



Organisational Review of the Development Fund

Norwegian Agency for Development Cooperation

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Abbreviations

CBDC	Community biodiversity development and conservation
CBO	Community based organisation
CBD	Convention on Biological Diversity
DF	Development Fund
FAO	United Nation's Food and Agriculture Organisation
FR	Farmers' rights
ICIMOD	International Centre for Integrated Mountain Development,
IFAD	International Fund for Agricultural Development
IIAS	International Institute for Asian Studies (Nepal)
INLOGOS	Institute of Local Governances Studies
IMF	International Monetary Fund
ITPGRFA	International Treaty on Plant Genetic Resources for Food and Agriculture
IPR	Intellectual Property Rights
LI-BIRD	Local Initiatives for Biodiversity, Research and Development (NGO)
MJS	Mahila Jagaran Sangh (NGO)
NARC	National Agricultural Research Council
NCDC	Namsaling Community Development Centre
NGO	Non Government Organisation
ODC	Organisational Development Centre Inc-
PGR	Plant genetic resources
PPB	Participatory plant breeding
UNCBD	United Nations Convention on Biological Diversity
UNCCD	United Nations Convention to Combat Desertification
UNCED	United Nations Conference on Environment and Development
UNFCC	United Nations Framework Convention on Climate Change
UNDP	United Nations Development Programme
VDC	Village Development Council

Executive Summary

This organisational review is founded on accessible documents and interviews in the Development Fund and the Norwegian aid authorities, in addition to a relatively short field trip to Nepal. Due to the scarcity of evaluative material, the review team also made extensive use of existing evaluation reports on global and regional agro-biodiversity programmes, especially in Africa.

The Development Fund (DF) is a Norwegian solidarity non-governmental organisation, with the specialty of promoting rural development, food security, agricultural biodiversity as well as agricultural adaptation to climate change. It is a driving force for cooperation among environmental and solidarity organisations in Norway, is engaged in international coordination and is funding a substantial number of developmental and environmental programmes.

The current paying membership of the DF is 1351. The annual meeting elects 5 members to its Board, which also comprise one representative of the organizations staff and “Spire”. During past years the main role of the Board has been to give professional advice. It has been less involved in building relationships, membership drives and establishing relationships to Norwegian institutions/organizations. The UF Director is working closely with its internal management team. The international department is by far the largest. Staff members (in total 25) appear competent and highly motivated.

DF’s development activities are based on international environmental conventions and other international accords, and were found highly relevant in terms of promoting livelihoods in rural areas. Meagre incomes from smallholder agriculture are seen as a core problem, which can at least partly be solved through the development of a more knowledge based, innovative and self reliant agricultural sector.

Networking/partnering is a key operational mode of the DF’s work. The DF often acts as a driving force for cooperation among environmental and solidarity organisations in Norway and to some extent internationally, thus seeking to influence Norwegian policies towards the South and the international agenda. The organisation is also engaged in a large number of international solidarity actions. For its development work it is partnering with other donors or local implementing NGOs/CBOs, as well as research institutions. The selection of partners, the lengths of partnerships, the mode of cooperation, and the degree of delegation of powers are considered very carefully. So are the questions of using partnerships to connect to other competence centres.

The DF has a very small information staff, but increased its publicity work from 17 recorded headlines in Norwegian media in 1999 to 214 in 2008. The external review team found that the increased profile was closely related to areas where the DF has special competence. DF is a relevant source of information to the press especially on trade in foods, poverty and hunger.

The DF is working in 5 programme countries in Africa, Asia and Central America (sub-region) and in regional biodiversity and climate change programmes which extend beyond the 5 countries. Its focus on agro-biodiversity and agricultural adaptation to climate change are squarely within the aims of the respective international conventions. The DF does not implement any field level project itself. It is working through other NGOs or CBOs, mostly at the local level.

Norad and the MFA contributed to DF's development cooperation programmes with about NOK 60 million in 2008. This is about double the official contributions in 2002, and displays a growing confidence in the organisation. The main budget items are the 5 country programmes (including one sub-regional), as well as the regional programmes within agro-biodiversity and climate change.

The DF has developed templates for the most common steps and functions concerning project cycle management (PCM). This standardization resembles systems that are increasingly used by development agencies and is certainly of great help. The DF does not require partners to use a fully standard planning and reporting format, in order to avoid double sets of planning documentation from some of its partners, which have to satisfy the formats of other donors also. The M&E systems are not as comprehensive as the other project cycle management issues; in particular the issues of baseline data/studies as well as indicators on measurements of performance. This situation is especially reflected in older project documents. The annual and other reports seldom contained quantified data on outcomes, which make measurements of progress and sustainability difficult.

The organisation is lacking general written routines for hiring local auditors, since the possibilities vary largely from country to country. It is observing anti-corruption measures, although it has no written guidelines for how to manage the problems, if incidents of corruption should occur.

In Nepal the review team came across programmes which seem to be working very well and constitute models in the country. These include the innovative village development planning system developed by the NCDC in Ilam in eastern Nepal, the MJS savings and development organisation which is pioneering women's rights and advocacy programmes in the same district and the LI-BIRD community biodiversity programmes in the middle part of the country. The three programmes will be scaled-up to other districts and parts of the country, with considerable government support.

At the same time there are severe problems with the community management development programme in Africa, which is co-financed by the DF, SIDA, Dutch and Canadian donor organizations. This programme has been hampered by weak coordination for years. It is also lacking in such issues as specificity in programme/project plans, a systematic approach to participatory plant breeding and customized capacity building efforts.

The team's recommendations are especially related to improvements in PCM-issues, including planning, monitoring, evaluation and financial reporting. Additionally, the need for the DF's future increases in co-funding is raised, which may relate to the DF's need for a clearer external profile.

1. Introduction

1.1 Background

In accordance with the Terms of Reference (TOR) the review aimed in particular at analyzing: i) DF's ability - together with its partners - to achieve goals based on its professional, financial and administrative capacities, and ii) its thematic focus on agricultural biodiversity and emphasis on the interrelationships between the global/strategic, national/programmatic and local/project levels.

1.2 Local Level Activities of the Development Fund

The Development Fund (DF) essentially undertakes advocacy and promotional work to ameliorate the conditions for smallholder agriculture and promote sustainable natural resource management. Currently DF's programme countries are Malawi, Zambia, Ethiopia, Sri Lanka, Nepal and—in the Central American region—Nicaragua, Honduras and Guatemala. In addition the DF is also engaged in other countries through regional and global programmes on Community Biodiversity Management and Climate Change Adaptation. With the danger of simplification, most of the DF's work could be placed under four headings:

- *Rural development and food security* to improve the livelihoods of small-scale farmers and their families. Mobilization and organisation of farmers and other vulnerable groups such as women and youth in cooperatives, farmers' and women's groups are at the core of the work. This often consists of technical advice, credit and loans, better access to markets and a variety of other services.
- *Agricultural biodiversity*, especially Plant Genetic Resources (PGR) and Farmers' Rights (FR). These are mostly promoted through community-based conservation, development and sustainable use of plant genetic resources, increasing on-farm genetic diversity as well as conserving traditional and wild seed varieties. Establishing seed banks run by farmers serve as a secure provider of good quality seeds. Analogue forestry, integral forest management or agro-forestry, crop rotation and diversification, participatory plant breeding, integral forest management and agro-forestry are frequently used methods.
- *Climate change adaptation* to reduce the vulnerability of small-scale farmers to climate change. This includes efforts to systematize and spread traditional knowledge and innovative farming techniques such as drip-irrigation and water harvesting.
- *Other rural development efforts* include local level and village planning, securing access of land for the landless, protecting the rights of pastoralists, supporting women's organisation, education for young people out of school, humanitarian assistance (e.g. in the wake of earthquakes and the tsunami).

1.3 Analytic model

The perspective of this review is that the organisation requires basic abilities/capacities to fulfil effective aid, which are the determinants for organisational performance. The team has identified especially 4 capacities/abilities, which are assessed throughout the report. These are:

- **CORE VALUES AND STRATEGIES.** The coherence of the NGO's identity, objectives and strategies and its capacity to inform and lead its actions and activities.
- **ORGANISATIONAL CAPACITY.** The professional and analytic basis to design policies, plan outcomes and make wise choices with regards to cooperation with international and local partners, as well as establish management systems to guide its actions.
- **LINKAGE AND PARTNERING CAPACITY.** The ability to analyze its own strengths and determine its own role and to engage in trusting and effective partnerships with other organisations/institutions to supplement its own capacity.
- **COMBINED CAPACITY FOR IMPLEMENTATION.** The ability to add up its own and partner potential capacities and seek an optimal combination in implementation strength, through role sharing, mentorship and delegation of responsibilities.

1.4 Methodology

The study is based on three data sources, firstly key DF and Norad documents; secondly meetings with almost all of the DF's board members and employees and staff members of Norad and the MFA, plus some other NGOs and research institutions involved in related activities; thirdly a short field visit to Nepal, including interviews with partners and some end recipients. The main method of the study is the review of the organisation's strengths, weaknesses, opportunities as well as threats. The available time did not allow for a full SWOT analysis.

There are several limitations of the review. During the field visit to Nepal the team had little opportunities to seek alternative information from what the DF's partners and end recipients presented. A representative of the DF travelled with the review team to Nepal and assisted with the itinerary and established contacts, but was not present during any of the interviews with the project personnel or the staff of cooperating partners.

Due to the time limit, the review of the documented material was not followed-up by specific programme interviews. Neither did the sparse evaluative material available allow a systematic assessment of progress or results. This is partly because several programmes are too new to show much results and also because several external and self-evaluations, which were scheduled for 2008 and the beginning of 2009, have been postponed.

The team focused particularly on DF's programme on agro-biodiversity because this was specifically requested for in the ToR, and there were evaluation reports available for the global programme (2003) and the regional programme for Africa (2009).

1.5 The contents of the report

Following this introductory chapter are four chapters guided by the analytic model of the reviews of i) DF's core values and strategies; ii) Organisational capacity, iii) Linkage and partnering capacity and iv) Combined capacity for implementation. The subsequent chapter contains the conclusions on the strengths and weaknesses, together with the study's recommendations.

The three annexes include persons met, bibliography and the ToR.

2. Core values and strategies

This chapter deals with the first of the four dimensions listed in the introduction of the study; the DF's identity, its support base, core values, its way of functioning and the coherence between these dimensions.

2.1 Identity

The Development Fund (DF) was established in 1978 as the development wing of its "mother organisation", The Future in Our Hands. The DF is now a separate Norwegian registered NGO, with 1351 regular contributors and 6451 counted as sporadic contributors. There are about 7800 recipients of its regular newsletter and 2500 recipients of its electronic newsletter. The core of its support comes from individuals who care greatly about the environmental and poverty oriented aid, members of various environmental organisations and to some extent also from agricultural organisations, especially the Farmers and Smallholders' Association. The much wider support that the DF's actions and activities enjoy has not led to much increased support for the DF as an organization.

The organization has a problem of reaching the co-funding requirements, and seeks for this reason very often 100% public funding. It is the view of the team that this is at least partly due to its weak profile outside the core development and environmental circles in Norway. It may be argued that the name and the slogan are not in keeping with the DF 2007-2011 strategy, which defines the DF very clearly as a solidarity organisation:

"The mission of the Development Fund is to contribute, with emphasis on long-term measures, to promoting a fairer distribution of the world's resources, supporting sustainable development and local participation aimed at promoting democracy and human rights, reducing poverty and safeguarding the environment."

The basic values of the DF are rooted in:

- a) Solidarity: work for a just world and equal opportunities for development. The DF champions the cause of the oppressed and marginalized through changes in external conditions, policies and their own efforts for economic uplifting;
- b) Diversity; respect for individual differences, other cultures and traditions, and protection of biological diversity;
- c) Justice: work for a more equal economic distribution, the right to food and clean water for everyone, freedom from poverty, security, opposition to abuse of power and corruption;
- d) Participation: work towards all gaining influence over their lives and realizing their resource potentials, the strengthening of the democratic structures, transparency, trust and free flow of information.

The strategy also defined and delimited its operational programmes to five prioritized focus areas during 2007-2011, namely -

- Sustainability and biological diversity in agriculture
- Secure rights to pastoralists and protection of dry-lands
- Social mobilization and organisation
- Climate change: consequences for poor people
- Struggle against global inequality and poverty

In the follow-up of the last organisational review (Agderforskning, 2002), which pointed to the DF's problem of expanding mandates and quick spread to new countries, the current DF strategy emphasizes the intention to be more efficient by limiting the number of cooperating countries, sharpening mandates, increasing popular influence, self-determination, strengthening civil society and cooperating with poorer countries and national institutions. However, the present strategy keeps the door open to expansions into new countries.

Based on the number of its own staff members in Oslo (currently 25) and only one regular representative in development countries (Ethiopia), the DF must be classified as a small NGO. Its annual budget (about NOK 80 mill) is more similar to a medium-sized organisation.

“Spire” is a membership based youth wing of the DF, primarily for persons between 18 and 30, which works with cross-sectoral and global issues related to environment, agriculture, food availability, trade and development. Spire governs its own activities in accordance with rules, regulations and decisions of its annual meeting.

“Exchange for Sustainable Development” (ESD) is an exchange programme for (currently about 12) young people from the North and South, aged 22-35, wanting to live and work in another country for 12-17 months.

2.2 The coherence of the DF's Strategy

The DF's development activities concur fully with the UN's Millennium Development Goals, several international environmental conventions - UNCBD, UNFCCC, UNCCD, and ITPGRFA – as well as other international accords.

One key question during this review is the realism and coherence of its strategy. The team considers that the DF has made a convincing case for combining poverty alleviation and environmental efforts. While most global aid efforts towards protecting biodiversity are made in forest reserves and protected areas, the DF has chosen to focus on agro-biodiversity. The latter is higher on the priority lists of the developing countries themselves, and also holds the prospects of stemming the depletion and erosion of the agricultural base, on which human sustenance depends.

Likewise, within climate change most of the global support efforts are made with the purpose of mitigating emissions. Most developing countries and huge rural populations have already experienced the effects of climate change and their primary interest now focus on adapting the productive agricultural base to the current climatic changes. The DF's adaptation efforts, which focus on the preservation of plant material and enrichment of soils with more humus materials, are also the best contribution non-

industrialized developing countries can make towards mitigation of greenhouse gases, through carbon sequestration.

Working with pastoralists to conserve their lands and secure their long term rights has represented huge challenges to development agencies. The DF is taking on this difficult, but necessary task, as the scramble for the sparse open lands continue. In spite of well known conflicts between agriculturalists and pastoralists, there are also many examples of mutually beneficial relationships between the two groups, through exchange of different food sources and other commodities like animal manure and control (grazing) of excess vegetation, which could otherwise contribute to spread diseases. Although the DF has been involved with animal husbandry in mixed farms in several countries, its main activities focusing on pastoralist are located in Ethiopia, which is supported by the Embassy/MFA and is not covered in this review.

3. Organisational Capacity

The annual meeting elects 5 members to the DF's Board. In addition, the Board includes one representative from the DF's administration and one from Spire. Its formal duties is to appoint the organisation's Director, approve its policies and terminate larger programmes and projects, approve of the DF's partnerships, as well as its budgets and accounts. There is special competency among the Board members on environmental law, biodiversity, climate change, veterinary science, financial matters, international trade, as well as some connections to farmers' organisations. During recent years the Board has been mostly responsive to the proposals submitted to it for consideration by the Director, but have provided important inputs into programmes at times. Some Board members have expressed the wish to travel to the field more often, and thus be able to play a more active part in shaping the programmes and the profile of the organisation, as it did for climate change adaptation. With some exceptions the Board has not played a big role in marketing and securing access to financial resources.

3.1 The DF's administration

The DF's Director, the departmental heads, the Senior Policy Advisor and Spire's Coordinator constitute the Management Team, which makes decisions related to the whole organisation, new initiatives and matters, principle views or administrative routines, which do not require Board Decisions. The Director or the departmental heads often uses the Management Team as a sounding board on matters which concerns the organisation as a whole, or one department, respectively. The management team also reviews board documents before they are tabled.

The DF has three departments, which deal with: i) Finance and administration, ii) Communication and marketing, and iii) International programmes. The International Department consists of all the country coordinators, plus the programme coordinator for the Community Based Biodiversity Manager and the Climate Programme. As a result, the International Department will to some extent function as a matrix organisation, since biodiversity and climate are cross-country themes. This has several merits, but has also at times created some minor confusion in cooperating partners and some uncertainty on whether partners should report to the thematic or country programme manager.

Policy matters are initially dealt with in a Policy Committee, which is lead by the Policy Advisor, but also includes the departmental heads, Spire and the Director. The preparation of official positions on policy matters or specific programmes are at times initially dealt with by select committees or groups, before the matters are handled by the formal decision making structures. Otherwise, the DF holds frequent staff meetings and also topical meetings in order to ascertain that the general information level is high, and that various views in the organisation are heard.

According to the organisational review in 2002 (Agderforskning) the DF was considered to be a “flat organisation” which was not the most efficient. During the last few years there has also been some internal resentment about the high number of internal meetings. Also due to increasing activities and budgets, the decision making structure has been more streamlined. Still it is an open organisation, which has a number of informal information lines. Staff questionnaires show that the internal working environment is good. Staff members appear highly motivated and the percentage of sick leave is very low.

Other NGOs and research institutes working on related issues, hold that the competency and experience level in DF is high. The professional disciplines represented are agronomy, biology, economics, environmental economics, geography, anthropology, development studies, political economy, communication, administration, accounting, etc.

3.2 Systems for planning and project cycle management

The DF has recently developed templates for the most common steps and functions concerning project cycle management. This standardization resembles systems that are increasingly used by development agencies and is certainly of great help, especially to new recruits. These includes criteria for reviewing and selecting new cooperating countries and partner NGOs, for preparation of new project proposals, for exercising quality management including financial management, monitoring and evaluations (M&E), for entering into contracts, disbursing funds, closing projects, etc.

In project planning all the elements of a logical framework (goals, purpose, assumptions, etc) have to be included as a minimum – in accordance with DF’s planning check list – even if the DF does not require a fully standard planning and reporting format (in order to avoid double sets of planning documentation from some of its partners, which have to satisfy the formats of other donors also).

The M&E systems are not as comprehensive as the other project cycle management issues. This concerns in particular the issues of baseline data/studies, as well as risk analyses and indicators on measurements of performance. This situation is especially reflected in older project documents. Neither have all the older projects been retrofitted with PCM criteria and guidelines.

3.3 The DF’s financial support to development programmes

In 2008 the DF arranged five subscriptions in aid of its work and collected NOK 4.3 million, an increase of NOK 1.4 million over the previous year. However, the collections had considerable costs. With regards to the DF’s total budget, the organisation turned the negative result of 2007 into a surplus of approximately NOK 700 000 in 2008. The DF’s total account for 2008 was approximately NOK 66 million.

The DF has increasingly applied for support to programmes that receive 100% financing by Norad/MFA, while its own share has been reduced. Now about 45% of the multi-year development cooperation contract with Norad is not matched by DF counterpart funds. This is likely to reduce the flexibility and might contribute to less strategic navigation of the portfolio as a whole.

Table 1. Accounts of contributions by Norad

Programme Name	2007	2008
Malawi county programme	4 358 778	4 228 465
Sri Lanka country programme	1 694 629	1 892 648
Nepal country programme	2 886 930	3 810 064
Programme for social mobilisation in Central-America	2 602 206	2 298 121
Biodiversity, global	9 085 256	9 494 780
Global Networking programme	4 375 371	5 439 391
Zambia country programme	639 583	972 759
Total Norad contribution	25 642 753	28 136 228

Programme Name	2007		2008	
Malawi Norad	4 358 778		4 228 465	
Malawi EMIS			1 533 905	
Total Malawi		4 358 778		5 762 370
Ethiopia EMIS			1 033 742	
Ethiopia Tigray agreement (Embassy)	9 239 298		8 487 526	
Ethiopia UNCCD-agreement (Embassy)	7 937 729		9 130 631	
Ethiopia FOKUS	781 310		901 793	
Total, Ethiopia		17 958 337		19 553 692
Sri Lanka Norad	1 694 629		1 892 648	
Sri Lanka Operation Dayswork	2 429 639		2 845 280	
Sri Lanka EMIS			465 834	
Total Sri Lanka		4 124 268		5 203 762
Nepal Norad	2 886 930		3 810 064	
Nepal EMIS			319 666	
Total Nepal		2 886 930		4 129 730
Central-America Norad	2 602 206		2 298 121	
Central-America Operasjon Dagsverk	-		4 308 881	
Total Central-America		2 602 206		6 607 002
Biodiversity, global	9 085 256		9 494 780	
Biodiversity EMiS	-		1 859 431	
Total, Biodiversity		9 085 256		11 354 211
Global Networking programme	4 375 371	4 375 371	5 439 391	5 439 391
Zambia Norad	639 583		972 759	
Zambia EMIS			835 444	
Total Zambia		639 583		1 808 203
Pilot Pakistan (Norad)	-	-	1 417 161	1 417 161
Fredskorpset, Exchange for sustainable development	3 023 935	3 023 935	2 727 814	2 727 814
Total Norad/MFA financing	49 054 664	49 054 664	64 003 336	64 003 336

The DF's accounts for the previous years show that DF has had a steady growth in budgets, before it fell and again increased. However, if Tsunami funds in Sri Lanka are not taken into account, there is a steady growth in its budgets. DF's donors are Operation Dayswork (two agreements), Norad, Fredskorpset, EMiS, FOKUS, Embassy in Addis Abeba, Seadrill, the Volder Foundation and Fornebu Consulting.

The DF's total overhead is approximately 5-8%, and is defined by the DF to include cost of running the organisation, furniture, IKT, newspapers, library, salary to the

administration and executive manager, auditing and consultants. Overhead for the International Department is covered over the respective aid programmes.

The DF's Norwegian auditor describes it as competent in handling financial matters and that the auditor's role thereby mainly consists of exercising an overriding control. The DF is also confident in its ability to ascertain good quality in the DF's and partner's budgets and accounts. The DF has a set of routines and contracts that reflects Norad's guidelines and demands. These are not entirely up to date with regards to organisational changes and contracts with its partners. The auditor states that the DF's financial routines could be improved as the organisation closes its official audits before the expiration of the deadline for the submission by its partners. For this reason the auditor has suggested moving DF's annual meeting until June to avoid delays for the complete annual audit.

3.4 Information related work in the DF

DF's Communication Department is divided into two areas: i) Information and Development Education and ii) Marketing, led by the Head of Information and Marketing. The DF has assigned only one regular staff member and one intern to each area. Further, the DF has a communication strategy, which covers both areas, in addition to a strategy for Development Education. The strategies both seem to be in line with DF's overall strategy, values and goals. The DF promotes a genuine focus on voices from the South, as within its development programmes. The DF's information material reflects its overall strategies.

According to the frame agreement with Norad, the DF receives annually NOK 1.28 million in support to Development Education. In addition, approximately NOK 500.000 is used annually from the DF's development budget to produce information and documentation on its development activities. If this is not included in the overhead costs, the DF and Norad should discuss whether this is in line with the intentions in the multi-year contract for development activities.

Norad has a constructive dialogue with the DF regarding its information related work. The DF will according to Norad's procedures for frame agreements, develop a new strategy and plan for Development Education during the autumn of 2009. The DF's work within Development Education is linked to the development programmes "Global Networking" and "Climate adaptation" - for instance as the information material titled "More than Rain" and "Kamp mot sult" (Fight against hunger) is financed through Norad. This material represents voices from the South on climate change adaptation. Simultaneous work by the policy group and information staff seems to represent an overlap, which has been difficult to avoid. The campaign "Matrett 2009" (The Right to Food) represented both a political advocacy issue on food sovereignty and trade, as well as a solidarity issue.

In November 2008 the newspaper "Ny Tid" presented a review of media coverage of the Norwegian environment and development organisations. As expected, the large organisations dominated the list, but interestingly the DF, with its small information staff, had increased its publicity work from 17 headlines in 1999 to 214 in 2008. The external review team found that the increased profile was closely related to areas where the DF has special competence. DF has positioned itself as a relevant source of

information to the press, especially on trade, poverty and hunger (R. Krøvel and M. Towsen, 2009).

3.5 Audits and anti-corruption measures

The DF's financial manager and its Norwegian auditor together performed audit reviews in Ethiopia (2001) and Sri Lanka (2004), which included visits to partners and auditors and an "audit trail" for some selected large projects. The Norwegian Auditor was also checking that the partners had established quality assurance routines. The DF states that they are lacking written routines for hiring local auditors, since the possibilities vary largely from country to country. However, selection of auditor is based on tenders and references. From the DF's experience it takes some time before they receive satisfactory reports, and thus it prefers not to change the auditors it is satisfied with. The DF has contracts directly with auditors on country programs, but not on regional or global programs where local partners use their own auditor for smaller budgets. In Nepal, the DF has had the same auditor for 12 years. Although the review team has little doubt about the integrity and quality of this auditor, it sees the danger that too close relationships can develop over such long periods.

The DF seeks to apply good accounting practices to reduce risks for corruption. Its code of conducts for employees includes corruption issues. Anti-corruption matters are also discussed in dialogues with its partners. However, the organization has no written guidelines for anti-corruption measures and management in cases of incidents of corruption. The DF recommends that its partners, in addition to auditing the Norwegian contributions, also prepare a total audit for the NGO's accounts. This is very seldom the case. DF should demand this of its partners in the future.

Over the years the DF has only been warned about two cases of possible misuse of funds. Regarding an incident in Sri Lanka a few years ago, the DF commissioned an extraordinary audit within 10 days and the coordinator travelled to Sri Lanka to follow the case. However, no evidence of misuse was found. The second incident occurred in Nicaragua. A small amount was lost before the partnership was closed.

4. Linkage and partnering capacity

4.1. Networking and partnerships

Networking/partnering is the key operational modus for the DF. This applies both to partnering with international and other Norwegian NGOs for various types of advocacy and information work, but mainly with other donors or local implementing NGOs/CBOs and research institutions for its development work. The selection of partners, the lengths of partnerships, the mode of cooperation, and the degree of delegation of powers are considered very carefully. Partnerships are also used to connect to other competence centres, as well as to provide professional advice and mentorships.

4.2. Networking in the international context

The DF often acts as a driving force, often in close cooperation with Norwegian Forum for Development and Environment (ForUM), for cooperation among environmental, rural development and solidarity organisations in Norway, and also internationally to influence the developed countries' policies towards the South. The DF has frequently been engaged, often in a leading role, to arrange campaigns and raise issues on the precarious food and hunger situation in publications and conferences like "Can Africa feed itself?", "More and Better", "More than Rain". It has also played important roles in preparing Norwegian positions in connection with the World's food summits in 1996 and 2002, and the summit on the food crisis, climate change and bio-fuel in 2008. The DF played also a lead role for the establishment of the Drylands Coordination Group. It also contributed forcefully in raising the attention to the need for the Norwegian Action Plan for Environmental Cooperation. One result of this was the establishment of the network "*Environmental Movements in the South (EMiS)*".

The DF's partnerships in other areas include the "Norwegian Coalition for Debt Cancellation"; Fairtrade Max Havelaar, Norway; The Norwegian Development Network (NDN); the Norwegian Council for Africa; The Norwegian Trade Campaign (in favour of developing countries). The DF is also engaged in a large number of international solidarity actions, frequently levying criticisms on specific policies of the World Bank, IMF and the World Trade Organisation. It is involved in a number of joint activities with the international peasants' movement "La Via Campesina". It attends international conferences on the environment, agriculture and trade like UNCBD, UNCCC, UNCED, ITPGRFA, and more. It is also a member of the Climate Action Network Europe and participates in the Working Group on Adaptation.

Lobbying at side-events or on the sidelines at these conferences is standard practice. The DF like many other NGOs, are sometimes part of the official country (Norwegian) delegation, due to its acknowledged competency and ability to work diplomatically. Other members of official Norwegian delegations have found that the DF has often

managed to combine the roles of working as a part of an official delegation with its own positioning, while this combination was not attained at times.

4.3 Choosing cooperating countries

The DF's guidelines for considering country cooperation distinguish between i) "programme country", ii) "potential programme country", iii) countries which "require further consideration", iv) "candidacy cooperating country" and v) "network participating country". The choice of the current programme countries – Nepal, Sri Lanka, Ethiopia, Malawi, Zambia and the region of Nicaragua/Honduras/Guatemala seems to have the logic of i) representation in the three main development regions of the world; ii) operations in relatively poor countries where poverty oriented agricultural and environmental efforts are on the political agenda; iii) preference for relatively small, countries where English or Spanish is widely spoken; iv) operation in dry areas and assistance to pastoralist (Ethiopia, Horn of Africa). Some of the present programme countries have graduated from their previous status as "network countries", specifically Zambia.

The choice of countries is also influenced by "clustering concerns"; e.g. the three Central American countries, Malawi-Zambia, and Ethiopia-Eritrea. Since the DF terminated its support to Eritrea, the DF is seriously considering Somaliland as an alternative.

It is the view of the team that the DF has a considerable burden in running 5 country (incl. sub-region) programmes alongside several thematic programmes. Delays in implementation may be an indicator that the burden is being felt. Adding new assignments where there is overlap between the thematic and country programmes is less demanding than adding a new country. The team will not advise DF to initiate new country programmes until clearer results are emerging in the current portfolio.

4.4 Choosing implementation partners

The DF does not implement any field level project itself, but works through other NGOs or CBOs, mostly at the local level. Among the Norwegian NGOs the DF puts an almost unrivalled emphasis on working through local partners. For the DF a partnership is perceived to be a long term relationship, and the development of partners' competencies and capacities is often regarded to be almost of equal importance to the development of the area in which it is engaged. This approach is certainly appreciated by the DF's partners, who also seem very interested in having the DF as a partner.

Although the DF is working with qualified partners it is still an issue whether the DF's supervision capacity is satisfactory. Supervision out of Norway is much more demanding than from within the recipient country. It would seem that a prerequisite for the DF's position not to have resident representatives (except for Ethiopia) is the presence of a strong project cycle management system, which includes close monitoring of project progress and results. The team has taken note of the fact that the progress in a number of projects falls short of plans. A relatively large number of evaluations have been delayed. This is either due to overoptimistic planning or insufficient supervision. This is an issue that the DF needs to address further.

4.5 Community based biodiversity programmes

The Community Biodiversity Development and Conservation Programme (CBDC) was established in 1995 as an answer to increasing concerns about the loss of plant genetic resources. It started as a global initiative developed by governmental and non-governmental organisations involved in agricultural initiatives in Africa, Asia and Latin America, in cooperation with Northern partners.

In the second phase, running from 2000–2004 the programme counted 11 project implementing organisations located in Africa, South East Asia and Latin America, and was financed by four donor organisations: IDRC (Canada), USC Canada, the Dutch Biodiversity Fund (the Netherlands) and SIDA (Sweden) in addition to the DF.

A mid-term evaluation in 2003 gave an overall positive assessment of the work, although it pointed to the need for an improved strategic planning capacity to inform all aspects of the CBDC's work, and to set clearer goals and objectives for institutional development of CBDC as a programme and a network. The institutional problems of the Africa programme were especially highlighted. It was pointed out that the strengthening of the institutional aspects of the Africa program ought to be an interesting role for the DF, which had put a priority on the Africa programme (p.28). The “End of Term Evaluation” of the Africa programme shows that the institutional and other problems worsened over the period and the programme is now in danger of being unsuccessful. The DF is about to terminate its support.

In 2004 the global programme was split into three regional programmes, since the global coordinating capacity was insufficient. Rather, the CBDC partners felt that they should concentrate their efforts on bringing their forces together when and where it was needed, had most value, most notably in policy work through joint preparations, participation in conventions and treaty meetings, policy research (Farmers Rights etc.). These efforts have been successful to a certain extent. SEARICE (with support from the DF) has become a key actor regionally in East Asia and globally on issues relating to IPR and FR and their work on Farmers Rights and Farmer Field School in PPB has become a point of reference internationally. The regional network includes Laos, Philippines, Thailand and Vietnam. Their role in bringing practical experiences and the farmers' voice into the international forums (such as UNCBD and ITPGFRA) is highly appreciated by all parties. The programme in Central America (PPB) also looks promising.

In Nepal, the DF has cooperated successfully with the NGO LI-BIRD, which has been supported by the National Agricultural Research Council and the Ministry of Agriculture since 2005. The programme looks very promising. With additional DF support, LI-BIRD initiated a regional network of cooperation for South Asia, which besides Nepal includes India, Pakistan, Bangladesh, Sri Lanka and Tibet, China.

The team finds that DF work with biodiversity within the framework of CBDC is interesting and should be continued and strengthened further. However, the DF should strive towards assuring that the ownership and access rights to the outcomes of the PPB programmes are not restrictive in the sense of use by the potential beneficiaries in a country.

Norad should further assess the problems that have befallen the African CBDC, as well as the efforts made by DF and the other donors to help put this programme on a better path.

4.6 Poverty orientation in DF's programmes

Strengthening the small scale farm sector is almost by definition poverty oriented. It is this sector which has by far the biggest number of poor people. Development of this sector will also reduce the influx to the urban slums. In Africa the majority of small scale farmers are women, while the proportion is lower in the other continents.

The DF's efforts towards securing access of land for the landless and protecting the rights of pastoralists hold the promise of changing fundamental conditions of poverty, although positive outcomes are far from guaranteed. Community based biodiversity efforts are very relevant for improving the smallholder sector, particularly in the face of changes in the climate. Again, the magnitude of the positive outcomes is uncertain, and the time horizon may be long, because plant breeding is often a long and tedious process. For this reason the DF has decided to work initially with "cadres" of innovative peasants in many instances. They are often not the poorest, but their pioneering efforts may be replicated and bring progress to the whole village or area.

The DF is in some instances supporting women's organisation, education for young people out of school, and giving humanitarian relief.

5 Combined capacity for implementation

The majority of the DF's development activities in countries are derived from international conventions (UNCBD, UNFCCC, UNCCD (on desertification) and the ITPGRFA).

The strength of the DF is its links with institutions which are able to translate the global conventions and agreements and the work done by national and regional research organisations into concrete actions. The team has had the opportunity to see for itself or to read about both the strengths as well as the potential problems the various activities the DF is experiencing.

The time and scope of the review did not allow the team to quantify its findings in a systematic way. Neither was there a body of evaluative material from mature stages of the programmes. For this reason the team can only give some examples of the combined implementation capacity of the DF and its partners. The review of the Nepal programme was initially suggested by the DF. The review team met with the key participants of the partner organisations, whose accounts of the successes were reiterated by several other partners, although the team was not able to do its own research on these matters.

The ToR explicitly asks for a review of the agro-biodiversity programmes. The team focuses particularly on the Africa programme because of the available evaluation reports.

5.1. Strengths

Since the second half of the 1990s the DF has assisted the work of the Namsaling Community Development Centre (NCDC) in the eastern district of Ilam in Nepal. NCDC has been engaged in a range of activities in the social sectors, biodiversity, energy and more. Of particular interest to the team has been their work on local government planning. Based on the Local Planning Act of 1999 which emphasized a bottom-up approach to planning, NCDC initiated village development plans in its home area, which was very participatory in approach and became popular throughout the district. At the time of the team's visit, NCDC had completed 47 VDCs in Ilam district, and had continued work in 3 neighbouring districts. The programme has had a long duration both because of stand stills at times during the civil war and because it has been continuously extended to new areas. It now serves as a model for local level development in the country.

Another remarkable account is NCDC's experimentation and subsequent production of proto-type organic fertilizers and agro-medicine "*Nasabike*", which is both organic manure and pesticide. *Nasabike* has been tested in field and on the local market for 3-4 years. Although the testing is not fully completed, the local farmers perceive that it is better able to increase crop production and to keep the fertility of the soil than inorganic alternatives.

Also in Ilam the DF specifically aimed at enabling women to participate in development decision making and supported Mahila Jagaran Sangh (MJS), originally a savings and credit organisation. Their women's rights and advocacy programmes have proved very popular and have now been further spread to the whole district and will also be used as a model in DF's new area development programme in western Nepal.

5.2 Challenges

The 2003 evaluation report of the CBCD raised some serious problems in the Africa biodiversity programme. These included especially the institutional, logistical and linguistic problems of running the network. It also called for improved strategic planning capacity to inform all aspects of the CBDC's work, and to set clearer goals and objectives for its activities.

The Policy Coordination Committee of the CBCD Africa Regional Programme (in its semi-annual report for June 2008) points out that there is lack of standardized data collection tools, harmonized monitoring and evaluation systems, clear documentation and operations guidelines in the region. He further observes that the lack of well developed research agendas have undermined the programme's overall contribution.

The 2009 "End of Term Evaluation" of the Africa programme shows that the institutional and other problems worsened over the period and the programme is now in danger of being unsuccessful.

Other issues raised are:

- Baseline studies have in some cases been called for, but often not carried out;
- Lack of specificity in project plans;
- Undefined target groups and lack of progression in the activities;
- Unsystematic and undocumented plant breeding activities;
- Failed model for training and capacity building.

The team recommends that Norad further assesses the programme and the DFs role in its implementation.

6. Conclusions and recommendations

6.1. Conclusions

BOX 1. STRENGTH (+) AND WEAKNESSES (-) OF THE DF

CORE VALUES AND STRATEGIES	MANAGEMENT CAPACITY
<p>+ DF has clear identity and strong motivation towards promoting food security, rural poverty alleviation and sustainable environmental development. Core values are shared by its board, staff and partners.</p> <p>+ Strategy to empower and give voice and opportunities to smallholders, rural landless people, women and marginalized groups to claim better access to resources and a fairer distribution of incomes.</p> <p>+ Effective in promoting information and advocacy work.</p> <p>+ It enjoys strong support among development professionals, cooperating organisations and to some extent the Norwegian Farmers' and Smallholders' Association.</p> <p>- Lack of direct financial support by broader constituencies in Norway.</p> <p>- The DF's Board is less involved with connecting DF to constituencies and promoting its external profile.</p>	<p>+ Decision making processes have during recent years been more clearly laid out; still combining a high degree of participation with good internal participation.</p> <p>+ Planning methods and tools for selection of cooperating partners and countries are well established.</p> <p>+ Transparency in planning and accounting.</p> <p>+ Innovative in designing cooperation models with NGOs both in Norway and internationally.</p> <p>+ Good and relevant competence in key focal areas. Board members also possess competencies in key focal areas</p> <p>- Problems in securing own financial resources/counterpart funds to meet Norad's demands.</p>
LINKAGE AND PARTNERING CAPACITY	IMPLEMENTATION CAPACITY
<p>+ Networking is DF's central activity mode, both with other NGOs on advocacy as well as implementing NGOs.</p> <p>+ Strong connectivity between the goals of international conventions and choice</p>	<p>+ DF is systematic in selecting countries which fits the DF's agenda and partners who are well endowed with focal area competency and good local connections.</p> <p>- Too heavy reliance on the planning tools of the participating NGO, which are</p>

<p>of cooperating countries.</p> <p>+ The networks are instrumental in combining policy making, approaches within its focal areas and choice of interventions and countries.</p>	<p>too diverse and at times insufficient.</p> <ul style="list-style-type: none"> - Imprecise planning of the whole project cycle and reporting on the progression through its various stages towards attainment of the final objectives. - Weakness in risk analysis, and preparing for sustainability of supported efforts and the phase-out stage. - Monitoring, evaluation and learning systems are insufficient.
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6.2. Recommendations for the DF

1. The DF should further develop and promote its own programme planning and reporting systems/tools and check partner compliance with the systems. This concerns in particular the development of system for baseline studies, clearer objectives in project design documents, and benchmarks/indicators to check progress and suggest steps either towards addressing additional constraints, up-scaling or gradual phase out of programmes.
2. Better risk analysis systems are needed, especially when the DF is operating in the poorest countries. This could be coupled with risk flags to prompt actions if the contextual or internal development is getting more difficult.
3. The DF's monitoring, evaluation and learning systems should be better developed and consistently applied across its portfolio.
4. The DF should develop further guidelines for anti corruption measures and management of cases of corruption, establish an alert system for reports on misuse of funds and develop ethical guidelines for all employees and partners to sign. The DF should close its annual audit after having received the partners' audit.
5. The DF should systematically assess why progress in a number of projects falls short of plans.
6. In addition to audits for use of DF funds, the DF should require collaborating partners to prepare audited reviews of all their activities, including incomes in home countries. The length of contracts with individual auditors should be carefully considered.
7. The DF should put increased focus on marketing and collecting private funds within the broader target groups of the Norwegian society to meet growing counterpart fund needs. In this context the DF should consider to profile itself better as the solidarity organization it professes to be, also representing an authority on issues like hunger, poverty and trade in foods.

8. The DF should consolidate its current portfolio and be able to better document programme progress before it seeks substantial expansion of its activities.

6.3. Recommendation for Norad

1. Norad should further assess the Africa CBCD programme and the DF's role in its implementation.

2. Norad should consider if use of programme funds for information related activities is in line with the multi-year contract for development activities.

3. Norad should assess DF's follow up of issues raised in this report.

Annex 1: List of documents

Agderforskning 2002: Organizational Review of the Development Fund. Norad Report

CBCD 2003: Mid-term Review of the CBCD

CBCD 2009: End of Term Evaluation Report. CBCD Africa

Development Fund: Strategic Plan 2007-2011

Development Fund: Communication Strategy

Development Fund: Application and Strategy for North/South information (2007-2010)

10. April 2009, Roy Krøvel og Mona Thowsen: En gjennomgang av Utviklingsfondets mediearbeid

Development Fund: Project Cycle Management (Handbook)

Applications, narrative reports, financial audits, work plans and budgets, multi-year contract with Norad, letters and agreed minutes between Norad and the DF.

Norad/MFA Agreement Manual

Development Fund's website: www.utviklingsfondet.no

Annex 2: List of people met and interviewed in Nepal and Norway

NAME	ORGANISATION
Ganesh GURUNG	Ind. consultant
Kanak Mani DIXIT	Himal Media
Khemraj NEPAL	INLOGOS
Yogendra Man SHRESTHA	NCDC, Ilam
Pravesh CHAPAGAIN	NCDC, Ilam
Homnath ADHIKARI	NCDC, Ilam
Prakash Pd. POKHAREL	MJS, Ilam
Dr. Nrishima Kumar KHATRI (PhD)	MJS, Ilam
Radhaa GURUNG	NIDS
Dr. Anita MANANDHAR	NIDS
Dr. Iwala BAJRACHARYA	NARC
Arjun PUN	LI-BIRD
Indra Prasad PAUDEL	LI-BIRD
Rachana DEUKOTA	LI-BIRD
Sandhya KARAKI	LI-BIRD
Deepak UPHADIYA	LI-BIRD
Shanti ALE	LI-BIRD
Sudha KHADKA	LI-BIRD
Apar PAUDYKAL	LI-BIRD
Abishkar SUBEDI	LI-BIRD
Pratap Kumar SHRESTHA	LI-BIRD
Khem Raj CHOWI	LI-BIRD
Tara LAMA	LI-BIRD
Dharma RANGOL	IAAS
Benibahabur BASNET	Distr. Agr. Off. Kaski
Radha BHATTARAI	High Level Land Reform Commission
Mr PANDEY	Agri. Dep. Min. of Agriculture
Anup K. SHRESTHA	Accountant/BRS Neupane & co.
Andreas SCHILD	ICIMOD
Mats ERIKSSON	ICIMOD
Lakshman K. GAUTAM	FAO
Basu ARYAL	IFAD
Ken AFFUL	ODC
Rhian C. JONES	ODC
Krishna H. THAPA	ODC
Jørn SØRENSEN	UNDP
Sharad NEUPANE	UNDP
Rafeeque A. SIDDIQUI	UNDP

NAME	ORGANISATION
Kristine STORHOLT	
Thor GISLESEN	No. amb. Nepal
Kristine STORHOLT	No. amb. Nepal
Dag NAGODA	No. amb. Nepal
Camilla RØSSAAK	No. amb. Nepal
Arvid SOLHEIM	Utviklingsfondet
Aksel NÆRSTAD	Utviklingsfondet
Elisabeth HORN	Utviklingsfondet
Sigurd JORDE	Utviklingsfondet
Fredrik FREDRIKSEN	Utviklingsfondet
Christoffer RINGNES KLYVE	Utviklingsfondet
Waranoot TUNGITTIPLAKORN	Utviklingsfondet
Anne-Ma BREVIG	Utviklingsfondet
Olav MYRHOLT	Utviklingsfondet
Elin Cecilie RANUM	Utviklingsfondet
Eva Helene ØSTBY	Utviklingsfondet
Teshome HUNDUMA MULESA	Utviklingsfondet
Alice M. ENNALS	Utviklingsfondet
Gitte MOTZFELDT	Utviklingsfondet
Rosalba ORTIZ VALVERDE	Utviklingsfondet
Camilla HAUGSTEN	Utviklingsfondet
Anne Kristine M. UTHAUG	Utviklingsfondet
Anette WILHELMSEN	Utviklingsfondet
Sunniva AAS-HANSEN	Utviklingsfondet
Kristin ULSRUD	Utviklingsfondet
Elisa GASPERINI	Utviklingsfondet
Helle JOHNSRUD	Utviklingsfondet
Hilde FAUGLI	Utviklingsfondet
Arne KITTANG	Utviklingsfondet
Mina MÆHLUM NORDSTRØM	Utviklingsfondet
Kjetil SIVERTSEN	Utviklingsfondet
Jon Heikki AAS	Utenriksdepartementet
Jan Erik STUDSRØD	Norad
Arild SKÅRA	Norad
Johanne Sæther HOUGE	SPIRE
Espen NOLAN KNUTSEN	SPIRE
Øystein TANDBERG	SPIRE

Annex 3: Terms of Reference

Organisational review of the Development Fund

Terms of reference

1. Background

Organisational reviews of partners are conducted on a regular basis as part of Norad's quality assurance of the support scheme for civil society. It is an important tool for dialogue between Norad and the organisation, and constitutes a basis for deciding on approach and prospects of future funding to the organisation.

Development Fund (DF) is an independent non-government organisation (NGO) founded in 1978. DF supports development projects through local partners in Asia, Africa and Latin America, with a focus on sustainable management of natural resources. The organisation has a focus on working at the grassroots level with national and international policy work, and with a strong emphasis on both environment and sustainable development.

DF has received funding from Norad since early 80s, and is currently funded through a five-year contract 2007-2011 with Norad, with a tentative annual Grant of NOK 27 millions. The purpose of the grant is to support DF's activities within the strategy and programmes as described in the programme document. DF's approved budget is divided between the following programmes: 1) Malawi Country Programme, 2) Ethiopia Country Programme (funded through MFA/Norwegian Embassy), 3) Sri Lanka Country Programme, 4) Nepal Country Programme, 5) Programme for Social Mobilization in Central America, 6) Global Programme for Agricultural Biodiversity (Asia, Africa and Latin America), and 7) Global Networking Programme.

In 2008, an additional amount of NOK 2, 9 millions was awarded to the Global Programme for Agricultural Biodiversity (programme 6) and to the Global Networking Programme (programme 7) with focus on climate changes in Southern Africa. In addition, DF has also received funding for *Pilot Project Pakistan* (grant funding mechanism to Pakistani Diaspora organisations) and is also part of the *Environmental Organisations in the South* joint initiative between DF, WWF and Rainforest Foundation.

2. Purpose of the review

The purpose of the review is to examine the organisation's ability to provide effective aid. More specifically, the review shall analyse the following issues:

- DF's ability - together with its partners - to achieve goals in terms of professional, financial and administrative capacity.
- Management/administration of the thematic focus on **agricultural biodiversity** and interrelation between global/strategic, national/programmatic and local/project level.

The team's assessment shall take account of Norad's experience of dialogue with the Organisation, annual meetings, country visits, the Organisation's follow-up of previous Grant letters, participation in various national and international forums etc.

The review shall conclude and make recommendations concerning the organisation's overall capacity and propose concrete steps for further follow-up.

2.1 Team Composition and qualifications

The study shall be undertaken by a consortium of three professionals, one external team leader and two from Norad, with special knowledge and qualifications within the following areas:

- Good knowledge of organisations, including financial and organisational management.
- General knowledge of current Norwegian and international development policy.
- Thematic knowledge of agriculture, biodiversity and related issues.
- Documented experience with producing studies and reports of a similar form.

The external team leader will have editorial responsibility of the report.

3. Scope of the review

The review shall analyse and make recommendations regarding the organisations ability to achieve goals, with focus on the following areas:

3.1 Mandate, strategy and relation to Norwegian political priorities

(i.e. contract with Norad, policy and strategy, reviews, annual reports, website and applications, applicable guidelines for grants to civil society (2001) White paper no. 35 (2003-2004) I, Norad's strategy for the period 2006-2010, and other relevant documents.)

The analysis needs to address added value/comparative advantage of the Organisation.

3.2 Organisational structure

Other aspects may be included, but the following shall be addressed:

- Decision making processes
- partners, members and constituencies, networking and cooperation
- budget
- risks analysis

3.3 DF's cooperation with partners

Other aspects may be included, but the analysis shall include an assessment of whether the Organisation's reports to Norad give a true picture of the Organisation and its local partners, and provides Norad with an adequate basis on which to assess future support. In addition, the following shall be addressed:

- Strategy for selection of partners
- Transparency (at all levels)
- Competence and capacity development of partners
- South-South cooperation

3.4 DF's management and financial management capacity

Other aspects may be included, but the analysis needs to address anti-corruption measures.

3.5 Professional competence and capacity

Other aspects may be included, but the analysis needs to include an assessment of whether the organisation is capable of adapting goals and means to each other, and to the context, including:

- Thematic, geographical and organisational knowledge

3.6 DF's management of results

Other aspects may be included, but the analysis needs to include an assessment of to what extent the Organisation has the required systems for management and control of its own activities (i.e. developing and applying methods, systems for documentation, etc), including:

- Historic examples of results achieved (outcome level)
- System for monitoring and reporting results/relevance for end receivers (including indicators and information sources)
- System for assessment of results and reporting
- System for learning and change management (including risk management)

3.7 Coordination with other actors

Other aspects may be included, but the analysis needs to include an assessment of ability and willingness to coordinate with other actors on country level, division of labour with other actors and relation to national/local government.

4. Work methods

4.1 Document studies and interviews at DF headquarter and Norad

This initial in-depth study shall be presented to Norad and the organisation through an inception report. The inception report shall propose (a) hypothesis of the overall capacity of the organisation, b) appropriate research design for the assignment (i.e. use of surveys, selection of partners to visit, case study design, narrative analysis, etc), and c) other particular areas of interest.

As part of the review, a field visit is suggested to Nepal. The purpose of such a visit would be to gather data from partners and local stakeholders to analyse the two points underneath purpose, focusing on organisational and administrative issues.

4.2 *Time schedule*

1. *Preparation phase* [March 2009: week 13-14]
 - a. Background reading
 - b. Discussions and interviews
 - c. Plan field visit
2. *Present Inception Report* for comments to Norad [15. April 2009]
3. *Field visit* [May 2009: week 19, 20 or 21]
 - a. Adjust review methodology if necessary
 - b. Interviews with stakeholders
4. *Process & verify information* [May 2009]
 - a. Analyse information
 - b. Conduct additional interviews (if needed)
 - c. Produce draft report by 1. June 2009
5. *Final report* [15. June 2008]
 - a. Receive input comments on draft two weeks after circulation
 - b. Produce final report by 15. June 2009.

5. Reporting

Norad will call for an initial meeting with the consultants to clarify questions regarding ToR and other issues.

5.1 *Inception report*

The Team shall deliver an inception report to Norad no later than 15. of April 2009 (which will distribute to the Organisation) outlining its findings based on the document study, questionnaire(s) and interviews, as well as its plan for conduct of the country visits

5.2 *Draft final report*

In order to allow an opportunity for comment and for correction of any factual errors and misunderstandings, the Team will present its draft final report to Norad (which will distribute to the Organisation) no later than 1 June 2009, with a deadline for responses to the Team one week later.

5.3 *Final report*

The final report shall be submitted to Norad (and the Organisation) no later than by 15. June 2009. It shall be written in English (word format), contain a summary of approx. 3-4 pages and be maximum 20 pages long. Appendices may be added. The report shall utilise Norad's template for review reports (attached to ToR).

The report shall be presented by Team leader (possible the whole team) for all stakeholders and other interested parties.

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