

MONITORING AND EVALUATION

Monitoring and evaluation (M&E) for alliances should be guided by ADS Section 203, which applies to alliances just as it does to any other development activity involving USAID program funds. However, M&E in the context of PPAs introduces some special considerations that should be taken into account in M&E system design.

First, input-level monitoring has a particular importance in a PPA. Alliances rely on resources leveraged from multiple partners, and in many cases these will not be documented in a legally binding obligating agreement, as they are for USAID funding for traditional projects. It will be important to build in a system to track the level of resources committed and disbursed to the alliance by each resource partner, whether these are dollars, volunteer hours, or other types of in-kind support. This information is needed to provide assurance to all partners that each individual partner is meeting its responsibilities and there is an adequate flow of resources for meeting alliance objectives. See this section's *Tools* for an illustrative reporting format, excerpted from a recent [quarterly report](#) on the Sustainable Forest Products Global Alliance (SFPGA).

Second, output-level monitoring is more challenging in an alliance due to the need to separately track activities being carried out by each implementation partner and to develop common measures for similar activities being carried out by different partners to allow for a “summing up” of the accomplishments of the alliance as a whole. This is being done in the SFPGA by means of a matrix that lists each activity-level output along with the implementation partner responsible for its accomplishment and performance measures for each partner.

Where an alliance is operating through parallel financing arrangements, it may be possible to do output-level monitoring for each separate funding instrument, although it will be important to coordinate the selection of performance measures across all the funding instruments so that the outputs of individual grants or cooperative agreements can be added together to capture the sum total of alliance accomplishments.

Third, assessing the intermediate results and development impact of an alliance is uniquely challenging. For one thing, rarely will alliance objectives completely overlap with the objectives of a USAID Strategic Plan. Therefore, it may require the development of a separate results framework or similar analysis to clearly define and describe how the sum of alliance *outputs* will lead to the achievement of expected intermediate results and development impact.

Also, different partners may define alliance *success* in different ways and hence be interested in tracking different alliance “results.” In the SFPGA, for example, IKEA and Home Depot will be most concerned about the levels of green timber production that can be achieved at a given input cost; the World Wildlife Foundation and The Nature Conservancy will be more concerned with measuring the decline in illegal logging; USAID and other development agencies will want to see the impact on farmer income and, in turn, on the health and education achievement of rural families. All of these are legitimate measures of alliance “success” that need to be incorporated in order to determine whether an alliance is meeting the distinctive objectives of each alliance partner. The challenge is to knit these differing measures of success into an analytical framework that integrates each one into the strategic logic of the alliance as a whole.

As always in designing any M&E system, there is the need to strike a balance between the value of the information collected and the costs in time and dollars to collect it. The key consideration is what information is needed to:

- Effectively manage alliance resources, ensuring that alliance managers can get information they need to make mid-course corrections as appropriate;
- Properly account for use of taxpayer and shareholder funds; and
- Meet high-priority information needs of other stakeholder groups, such as host government or other donor officials engaged in related development programs, additional partners who may be sought in the future to sustain or expand the alliance, or others.

Determining what information is needed by whom and with what frequency and rigor will drive the design of any M&E system. Doing this in the context of an alliance requires intensive consultation with all partners. Once the scope of the desired system is defined, alliance managers then must agree on how M&E activities will be funded, who will manage them, and how widely the data and analyses will be shared.

Participation by the private sector partner in the design of an alliance M&E plan may introduce new approaches and create learning opportunities for all parties. Performance management practices are well known to corporate and NGO managers but may be widely different from those applied in USAID. There will be differences in terminology (e.g., metrics vs. performance indicators), as well as possible concerns about proprietary methodologies (e.g., collection and interpretation of pricing data). Corporate and business sector partners will offer expertise on cost-effective data collection on pricing and marketing, while USAID and its traditional partners can contribute expertise on measuring development impact.

It may be that some private sector firms measure the “impact” of their public-private partnerships in terms of their CSR objectives (namely the firm’s reputation and/or employee satisfaction) rather than in terms of the results achieved by the programs they support (although this is beginning to change in some of the CSR “thought” leaders). This approach is less likely to be taken in those alliances where the private sector participation is linked to its core business interests.

The mid-term assessment of the GDA model found that many alliances had not yet developed effective alliance-wide M&E systems. Where such systems were in place, they were typically carried out by an independent contractor or other third party funded under the alliance specifically to carry out alliance M&E. The Indonesia Timber Alliance provides an example of this approach. Following a suggestion by DFID, a potential partner, to build in a bigger M&E component from the beginning, USAID increased the budget for that purpose. The implementing partners then contracted a research institute to handle M&E (referred to by the implementing partners as “Lessons Learning”) for the alliance. The system is set up so that each alliance activity is tracked separately and each partner’s resource contribution is linked to the activity it is funding. For example, each partner can learn how much of its contribution is going toward timber tracking and the specific amount of wood saved. Giving each partner a clear idea of what its resources are accomplishing is not just a matter of accountability, but a good way to build commitment and sustainability into an alliance. Other alliances have plans to carry out both process and impact-level evaluations at various points in alliance implementation.

Finally, it is worth underscoring the value of identifying and sharing lessons learned about the GDA model of public-private partnerships and its effectiveness as a development tool. GDA is a relatively new, and challenging, business model for USAID and can be expected to evolve and improve as the Agency and its partners gain experience in applying it to development problems in the real world of developing countries. This process will be richly enhanced and accelerated if alliance managers throughout the Agency share their experience and lessons learned widely so they can be reflected in Agency-wide practices, policies, and procedures relating to GDA. GDA has a key role in disseminating and mainstreaming lessons learned through its training activities (workshops and the [Learning Stories](#) series), its periodic revisions of the ADS as needed, and its updates of this document, *Tools for Alliance Builders*. Alliance managers are encouraged, though not required, to conduct mid-term assessments to identify what's working and what's not, and to share these lessons with the GDA for broad dissemination to other alliance managers in USAID and to USAID's many alliance partners.

Public-private alliance indicators and targets

In populating the Strategic Objective-Level Narrative Checklist during the annual reporting process, all Agency operating units are requested to discuss PPAs they are currently participating in. Discussion areas include identifying the key partners participating in the alliance and the inputs of cash and/or in-kind resources contributed by the partners. Alliance results should also be discussed, including their relationship to the Strategic Objective-level performance indicators and intermediate results statements pertaining to any and all Strategic Objective(s) the alliance addresses.

GDA recognizes that performance measurement of an alliance can be more challenging when alliances operate through parallel funding arrangements, and when success metrics among all partners may not fully fit within the performance measurement framework of the funding instrument through which USAID provides its resource contribution. In these cases, it is important to properly track and report performance measures across all funding instruments and/or establish and track performance measures that properly balance the success metrics of each partner. To the extent feasible, common measures based on the managing unit's applicable Strategic Objectives and results framework should be developed for similar activities being carried out by different partners to allow for a "summing up" of the accomplishments of the alliance as a whole.

Performance reporting on alliance follows standard Agency practice. M&E criteria and benchmarks should be established with the alliance partners, as discussed in the previous section, and alliance managers are encouraged to set expectations up front. If USAID funding is involved in the alliance, those funds would be managed and reported on their use as with any activity (that is, the Strategic Objective Team would continue to measure strategic objective results achievement with its agreed-upon indicators). The principal management differences come in the way in which alliance progress is monitored and reported.