing the portfolio and answering its learning questions. TFD should build this call down contract around these questions. In addition, TFD should look at how a series of country level evaluations could be conducted to understand how the portfolio is coming together within a country context. The UNU-WIDER grant could also be used to generate this evidence.

## Annex 6: Interview Topic Guides

### Topic Guide 1 Portfolio management assessment

#### Respondent profile

KII Code # and description	
Other relevant criteria	
Location	
Team/Position	
Date	
Start time	
End time	
Interviewer	
Language used	

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#### Introduction

- Explain the purpose of the interview (and evaluation), why the research is relevant and how it will be conducted at the outset to participant;
- Obtain consent to record/transcribe the interviews through the use of detailed note-taking or voice recorder (as permitted and agreed with the interviewee prior to beginning the process);
- Ensure participants are aware of their right to stop the interview at any point and not answer question – if they wish to;
- Allow flexibility in the approach to account for emerging themes of interest;
- Transcribe interview notes directly after the interview (with the assistance of the translator/research assistant as required).

<b>1. Definitions</b>
What do you understand by the term 'portfolio'? <i>[ask them to give examples of portfolios. Is there anything they wouldn't consider a portfolio?]</i>
What do you understand by 'portfolio management'? What, in your view, does it involve? <i>[probe the degree to which their understanding captures our definition]</i>

<b>2. Portfolio governance</b>
From which chapter and budget post in Prop 1 are resources allocated to the portfolio? <i>[the response may be recorded as follows: xxx.yy where xxx is chapter and yy is post]</i>
What grant schemes govern the portfolio?
Are there any other governing documents which provide direction to the portfolio?

What is the management structure for the portfolio (steering group/management committee, etc.)? to what extent is this a formalised structure?
Who is on it (ask for names)? What departments, ministries, directorates are they from?
How does the management structure work in practice? What are the roles and responsibilities of everyone on the group/committee? Are these clear to everyone?
Has the management structure been delegated formal decision-making authority? If yes, on what issues?
Is there anyone in the management structure who (the specific individual) is accountable for the performance of the portfolio at the portfolio level? <i>[push them if they are the minister, check if this person is on the management group. If they are not, ask why] (we should distinguish between the accountability that grant managers have as individual grant managers, and the accountability at the portfolio level. It could well be that the grant managers are all in the management group, but with individual responsibility for their own grants while the portfolio level is left as a coordination issue.)</i>
If you want to make changes to the overall direction/strategy of the portfolio (e.g. change the overall objectives?), who needs to sign this off?
If you want to make changes to some of the focus areas of the portfolio (e.g. change the intermediate objectives?), who needs to sign this off?
What in your view does it mean to 'be accountable' for the portfolio? <i>[probe the extent to which 'being accountable' means anything e.g. Are there repercussions for poor performance? If so what? How do they know whether a portfolio is performing poorly?] (Be sure to distinguish between 'being accountable' for the projects in the portfolio and 'being accountable' for the portfolio)</i>

<b>Practices of portfolio management</b>
What are the discussions and decisions that you have taken at a portfolio level?
What inputs did you have to these decisions? <i>[probe: research, evaluations, grey literature, tacit knowledge]</i>
What is the process you go through to identify and select partners to fund through the portfolio?
Do you assess the degree to which the selected partners' projects are sufficient to deliver according to the portfolio logic/goal hierarchy?
Do you consider past performance as part of this? If so, do you review past reporting/evaluations?

In selecting partners do you have a clear sense of what their role is vis-à-vis other partners?
Do you map partners against the programme logic? If so, did this inform your funding strategy in any way?
Are there discussions and associated decisions you think you should be having as part of the management of the portfolio but aren't?
How does learning happen within the portfolio? 1) how do you share lessons between grant managers/partners; and 2) At the level of the overall portfolio?
Have you ever brought partners into discussions around the direction/performance of the portfolio? Why/Why not?
If you did, what value did partners bring to the conversation? Would you do it again?
What was the process through which you developed the programme logic? Who was involved?
Was there an effort to review the existing research/evidence as part of developing the portfolio? Who did this? How did they do it?
Did you consult the evidence when you were deciding what partners to fund (and for what interventions) to understand what works and doesn't?

<b>Enabler and barriers of portfolio management</b>
What do you see as main enablers of portfolio management within your portfolio?
What do you see as the major barriers/challenges to portfolio management in your portfolio? <i>[let them explain first. Then probe to see if the following are relevant: it is a lack of time, staff capacity, no guidance, no incentives? is the portfolio too complex? the scope too broad? are there too many stakeholders involved?]</i>
To what extent do you think these enablers/barriers are common across the aid administration? Have you encountered them in other portfolios you have been involved?
How do you think we can overcome these barriers?

## Topic Guide 2: Wider stakeholders

### Respondent profile

KII Code # and description	
Other relevant criteria	
Location	
Team/Position	
Date	
Start time	
End time	
Interviewer	
Language used	

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#### REMINDER OF WHY WE WANT TO SPEAK TO CERTAIN PORTFOLIOS

Portfolio and institutional owner(s)	Rational for inclusion
<b>Education portfolio</b> MFA and Norad	<ul style="list-style-type: none"> <li>• <b>Level of complexity:</b> Shared ownership across multiple government agencies (MFA/Norad), which is likely to pose management challenges.</li> <li>• <b>Experience with portfolio management:</b> Has made efforts to increase focus on results measurement with development of results framework, standard indicators and performance report for 2013-2016.</li> </ul>
<b>Health portfolio</b> Section for Health and Education, Norad	<ul style="list-style-type: none"> <li>• <b>Level of complexity:</b> Mainly a collection of large grants to individual partners, with questions about how they interlink. Likely to be challenging context in which to operationalise portfolio management.</li> </ul>
<b>Norwegian Programme for Capacity Development in Higher Education and Research for Development (NORHED)</b> FORSK/Norad	<ul style="list-style-type: none"> <li>• <b>Experience with portfolio management:</b> Taken major steps towards operationalising with portfolio management with portfolio results frameworks and standard indicators, and has conducted portfolio-level evaluation. However, FORSK not continuing use of standard indicators as there are questions around utility.</li> </ul>
<b>Climate and forest initiative</b> Civil Society Department, Norad Green Economy, Forest and Climate Change (Department for Climate, Energy and Environment)	<ul style="list-style-type: none"> <li>• <b>Experience with portfolio management:</b> Defined common outcomes for portfolio and efforts made to collect and aggregate results stories as an alternative to standardised indicators. Provides example of alternative ways of aggregating results.</li> </ul>
<b>Humanitarian portfolio</b> Department for UN and Humanitarian Affairs, Section for Humanitarian Affairs, MFA	<ul style="list-style-type: none"> <li>• <b>Level of complexity:</b> Large portfolio composed mainly of large long-term grants to civil society organisations. Likely to provide challenging context to operationalise portfolio management.</li> </ul>
<b>Sustainable food systems</b> MFA and five other ministries	<ul style="list-style-type: none"> <li>• <b>Level of complexity:</b> Large portfolio covering wide range of support across a number of thematic areas, also complex governance arrangement with multiple government agencies involved. Likely to be challenging context for portfolio management.</li> </ul>
<b>Human rights and gender equality portfolio</b> Department for UN and Humanitarian Affairs, Section for Human Rights, Democracy and Gender Equality, MFA	<ul style="list-style-type: none"> <li>• <b>Level of complexity:</b> Large portfolio with three sub-portfolios within it: religion, harmful practices and human right defenders.</li> <li>• <b>Experience with portfolio management:</b> Effort to work with sub-portfolios to clarify programme logic and operationalise portfolio management.</li> </ul>
<b>Oil for development</b> Section for Oil for Development, Knowledge Bank, Norad	<ul style="list-style-type: none"> <li>• <b>Experience with portfolio management:</b> Have identified common outcomes that partners can work towards and report on in their own way. The reported results are then summarised according to different results areas.</li> </ul>

<b>Introduction</b>
What's your role? How does this relate to portfolio management?
Do you have any responsibilities/accountabilities for any portfolios? Which ones?

<b>Definitions</b>
What do you understand by the term 'portfolio'? <i>[ask them to give examples of portfolios. Is there anything they wouldn't consider a portfolio?]</i>
What do you understand by 'portfolio management'? What, in your view, does it involve? <i>[probe the degree to which their understanding captures our definition]</i>

If the person has specific portfolios that they oversee:

<b>Portfolio governance (institutional)</b>
What is the management structure for the portfolio (steering group/management committee, etc.)? to what extent is this a formalised structure?
How does the management structure work in practice? What are the roles and responsibilities of everyone on the group/committee? Are these clear to everyone?
Has the management structure been delegated formal decision-making authority? If yes, on what issues?
Is there anyone in the management structure who is accountable for the performance of the portfolio at the portfolio level? <i>[push them if they are the minister, check if this person is on the management group. If they are not, ask why] (we should distinguish between the accountability that grant managers have as individual grant managers, and the accountability at the portfolio level. It could well be that the grant managers are all in the management group, but with individual responsibility for their own grants while the portfolio level is left as a coordination issue.)</i>
What in your view does it mean to 'be accountable' for a portfolio? <i>[probe the extent to which 'being accountable' means anything e.g. are there repercussions for poor performance? If so what? How do they know whether a portfolio is performing poorly?]</i> <i>(Be sure to distinguish between 'being accountable' for the projects in the portfolio and 'being accountable' for the portfolio).</i>

<b>Practices of portfolio management</b>
What key decisions have you taken at a portfolio level? <i>[Probe for examples]</i>
How do you track progress/performance of the overall portfolio?

<b>Enablers and barriers of portfolio management</b>
What do you see as main enablers of portfolio management within the aid administration?
What do you see as the major barriers/challenges to portfolio management? <i>[let them explain first. Then probe to see if the following are relevant: it is a lack of time, staff capacity, no guidance, no incentives? Is the portfolio too complex? Is the scope too broad? Are there too many stakeholders involved?]</i>
How do you think these barriers might be overcome?

### Topic Guide 3: Comparator agencies

#### Respondent profile

KII Code # and description	
Other relevant criteria	
Location	
Team/Position	
Date	
Start time	
End time	
Interviewer	
Language used	

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#### Introduction

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- Allow flexibility in the approach to account for emerging themes of interest;
- Transcribe interview notes directly after the interview (with the assistance of the translator/research assistant as required).

*[Note: Do some background research before speaking to the individual on their role to contextualise the questions]*

What's your role? <i>[Probe how it relates to TFD and Marine Litter]</i>
Do you have responsibility/accountability for any portfolios?

If the person has a specific portfolio that they oversee:

What does [the organisation] consider to be a 'portfolio'? <i>[Probe: how it is structured and what they consider to be 'portfolio management' or if it's a term used.]</i>
Is there a programme/portfolio logic/ToC used at the portfolio level? <i>[Probe: is it publicly available?]</i>
How do you track progress/performance of the overall portfolio?
How does learning happen within the portfolio? <i>[Probe: 1) How do you share lessons between grant managers/partners; and 2) At the level of the overall portfolio? (i.e. is it structured)].</i>
What, in your view, does it mean to 'be accountable' for a portfolio?
Key challenges in their portfolio (both from a management perspective and other)? <i>[Probe ideas on ways to overcome. Probe any key learning at the portfolio level.]</i>
Other matters/issues not covered that are of relevance?

If the person does not have a specific portfolio that they oversee:

How does [the organisation] structure or organise its thematic areas? <i>[Probe: how they manage and accountability]</i>
How do you decide who or what to fund within the thematic area? <i>[Probe: Is there a logic/ToC used? Is it publicly available?]</i>
How do you track progress/performance?
How does learning happen? <i>[Probe: 1) How do you share lessons between grant managers/partners; and 2) At the level of the overall portfolio? (i.e. is it structured)].</i>



Key challenges in the thematic area (both from a management perspective and other)? <i>[Probe ideas on ways to overcome and any key learning.]</i>
<i>[Probe any useful documentation in relevant thematic area].</i>
Other matters/issues not covered that are of relevance?

**Topic Guide 4: Portfolio partners**

**Respondent profile**

KII Code # and description	
Other relevant criteria	
Location	
Team/Position	
Date	
Start time	
End time	
Interviewer	
Language used	

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**Introduction**

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- Ensure participants are aware of their right to stop the interview at any point and not answer question – if they wish to;
- Allow flexibility in the approach to account for emerging themes of interest;
- Transcribe interview notes directly after the interview (with the assistance of the translator/research assistant as required).

What does your organisation do with Norwegian funding through this portfolio?
Are you aware of the objectives of the overall portfolio that you are funded through?
What do you see as your specific contribution to the portfolio?
Have you been involved in any events organised by Norad/MFA that brought together partners funded through the portfolio?
To what extent were these useful to your work? Why?

Do you think it is important that Norad/MFA coordinates its partners, encourages joint working and shares knowledge and evidence? Why?
Any suggestions for how Norad/MFA could improve how they do this?