

Results Measurement Working Group (RMWG)

Hybrid (in-person and online) meeting, Geneva, 17 June 2025

Participating agencies

5. Ikea Foundation

1. Netherlands MoFA 11. Sida

2. ADA

3. FCDO Ryan Bourque (Consultant) – for session 5

4. GIZ (below)

6. ILO Harald Bekkers, Muneeb Zulfiqar, (DCED

7. ITC Secretariat)

8. LuxDev Nabanita Sen Bekkers, (DCED Secretariat,

9. RVO online)

Agenda Items

10. SDC

1. Welcome and introductions

- 2. Key insights from the 2025 member survey, current work plan and work items for 2025-2026
- 3. Agency updates
- 4. Revisiting objectives and priorities for the RMWG
- 5. Discussion on the current work item of measuring system change at donor portfolio level
- 6. Discussion on the current work item of measuring impact of green PSD programmes and an example from IKEA on how they measured green outcomes
- 7. Developing a global theory of change on PSE and capturing domestic benefits of PSE for donor countries

1. Welcome and introductions

The Working Group Chair Rens Twijnstra welcomed participants, which was followed by a quick round of introductions.

2. Key insights from the 2025 member survey, current work plan and work items for 2025-2026

Muneeb Zulfiqar (DCED Secretariat) shared highlights from the 2025 member survey relevant for the RMWG. 76 percent of respondents considered evidence and credible measurement of PSD results to be a high priority in their agencies. The findings showed that development aid budget cuts and increasing political pressure to

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show aid effectiveness have put more pressure on member agencies to share evidence on the effectiveness of PSD interventions, value for money and to demonstrate domestic benefits to donor countries. In the survey, individual members recommended developing guidance on good results measurement and focusing funds to gather credible evidence of PSD. Specific guidence topics suggested for the DCED to take forward included measurement of systemic change, involvement of non-traditional stakeholders like SMEs in measurement, and lean forms of measurement.

Muneeb then provided an overview of the RMWG's achievements over the past year and the planned work items for 2025-2026, that has already been circulated with the group prior to the meeting.

3. Agency Updates

Participants updated the group on key results measurement priorities and challenges in their respective agencies.

FCDO reported that UK aid cuts and restructuring have shifted their delivery mechanisms, with a growing emphasis on demonstrating benefits to the UK economy. Current thematic priorities include trade, women's economic empowerment, green growth, financial services, and public finance. MEL practices are being adapted to this political context, with increased focus on capturing domestic economic benefits.

The Netherlands MoFA noted that aid cuts and pressure to show domestic benefits are affecting the nature of their programmes with work becoming more transactional, and ToCs being influenced by political narratives. The Ministry is also closing several embassies in fragile contexts. **RVO** mentioned that changes at the Netherlands MOFA affect them directly; as such, they are developing the methodology on how to measure domestic benefits of their work, for example by showing a link to reducing migration. RVO also has a pilot underway to measure systems change in the PADEO programme through the use of a structured framework that captures different dimensions of systemic change; this will serve to track qualitative shifts in targeted systems over time.

ILO reported an increasing focus on job creation, systems change, and green market systems development. ILO is also investing in new knowledge areas such as AI and is working to strengthen internal capacities for outcome and impact-level reporting.

ITC shared that donor budget cuts and the drive to show mutual trade benefits for donor countries will also affect their results measurement, though it is still uncertain how. They have not adjusted yet, but it is apparent that monitoring systems need to be redesigned to stay practical and affordable with limited constraints, with greater attention to showing value both to partner countries and donor countries. They often see a divide between results measurement teams and intervention managers; closing this gap requires a mindset shift.

GIZ reported that with priorities for the new German coalition government are still evolving. The priorities in German development cooperation are likely to include security; trade, and development, with a strong emphasis on economic cooperation; access to critical raw materials; the EU Global Gateway and working in fragile contexts. MEL is under political pressure to show how cooperation delivers structural change and resilience.





SIDA reported that both SIDA and the Swedish government have a strong focus on efficiency and effectiveness, with growing interest in seeing results measurement done differently to align with new policy priorities and showing short-term results.

The IKEA Foundation shared that it is increasing grant funding and will expand its use of impact investing, due to favorable conditions set by Dutch changing regulations. The Foundation is shifting its programming to focus more systemically on people-centred mitigation and emissions reduction. They are moving away from KPI-heavy monitoring towards more qualitative, systemic learning approaches and are interested in evaluating at portfolio level. They are also making an organisational shift to move learning from headquarter to country-level to foster more agency-wide learning.

SDC shared that in the context of budget cuts, a key focus is to leverage private capital and prepare partners for accessing funds from non-traditional donors. There is growing emphasis on creating systemic change with limited budgets and assessing attribution when supporting partners to mobilise private capital.

LuxDev shared their results measurement strategy for a big private sector engagement programme. This programme needs to harmonise RM tools to aggregate results from multiple projects that are working in different areas, which is challenging. An active internal community of practice is taking shape. A current focus includes preparation for a mid-term evaluation in two years .

3. Reviewing the objectives and priorities for the RMWG

Harald Bekkers (DCED Secretariat) walked members through the current <u>Terms of Reference for the RMWG</u> and explained how they had evolved over time. He noted that the group was originally established in 2008, led by PSD champions at the donor level and with heavy input from practitioners. The initial objectives were to develop common approaches to results measurement, generate credible results, and improve the quality of results measurement across programmes. It was heavily centred around developing the DCED Standard and increasing its adoption to meet the initial objectives. Members used the session to discuss if the Terms of Reference needed to be updated and how so to respond to current priorities in the group.

Members broke into four small groups (three in person and one online to consider the future scope and objectives of the RMWG. The outcomes of these discussions are listed below:

There was a broad agreement that the DCED Standard remains a useful tool to improve the quality of
results measurement. Work should continue to increase its adoption, including guidance on how to
adopt it with more limited measurement resources and how to apply it when working in difficult areas
such as fragile and conflict contexts. This should also be complemented with more outreach to donors
and programmes not yet using the Standard.

In addition to supporting the uptake of the Standard, the RMWG's focus should cover the following areas of work:

- Better communication of results to meet the needs of different audiences, such as donor country politicians and partner country stakeholders.
- Better communication of the value of doing robust results measurement.
- Develop more consensus/uniformity among members on good practices in results measurement, such as having common indicators for different themes of work.
- Develop guidance on how to measure and communicate domestic benefits of doing PSD







Engage more with the evaluation community.

Action item: As a next step, the Secretariat will incorporate the feedback into an updated Theory of Change and revised scope for the RMWG. The updated version will be brought back to members for review and further discussion.

4. Discussion on the current work item of measuring system change at donor portfolio level

The session was led by Ryan Bourque, who was contracted with Tom Hilton to conduct the first phase of the current work item on measuring system change across donor portfolios. Ryan explained that at the current stage, they are trying to do a mapping exercise on how donors are approaching system change from a portfolio perspective. He noted that although systems change approaches are now mainstream in PSD programming, donor monitoring systems are still largely project-based.

Participants explored the working definition of systems change being used in the assignment and debated how well it reflects agency practice. The definition offered is "a sustainable, scalable, and resilient shift in how a system functions, leading to improved outcomes for people, particularly marginalised populations." Members agreed broadly with this definition, though emphasised the importance of clarity on scale, sector focus, and aggregation of results. It was also noted that organisational mandates and political expectations vary: some donors view structural or policy shifts as the primary goal, while others focus more on sectoral or sub-sector systems change.

The group had a plenary discussion to identify different portfolios where their agencies are pursuing systems change, noting significant efforts. The discussion identified the following portfolios:

- The systems targeted by the PADEO programme and Combitracks by Netherlands MOFA, which includes multiple sectors such as horticulture, aquaculture, clean energy'
- the systems targeted through the Global Gateway such as cocoa;
- Trade promotion in East Africa that has been targeted by big FCDO programmes such as Trademark East Africa; and
- Infrastructure, which is a big priority for GIZ, which can be narrowed with a regional focus.

Action item: Ryan will contact members of the RMWG individually to better understand how they define portfolios and whether they have systems change ambitions in these portfolio.

5. Discussion on the current work item of measuring impact of green PSD programmes and an example from IKEA on how they measured green outcomes

The Green Growth Working Group (GGWG) joined the RMWG for this discussion.

Muneeb Zulfiqar (DCED Secretariat) introduced the current work item on measuring the green outcomes of PSD programmes that incorporate environmental and climate-related 'green' considerations and objectives through their work. The TOR for this work item had been shared with both groups. The aim of the work item is to generate practical learning on how PSD programmes with green objectives can practically and effectively measure their green outcomes. The TOR outlines the first phase of this work where consultants will be







contracted to identify two to three PSD programmes that explicitly prioritise green outcomes, provide targeted support to these programmes to strengthen their measurement practices, and develop case studies to document their experiences and lessons learned. Both Working Groups were invited to share any initial feedback on the work. A recommendation was made to broaden the TOR to look beyond the PSD community to other groups who may have more experience in measuring environmental benefits, such as the Aspen Network of Development Entrpreneurs (ANDE) to learn from their experience.

Action item: Both working groups to provide any additional feedback on the ToR, and indicate individual interest to join the task force for this work item. The Secretariat will finalise the TOR and share with ethe groups for further comments.

Nic van der Jagt (IKEA Foundation) presented insights from IKEA's experience in measuring green impact through the <u>Greenr Accelerator Programme in India</u>, which is implemented in partnership with TechnoServe. He explained that the accelerator is working with a diverse group of green small and growing businesses (SGBs), most of which are in the waste, textiles, agriculture, and energy sectors. Many of these are early-stage businesses facing barriers to growth such as limited access to capital and a lack of robust measurement frameworks for environmental outcomes.

The programme used a Randomised Controlled Trial (RCT), designed in collaboration with <u>J-PAL</u>, to assess the impact of two different types of interventions: Some businesses received customised technical assistance to improve their business performance and green outcomes, linked to an environmental impact scorecard shared with them; other businesses only received the scorecard. The RCT showed a clear benefit for the businesses that also received technical assistance.

Nic noted that because the impact of the approach has now been validated through the RCT, there is no need to repeat this type of evaluation in the future for similar interventions. This will allow future resources to focus more on scaling up the approach and improving practical tools for businesses. The presentation also highlighted challenges encountered, such as the intensive data collection requirements (averaging 18 hours per firm), the complexity of measuring non-carbon environmental outcomes, and the difficulties some SMEs face in accessing or reporting the necessary data.

6. Consolidating and Expanding a Shared Theory of Change on PSE

This session was designed as a first joint discussion between the RM WG and the Private Sector Engagement (PSE) Working Group on their collaborative work item to develop an overarching Theory of Change on PSE, and broadening it to serve as a framework for capturing domestic benefits for donor country partner businesses and economies.

Melina Heinrich-Fernandes (DCED) presented an initial draft of an overarching Theory of Change on PSE developed by the Secretariat, which built on the PSE WG's operational framework. This framework distinguishes between intervention strategies to engage directly with (donor country) businesses to enhance their development impact, and strategies to engage with financial sector actors to mobilise private finance. Alongside development results expected from these interventions, the draft Theory of Change also highlights different categories of domestic benefits that may arise from PSE, at output, outcome and impact level (see the slides shared alongside these Minutes).







Representatives from three agencies then shared current political trends and ongoing efforts in their own agencies to capture short- and longer-term domestic benefits arising from PSE (more details can be shared with participants over email).

- In agency A, a new unit bringing together trade, PSD and green growth objectives was created two years ago; however, as of this year any activity funded by this unit needs to show benefits for domestic 'earning capacity'. As such private sector engagement is no longer seen as just a means to achieve development outcomes, but also to generate domestic benefits.
- In agency B, international programming used to be quite separate, including very distinct indicators of success. This is changing. Embassies now have to show what domestic benefits they can generate through their work. Another new initiative refers to 'growth compacts' with specific countries that should generate economic benefits for both sides. Field offices in ODA countries have been carrying out 'inclusive growth diagnostics' to show how these countries can grow with development assistance, with a particular focus on the eight priority sectors. In addition to priority sectors, a new classification has been developed to prioritise partner countries, based on their strategic importance for the donor country. ODA-eligible countries are prioritised further based on strategic priorities such as migration, security and climate change.
- In agency C, the incoming government specifies that an integrated approach to development cooperation will be pursued which also explicitly promotes domestic interests; these focus on strategic priorities such as economic cooperation, securing access, securing access to raw materials, combating the causes of migration, and cooperation in the energy sector. Direct benefits for national and European companies are sought.

In each case, discussions on how to capture or measure domestic benefits are still ongoing, but different approaches seem to be emerging.

- Agency A seeks to define specific indicators of domestic benefits but discussions are on this are at an
 early stage, and current practice is to capture benefits on a case-by-case basis. For example, earning
 capacity could refer to security of supply or acting as a trading partners.
- In the case of agency B, the focus is likely to be on developing narrative around domestic benefits to complement, rather than change, existing M&E frameworks.
- Agency C has also opted against indicators of domestic benefits in their M&E systems, and will instead
 focus on certain 'project markers' in their project database. Broadly speaking, these markers serve to
 identify whether
 - whether a partner company is registered in the donor country(or Europe);
 - whether a shareholder or owner of a local company in the target country is a person or company from the donor country;
 - the project serves the securing of raw materials for donor country companies (or European companies); and
 - whether a significant proportion of core components (e.g., technology, know how) comes from the donor country.







In all countries, questions remain on the specific definitions of markers and possible indicators as well as their implications, for example how to define a 'domestic company' in a global economy and how to reconcile mutual benefits with EU state aid rules. During the discussions, participants also cautioned that overplaying 'domestic benefits' may entail the risk of eventually losing the case for ODA altogether. Instead, it may be helpful to emphasize that prosperity in Africa/the global south will matter to us all in the long run.

Action item: Further consultations on a shared Theory of Change on PSE, including key categories of domestic benefits expected to arise from PSE, will be organised with both Working Groups in the months ahead before publication. Members also expressed their interest in continuing to discuss, and potentially document, specific markers and/or indicators being used or under discussion to communicate different types of domestic benefits.

