

Independent Commission for Aid Impact (ICAI)
**Evaluation of DFID's Support for Civil Society Organisations through Programme
Partnership Agreements**

Inception Report

Contents

1. Introduction.....	2
2. Background	2
3. Purpose of the Evaluation	2
4. Relationship to other evaluations and studies.....	2
5. Analytical approach.....	2
6. Roles and Responsibilities.....	13
7. Management and Reporting.....	14
8. Expected outputs and timeframe	15
9. Risk and mitigation.....	15
10. How will this ICAI review make a difference?.....	15

1. Introduction

1.1 The Independent Commission for Aid Impact (ICAI) is the independent body responsible for scrutinising UK aid. We focus on maximising the effectiveness of the UK aid budget for intended beneficiaries and on delivering value for money for UK taxpayers. We carry out independent reviews of aid programmes and of issues affecting the delivery of UK aid. We publish transparent, impartial and objective reports to provide evidence and clear recommendations to support UK Government decision-making and to strengthen the accountability of the aid programme. Our reports are written to be accessible to a general readership and we use a simple 'traffic light' system to report our judgement on each programme or topic we review.

1.2 We wish to undertake an evaluation of the funding of civil society organisations (CSOs) that takes place through DFID's Programme Partnership Agreements (PPAs).¹ DFID currently has 41 PPAs, comprising a total commitment of £360 million for the period 2011-14. The PPAs are intended to improve recipients' accountability for and the impact of their work. We wish to see whether this is the case.

1.3 KPMG is contracted to provide due diligence services to DFID for the PPAs. As a result, KPMG will have no involvement in this review.² The review will be led by Agulhas Applied Knowledge, one of the other organisations in our consortium, with the work managed through a separate contract with ICAI.

2. Background

2.1. The background to this review is as described in the Terms of Reference.³

3. Purpose of the Evaluation

3.1 To assess the effectiveness and impact of DFID's Programme Partnership Agreements with CSOs.

4. Relationship to other evaluations and studies

4.1 The relationship to other studies is as described in the Terms of Reference.³

5. Analytical approach

5.1 We will draw from an overall assessment and six case studies to address the following:

- a brief assessment of the decision-making in the selection of the funded organisations;
- the management of the agreements;
- the practical impact of the agreements on the capacity and effectiveness of the organisations, with particular reference to the quality of DFID's mechanisms for assuring performance, notably the evaluation strategy; and
- the performance of the organisations against agreed targets.

5.2 While not seeking to undertake detailed evaluations of each organisation, we will thus test the quality and impact of DFID's own commissioning, management and utilisation of

¹ DFID uses the broader term civil society organisations (CSOs) rather than non-governmental organisations (NGOs) to categorise funding that is not made through governments or multilateral organisations.

² We are including this KPMG contract with DFID as a case study in our current review, *DFID's use of contractors to deliver programmes*, which is being led by Concerto Partners LLP, an organisation which is not part of our consortium.

³ *Terms of reference: Evaluation of DFID's Support for Civil Society Organisations through Programme Partnership Agreements*, 2012, ICAI <http://icai.independent.gov.uk/wp-content/uploads/2011/11/Evaluation-of-DFIDs-Support-for-Civil-Society-Organisations-through-Programme-Partnership-Agreements.pdf>.

performance assessments. PPAs are intended to provide unrestricted funding to the CSOs, contributing to the organisations' overall budgets. Our enquiry will not, therefore, focus on country-level implementation and will not involve travel outside the UK.

5.3 The six organisations we intend to consider represent a cross-section of those DFID funds through this mechanism. They represent:

- i. two with a value larger than £10 million, two with a value between £5 and £10 million and two of less than £5 million in value;
- ii. different sources of funding from within DFID i.e. from the Conflict Humanitarian and Security Department (CHASE) and Civil Society Department (CSD);
- iii. coalitions of organisations; and
- iv. organisations with different priorities and types of main activity.

5.4 They are as follows:⁴

Large

- **Christian Aid (£21.8 million):** funded by CHASE and CSD, the purpose of this funding is 'to achieve major, measurable and sustainable improvements in health status and livelihoods for the most marginalised communities in countries of extreme vulnerability to climate change and poverty related health issues'.
- **Action Aid (£12.3 million):** funded by CSD, the purpose of this funding is to ensure that 'poor and excluded people are active in ensuring positive policy and budgetary change and that duty bearers are accountable, transparent and provide quality in universal service delivery at local, regional and national levels'.⁵

Medium

- **WWF UK (£9.3 million):** funded by CSD, the purpose of this funding is described as:
 1. Communities are safeguarding the ecosystems and ecosystem services upon which they and others depend in an equitable and adaptive manner.
 2. Policy frameworks and practices relating to adaptation, REDD+ (Reducing Emissions from Deforestation and Forest Degradation) and low carbon development are climate smart, environmentally sustainable and designed to secure and/or improve the well-being of men and women living in poverty.
 3. Government and private sector policies, practices and priorities relating to investment in infrastructure and natural resource extraction/use are climate-smart, environmentally sustainable, designed to secure and/or improve the well-being of women and men living in poverty.'
- **Restless Development / War Child / Youth Business International (£8.3 million)⁶:** funded by CSD, the purpose is described as:
 1. A critical mass of young people in target countries benefit from programmes and services in Wealth creation and livelihoods, sexual & reproductive health practices, in particular the prevention of HIV, Civic Engagement, in particular Good Governance and Accountability.
 2. A critical mass of national youth civil society organisations in both Target and Network Countries have significantly increased the quality and scale of their work and outreach.
 3. Strategic partners in the public-sector (government, bi- and multi-lateral) and private-sector produce a multiplier effect for the work of the Consortium.'

⁴ Quotations on funding purpose set out below were provided to ICAI by DFID.

⁵ 'Duty-bearer' is a legal term meaning someone who is responsible for making sure that people holding particular rights have those rights met.

⁶ DFID reports that the funding of this consortium was an innovation; previously only single entities had been funded.

Small

- **Conciliation Resources (£3 million):** funded by CHASE, the purpose of this funding is set out as 'groups and people with whom we work play an increased role in conflict prevention and peacebuilding, assist marginalised groups in regaining a say over their lives, and influence improvements in the policies and practices of governments and organisations working on conflict issues'.
- **Ethical Trading Initiative (£1.2 million):** funded by CSD, the purpose of this funding is 'improved working conditions for poor and vulnerable workers, especially women, in prioritised supply chains'.

5.5 We will not consider all PPAs in detail. Rather we will:

- a) assess the quality and impact of the engagement between the organisations and DFID;
- b) assess the quality of the evaluation strategy and independent evaluations that have taken place to date. We will specifically seek to assess the quality of the organisations' own reports, baselines and the individual independent evaluations; and
- c) investigate the systems in place for the management and oversight of the PPA arrangements overall, including specifically: selection, oversight and financial management.

5.6 We recognise that these PPAs have only been operational for less than two years. We also understand that there may be limits to how far we can assess delivery level impacts, given the nature of PPA funding. So, although our principal focus will be on how effectively DFID has used PPAs to achieve its objectives, we will also explore what evidence is available of development impact.

Evaluation Framework

5.7 The evaluation framework for this review is below. It is based on the standard ICAI guiding criteria and evaluation framework, which cover four areas: objectives, delivery, impact and learning. The questions which are highlighted in bold are those from our Terms of Reference (ToR) on which we will focus in particular.

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Objectives: what is the programme trying to achieve?			
Does the programme have clear, relevant and realistic objectives that focus on the desired impact? (1.1)	Do the PPAs have clear, relevant and realistic objectives that focus on the desired impact? (ToR 6.2.1)	<ul style="list-style-type: none"> • Evidence of clear and relevant objectives being set at institutional and programme intervention levels • Evidence of objectives being specific, measurable, attainable, realistic and time-bound • Evidence of a strategic vision for assistance 	<ul style="list-style-type: none"> • DFID documentation • Independent Performance Reviews (IPRs) • Interviews with funded CSO staff • Interviews with DFID staff • Management minutes • Evaluation reviews • Project documentation • Interviews with consultants who undertook the IPRs • Interviews with third party experts
Is there a clear and convincing plan, with evidence and assumptions, to show how the programme will work? (1.2)	Is there a clear and convincing plan, with evidence and assumptions, to show how the PPAs will work? (ToR 6.2.2)	<ul style="list-style-type: none"> • Evidence of clarity of decision-making for the funding of the case study organisations • Evidence of a theory of change from documentation (analysis of problem, options, solution generation, implementation model) • Clarity of logical link between PPA support and improved performance • Evidence of design detail • Evidence of comprehensive approaches 	<ul style="list-style-type: none"> • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID staff • Financial reporting • Management minutes • Monitoring and evaluation reports • Project documentation • Evidence from previous CSO funding arrangements • Interviews with consultants who undertook the IPRs • Interviews with third party experts

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Does the programme complement the efforts of government and other aid providers and avoid duplication? (1.3)	Does the programme complement the efforts of government and other aid providers and avoid duplication?	<ul style="list-style-type: none"> • Evidence of assessment of complementarity • Evidence of DFID knowledge of complementarity • Evidence of lack of duplication 	<ul style="list-style-type: none"> • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with third party experts • Interviews with DFID staff
Are the programme's objectives appropriate to the political, economic, social and environmental context? (1.4)	Are the programme's objectives appropriate to the political, economic, social and environmental context?	<ul style="list-style-type: none"> • Evidence of contextual analysis being undertaken • Evidence of needs assessments 	<ul style="list-style-type: none"> • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID staff
Delivery: is the delivery chain designed and managed so as to be fit for purpose?			
Is the choice of funding and delivery options appropriate? (2.1)	Is the choice of funding and delivery options appropriate?	<ul style="list-style-type: none"> • Evidence of options appraisal • Evidence of capacity assessment • Evidence from implementation (reporting, achievements) 	<ul style="list-style-type: none"> • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with third party experts • Interviews with DFID staff
Does programme design and roll-out take into account the needs of the intended beneficiaries? (2.2)	Do the PPAs' design and roll-out involve and take into account the needs of the intended beneficiaries? (ToR 6.3.1)	<ul style="list-style-type: none"> • Evidence of consultation with intended beneficiaries • Evidence of consideration by DFID 	<ul style="list-style-type: none"> • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID staff • Interviews with consultants who undertook the IPRs

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Is there good governance at all levels, with sound financial management and adequate steps being taken to avoid corruption? (2.3)	What is the impact of PPAs on improving recipients' good governance at all levels and on building sound financial management that seeks to avoid corruption? (ToR 6.3.4)	<ul style="list-style-type: none"> • Evidence of sound financial management • Evidence of anti-corruption activity • Evidence of improved link between performance and financial monitoring 	<ul style="list-style-type: none"> • Financial reporting • Management minutes • Evaluation reviews • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with third party experts • Interviews with DFID staff • Interviews with evaluation manager
Are resources being leveraged so as to work best with others and maximise impact? (2.4)	Are resources being leveraged so as to work best with others and maximise impact?	<ul style="list-style-type: none"> • Evidence of options available • Evidence from implementation 	<ul style="list-style-type: none"> • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with third party experts • Interviews with DFID staff
Do managers ensure the efficiency and effectiveness of the delivery chain? (2.5)	How do managers ensure that PPAs build the efficiency and effectiveness of the delivery chain? (ToR 6.3.2)	<ul style="list-style-type: none"> • Evidence of cost review and management • Evidence of options analysis • Evidence of appropriate changes to budgets, design and delivery to improve cost-effectiveness 	<ul style="list-style-type: none"> • Financial reporting • Management minutes • Evaluation reviews • Project documentation • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID staff • Interviews with evaluation manager
Is there a clear view of costs throughout the delivery chain? (2.6)	Is there a clear view of costs throughout the delivery chain?	<ul style="list-style-type: none"> • Evidence of cost appraisals • Evidence of appropriate financial reporting • Evidence of assessments being provided by all partners 	<ul style="list-style-type: none"> • Financial reporting • IPRs • Interviews with funded CSO staff • Interviews with DFID staff

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Are risks to the achievement of the objectives identified and managed effectively? (2.7)	Are risks to the achievement of the objectives identified and managed effectively? (ToR 6.3.5)	<ul style="list-style-type: none"> • Evidence of risk appraisal at strategic level prior to approval • Evidence of each element of delivery having a risk appraisal • Evidence of risk registers throughout the delivery chain • Evidence of appropriate management of identified risks 	<ul style="list-style-type: none"> • Risk appraisals • Risk registers • Interviews with DFID and CSOs • Interviews with consultants who undertook the IPRs
Is the programme delivering against its agreed objectives? (2.8)	Are the PPAs delivering against their agreed objectives? (ToR 6.3.3)	<ul style="list-style-type: none"> • Evidence of delivery against Business Plan/PPA targets • Evidence of a link between DFID funding and its key targets 	<ul style="list-style-type: none"> • DFID monitoring documentation • CSO reporting documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID
Are appropriate amendments to objectives made to take account of changing circumstances? (2.9)	Were appropriate amendments to objectives made to take account of changing circumstances?	<ul style="list-style-type: none"> • Evidence of analysis • Evidence of decision-making based on analysis • Evidence of appropriate changes in delivery having taken place • Evidence of agility by decision-makers to enable effective changes 	<ul style="list-style-type: none"> • Management minutes • Project documentation • Evaluation reviews • Interviews with funded CSO staff • Interviews with DFID staff

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Impact: what is the impact on intended beneficiaries?			
Is the programme delivering clear, significant and timely benefits for the intended beneficiaries? (3.1)	Are the PPAs improving the delivery of clear, significant and timely benefits to the partners' intended beneficiaries? (ToR 6.4.1)	<ul style="list-style-type: none"> • Evidence of delivery to intended beneficiaries • Evidence of changes to organisational systems and procedures • Evidence of short-term benefits • Evidence of long-term benefits 	<ul style="list-style-type: none"> • Financial reporting • Management minutes • Evaluation reviews • Project documentation • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID staff • Interviews with third party experts
Is the programme working holistically alongside other programmes? (3.2)	Are the programmes working holistically alongside the activities of DFID and other funders? (ToR 6.4.2)	<ul style="list-style-type: none"> • Evidence of links to other DFID programmes • Evidence of links to other funders • Evidence of joint management with other bilateral donors and multilateral organisations in the delivery of programmes 	<ul style="list-style-type: none"> • Evaluation reviews • Project documentation • DFID documentation • IPRs • Interviews with funded CSO staff • DFID data • DFID staff interviews • Interviews with evaluation manager • Interviews with consultants who undertook the IPRs

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Is there a long-term and sustainable impact from the programme? (3.3)	Is there evidence of a long-term and sustainable impact from the PPAs being built? (ToR 6.4.3)	<ul style="list-style-type: none"> • Evidence of systemic changes to procedures, policies and practices • Evidence of improvement in both quality and coverage of programmes • Evidence of social impact • Evidence of impact of technical assistance 	<ul style="list-style-type: none"> • Financial reporting • Management minutes • Evaluation reviews • Project documentation • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID staff • Interviews with evaluation manager • Interviews with consultants who undertook the IPRs
Is there an appropriate exit strategy involving effective transfer of ownership of the programme? (3.4)	Is there an appropriate exit strategy from PPAs at the end of the funding cycle? (ToR 6.4.4)	<ul style="list-style-type: none"> • Evidence of targets to build sustainable capacity • Evidence of achievement of sustainable capacity being in place • Evidence of exit strategy for external support in place • Evidence of plan for funding provision 	<ul style="list-style-type: none"> • Financial reporting • Management minutes • Evaluation reviews • Project documentation • DFID documentation • IPRs • Interviews with funded CSO staff • Interviews with DFID staff

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Is there transparency and accountability to intended beneficiaries, donors and UK taxpayers? (3.5)	Is there transparency and accountability to intended beneficiaries, donors and UK taxpayers? (ToR 6.4.5)	<ul style="list-style-type: none"> Evidence of details of assistance being publicly available in formats that are accessible to stakeholders 	<ul style="list-style-type: none"> Publicly available reports (online, in the media, other studies) Evaluation and reporting
Learning: what works and what needs improvement?			
Are there appropriate arrangements for monitoring inputs, processes, outputs, results and impact? (4.1)	Are there appropriate arrangements for monitoring inputs, processes, outputs, results and impact?	<ul style="list-style-type: none"> Evidence of appropriate monitoring systems throughout the delivery chain Evidence of appropriate schedules for monitoring and reporting Evidence of appropriate reports being compiled and used 	<ul style="list-style-type: none"> Financial reporting Management minutes Evaluation reviews Project documentation DFID documentation IPRs Interviews with evaluation manager Interviews with consultants who undertook the IPRs
Is there evidence of innovation and use of global best practice? (4.2)	Is there evidence of innovation and use of global best practice? (ToR 6.5.1)	<ul style="list-style-type: none"> Evidence of best practice incorporated in design and implementation of the programme and constituent projects Evidence of innovation 	<ul style="list-style-type: none"> IPRs Interviews with funded CSO staff Interviews with DFID staff

Relevant ICAI Evaluation Framework Questions	Review Questions	Criteria for Assessment	Sources of Evidence
Is there anything currently not being done in respect of the programme that should be undertaken? (4.3)	Is there anything not done in respect of PPAs that should have been undertaken? (ToR 6.5.2)	<ul style="list-style-type: none"> • Comparison with best practice • Comparison with recommendations from evaluations 	<ul style="list-style-type: none"> • Project evaluations and monitoring reports • Interviews with DFID • Interviews with other donors • Interviews with CSOs • Interviews with third party experts • Interviews with evaluation manager • Interviews with consultants who undertook the IPRs
Have lessons about the objectives, design and delivery of the programme been learned and shared effectively? (4.4)	Have lessons about the design and delivery of the PPAs been learned and shared effectively? (ToR 6.5.3)	<ul style="list-style-type: none"> • Evidence of lessons being shared within DFID • Evidence of sharing of lessons changing planning and operations 	<ul style="list-style-type: none"> • DFID operational plans • Interviews with DFID • DFID policy documentation

Methodology

5.8 Principal data collection for this evaluation will take place during January 2012. All work will be conducted in the UK, primarily in London. We will also visit DFID's CSD in East Kilbride. We will:

- review in detail the Independent Performance Reviews (IPRs) of the six case study CSOs looking for specific issues related to each;
- review previous evaluation documentation for the six case study CSOs;
- review the other 35 IPRs with a view to identifying common themes;
- review documentation provided by DFID on the operation of the overall PPA scheme, as well as for the six individual case studies (including financial, operational and monitoring information);
- review documentation provided by DFID on the selection of the case study organisations;
- undertake semi-structured interviews with representatives of each case study organisation (at HQ and implementation level);
- undertake joint meetings with representatives of PPA organisations which are not case studies;
- undertake semi-structured interviews of DFID staff who have oversight of the PPA mechanism;
- undertake semi-structured interviews with independent experts (based in the UK or elsewhere);
- undertake semi-structured interviews with the evaluation service provider and the consultants who undertook the IPRs; and
- undertake more detailed assessment of the financial management arrangements for PPAs with each case study organisation.

6. Roles and Responsibilities

6.1 The team will consist of the following members:

Team member	Role
Team leader	Team Leader
Team member 1	Civil Society Organisations Institutional Development
Team member 2	Finance
Team member 3	Civil Society Organisations Expert
Team member 4	Researcher
Team member 5	Peer Review

Team leader (Agulhas)

He is a Director of Agulhas Applied Knowledge. He specialises in aid effectiveness, governance and institutional development. He is on the core consortium team delivering ICAI's reports. He has led ICAI reviews considering Bangladesh climate change, UNDP's management of elections, DFID's health and education programmes in Bihar and its support for rural livelihoods in Western Odisha. He will lead the team and will focus on governance and oversight issues.

Team member 1 (Agulhas)

She is a Director of Agulhas and has over 25 years' experience in development. She is a policy analyst, economist and evaluator. She now works primarily in the area of sustainability and climate change, having been a member of the core team producing the Stern Review of the Economics of Climate Change. She is a past Chair of the charity Twin, which is one of the founders and shareholders of a number of leading fair trade brands included Café Direct and Divine chocolate. She is a senior member of the OU Ethics Centre, an affiliate member of the Institute of Social and Ethical Accountability, a Fellow of the RSA and a former ODI Fellow.

She has worked in over 40 countries in Africa, Latin America, South Asia and the Caribbean. She was peer reviewer of ICAI's evaluation of DFID's work in Pakistan. She will focus on how the PPAs build the institutional capacity of CSOs.

Team member 2 (Independent)

She is a Chartered Accountant. In the past, she has been a senior audit manager working with commercial and charity clients. Her current work includes supporting a range of commercial and not-for-profit organisations with financial management tasks including budgeting, monitoring and reporting. She is an expert in technical charity matters including preparation of statutory accounts and project reporting. She provides specific understanding of the financial management requirements of grant administration.

Team member 3 (Agulhas associate)

He is Senior Research Fellow at the University of Exeter. He has provided high-level policy advice to governments and international CSOs. He has held several senior policy posts in international NGOs. He has worked in DECC, DFID and within the office of the Mayor of London. He was head of international policy at Christian Aid, leading analysis of debt, trade and corporate social responsibility. He was also subsequently head of policy and campaigns at ActionAid and has also worked for Save the Children-UK. He has also acted as a consultant for a range of organisations including the World Bank, UNICEF, Comic Relief, the Design Council and the London Development Agency. He will provide strategic perspective on the relationships between DFID and CSOs, in particular the relationship between PPAs and other mechanisms.

Team member 4 (Agulhas)

She is a consultant with Agulhas Applied Knowledge and a former programme manager in the DFID Somalia team. She conducted much of the field research for ICAI's Bangladesh climate change review, ICAI's evaluation of DFID's support for elections with UNDP and field research for the evaluation of DFID's Pakistan programme. She will assist with collating evidence from DFID and CSO documentation.

Team member 5 (Agulhas)

He has worked for a variety of clients on a range of high-level policy issues including implementation of the Paris Declaration, aid effectiveness and fragile states. He is an authority in international law and human rights and has written widely on post-conflict reconstruction, state-building and the restitution of property. He has led four ICAI reviews to date. He will provide a peer review role and be responsible for the quality assurance of written outputs.

7. Management and Reporting

7.1 We will produce a first draft report for review by the ICAI Secretariat and Commissioners by 13 March 2013, with time for subsequent revision and review prior to completion and sign off in May 2013.

8. Expected outputs and timeframe

8.1 The following timetable assumes publication at the beginning of ICAI's Year 3 (starting on 12 May 2013). We may, if possible, aim to condense the report drafting stage by two weeks in order to publish before the end of ICAI's Year 2.

Phase	Timetable
Planning Finalise Inception Report	December 2012
Phase 1: Field Work UK Field Work	January 2012
Phase 2: Analysis and write-up Roundtable with Commissioners	w/c 11 th February 2013
Further analysis and first draft	w/c 11 March 2013
Report quality assurance and review by Secretariat and Commissioners	w/c 18 th March – w/c 22 nd April
Report to DFID for fact checking	w/c 29 th April 2013
Report finalisation	w/c 20 th May 2013

9. Risk and mitigation

9.1 The following sets out the key risk and mitigating actions for this evaluation:

Risk	Level of risk	Specific Issues	Mitigation
Inability to access key information	Low	Unable to see all relevant DFID files	Ensure clear authorisation is given at start-up
		Unable to see CSO files	Team maintains relationship with CSD, CHASE and CSOs

10. How will this ICAI review make a difference?

10.1 This will be the first ICAI review that systematically considers DFID's relationship with CSOs. It will provide an independent perspective on this relationship. The review will enable us to take an initial view on one of DFID's principal mechanisms for funding (in particular) UK-based NGOs. It will allow us to identify areas that we may wish to consider further.

10.2 DFID is looking to this report to inform the development of its future funding arrangements for CSOs. The report will specifically make a judgement on whether the current PPA mechanism is useful and effective for delivering DFID's objectives through CSOs.