

EVALUATION DEPARTMENT



EVALUATION BRIEF // REPORT 4/2016



‘Striking the Balance’ Managing for Risk in Complex Crises

NORAD’S EVALUATION OF ITS AID MANAGEMENT TO THE SYRIA CRISIS

Risk is a critical issue in humanitarian action. As part of its commitment to ensuring learning from, and accountability for, Norwegian development assistance, Norad commissioned an independent evaluation of the planning, management and organisation of Norway’s Official Development Assistance (ODA) to the Syria regional crisis. The evaluation explored – among other questions - how Norway’s aid management system supports Norwegian funding to identify, manage and mitigate risk.

The evaluation explicitly was not tasked to assess results of the assistance. Rather, it was asked to focus on the systems and processes in place to respond to the crisis – so that the Norwegian aid management system can learn from experience, and make any required adjustments.

What can be learned from this evaluation and other evidence for how Norway addresses risk in its assistance to future complex crises, including but beyond Syria? This Evaluation Brief provides some lessons and proposals for the future.

WHY DOES RISK MATTER?

Undertaking humanitarian action inevitably means confronting risk. At the same time, identifying, managing and mitigating risk is critical if humanitarian actors are to ensure that aid reaches those most in need; that any conflict is not exacerbated; and that external assistance ‘Does no Harm’.

Many different kinds of risks occur in humanitarian crises. These include: operational risks to delivering assistance; financial risks; strategic risks in relation to decision-making; and political and reputational risks, particularly for external actors. Particularly where the crisis is a result of, or linked to, conflict, all these dimensions of risk are intensified.

Risk is a key topic in the international debate around humanitarian action currently. It will feature as a Special Session at the World Humanitarian Summit in May 2016.

‘National Governments and regional and international organizations should increase their capacity to analyse risks and monitor deteriorating situations... Risk analysis and capacity mapping should be the primary basis for determining the type and level of international engagement.’

Secretary-General of the United Nations Ban Ki Moon, February 2016, *One humanity: shared responsibility Report of the Secretary General for the World Humanitarian Summit, UN General Assembly, 2nd February 2016.*

THE SYRIAN REGIONAL CRISIS

The Syrian crisis is highly complex. It is testing the capacities of the international community to their limits. Some of its specific features include:

- › ***It is an 'emergent' crisis***, which gradually has shifted from student protests in 2011, to civil war in 2012 and a protracted crisis in 2016;
- › ***It is a multi-country, middle income crisis*** which has particularly affected Turkey, Jordan, Lebanon, Iraq and Egypt;
- › ***It is highly politically complex***, involving multiple actors and regional powers with diverse agendas and intention.

The crisis has two distinct humanitarian aspects. Within Syria, the impact of armed conflict on civilians, both in Government and opposition held areas, needs to be mitigated. Externally, high levels of refugee flows are affecting neighbouring countries, who have generously hosted high levels of refugees, but whose services and systems are reaching their limits.

MANAGING FOR RISK IN COMPLEX CRISES

In a crisis such as Syria, all dimensions of risk - operational, political, financial, strategic and reputational - need to be identified. Plans should be put in place for their management and mitigation.

The evaluation of Norway's planning, management and organisation of its assistance to the Syria regional crisis finds overall that **whilst Norway's aid management has many features which are conducive to supporting a complex crisis, it has not sufficiently differentiated its approach to risk.**

Much can be learned from this evaluation and other evidence for Norway's response to future crises. This Evaluation Brief divides these into four areas: Strategic Planning, Partnerships, Staffing and Monitoring and Evaluation for Risk.

SUMMARY FINDINGS ON RISK FROM THE EVALUATION

Overall, many aspects of the Norwegian aid management system have enabled an appropriate response to the Syria regional crisis. However, Norway's approach to risk has not been adapted for the very difficult conditions – and increased risks – which the Syria crisis presents.

Many of the safeguards Norway's aid management system has adopted are implicit rather than explicit. They include using familiar partners, trusting in the capabilities and commitments of its limited staffing numbers, and adopting a flexible approach.

These safeguards may well prove sufficient in less complex development and humanitarian contexts. However, for the highly demanding crisis of Syria, they are neither sufficient nor complete. This means that the risks Norwegian assistance faces – strategic and political as well as operational and financial – are intensified, with no clear management strategies in place.

SEEKING BALANCE – NORWEGIAN AID MANAGEMENT IN THE SYRIA CRISIS

- Principled
- Trust-based
- Responsive
- Flexible
- Catalytic and leveraging
- Constant
- Risk-tolerant & willing to accept failure
- Timely
- Courageous



- Lacking strategic framework
- Lack of rigour in planning and allocation
- Overstretched staff
- Mixed use of external technical resources
- No specific screening for conflict sensitivity
- Lack of emphasis on learning and accountability
- Limited oversight



PHOTO: ESPEN RØST

1. Strategic planning for risk

Instead of a 'planned' approach, including a written strategy, Norway has preferred a responsive and opportunity-based approach to the crisis. This is reflected in a wide range of 'quick response' tools, which enable assistance to be channelled quickly through partners to areas or issues in need.

This approach means that Norwegian assistance enables very swift *adaptation* to the changing needs of the crisis. For example, Norway has been able to fund, with quick turnaround times, critically important areas such as the transportation of chemical weapons out of Syria. It has also been able to respond to the immediate needs of refugees as they arise, for example through funding UN appeals. This agility has bought Norway much credibility internationally and with its partners, who highly value Norwegian assistance for its 'sincere partnership' approach.

Norway's assistance to the Syria crisis can also be characterised as 'risk-willing'. It is prepared to undertake high-risk (but potentially high-gain) activities which push the boundaries of the international response.

In terms of the overall management for risk, however, this approach also has a number of disadvantages. There is no overall strategic vision or comprehensive understanding of the types of risks Norway faces in applying its assis-

EXAMPLES OF 'RISK-WILLING' AID

Norway was an early actor in cross-border interventions from Turkey, which then encouraged others to join. It has also funded, from the Amman Embassy, some comparatively high-risk interventions relating to the provision of services to Syrian survivors of sexual and gender-based violence, through UNFPA, UNICEF and UN Women.

tance to the Syria crisis – whether operational, political or strategic. Accordingly, there is no 'whole of government' view on what the main risks are that Norway confronts, and what level of risk is deemed acceptable. Despite its often courageous approach, and willingness to 'step forward first', Norway's response to the crisis has at times become 'reactive' rather than responsive - meaning little time to identify key risks and plan for them.

OTHER SYSTEMS

As the Syria crisis has become protracted, there is a growing trend in the donor community towards the development of strategic frameworks.

Sweden has recently produced a five-year strategy for assistance to the Syria regional crisis (2016-2021).

Denmark is currently updating its existing strategic framework for its stabilisation work in Syria (2015-2016).

The UK is also currently undergoing a strategic exercise to bring its humanitarian, development and stabilization assistance under a single strategic framework.

HOW COULD NORWAY DO BETTER? NO.1

Based on the international evidence, the following actions would improve Norway's strategic planning for risk in complex crises:

- i. Whilst recognising the value of a highly flexible response to complex crises, **develop a strategic framework** for the crisis at an early stage, which includes a statement of risk (strategic, political, operational and financial). This can be broad in nature, and be updated on a regular basis.
- ii. **Institute regular review meetings** to consider the risks arising, and how these are being addressed.

2. Partnerships and risk

Norway does not deliver its assistance directly, but channels funding through partners. For the Syria crisis, the bulk of the resources have been channelled through multilateral agencies including the UN, and Norwegian NGOs (NNGOs) as illustrated in Figure 1.

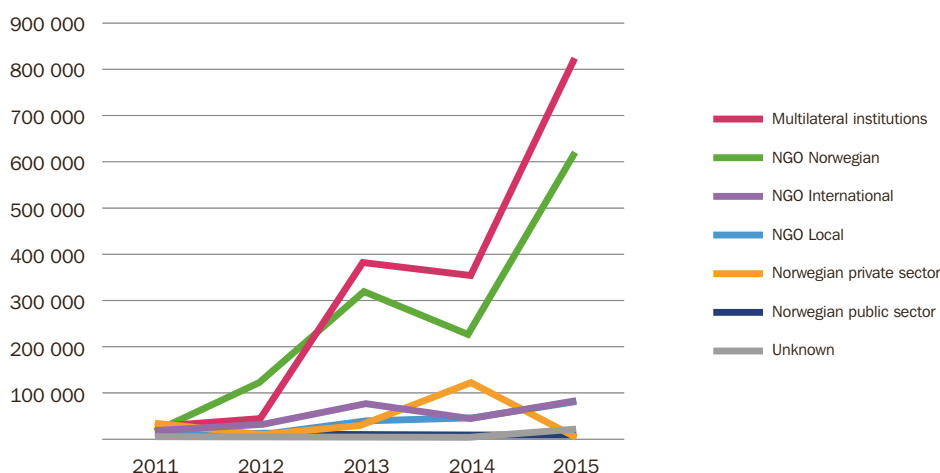
- > For multilateral agencies, over NOK 4.6 billion has been channelled 2011-2015; rising from NOK 11.1 million in 2011 to NOK 817.5 million in 2015
- > For Norwegian NGOs, NOK 1.3 billion has been channelled to the Syria crisis 2011-2015 overall, rising from NOK 14.2 million in 2011 to NOK 612.3 million in 2015.

The selection of Norway's partners for the Syria crisis follows the model described in its 2008 White Paper on Norway's Humanitarian Policy. This prioritises trust, based on shared values, commitment to the humanitarian principles, and the importance of solidarity. It does not aim to be a *competitive* process.

Since 2015, Norway has paid greater attention to operational risk in its grant agreements - requesting partners to keep the Ministry of Foreign Affairs informed on security and risk assessment information. At the same time, however, Norway has not *differentiated* the specific types of partners and capacities needed to respond to a complex crisis:

- > **Conflict expertise**, and experience with **Do No Harm principles** is not a formal screening criteria for partners. This means that the implementation of conflict- and Do No Harm-sensitive approaches is not guaranteed. Norway's key partners often also subcontract delivery to *local partners*. Because this takes place at arms' length from the Ministry of Foreign Affairs and Norad, Norway has no way of ensuring that partners in turn are implementing these safeguards.
- > Secondly, the Syria crisis has highlighted the challenges of **assuring impartiality** – even for some of the world's most experienced humanitarian actors. Recent evaluations of UN and other donor Syria responses have raised exactly these issues. Yet the complexities of the Syria crisis mean that risks of aid diversion – particularly within Syria - and other similar concerns, are magnified. Norway needs to be aware of how (and arising from what choices) the International Humanitarian Principles are being upheld.

FIGURE 1: AGREEMENT PARTNERS 2011-2015



HOW COULD NORWAY DO BETTER? NO.2

Norway could implement the following actions to improve safeguards in its partners' delivery of assistance to complex crises:

- i. Articulate (and apply) **clear rationales/criteria for partner selection**, which include conflict sensitivity, risk management and mechanisms for recruiting local partners.
- ii. Prepare a **matrix of comparative advantages** required in relation to the strategic framework above, which can inform partner selection on a rapid basis.
- iii. Develop a **'risk framework'** which partners are required to complete. This should be specifically geared to the relevant crisis, and reflect the risk thresholds in the strategic statement above. It should also include a required statement on risk assessment procedures for assessing local partner suitability to deliver.

3. Staffing and risk

In common with many small administrations, Norway has limited staff to manage its Syria crisis response. Increases in aid volumes as the crisis unfolded, as well as the growing complexity of the required responses, have not been matched with increases in human resourcing.

Staffing in the Section for Humanitarian Affairs, which manages in 2016 around 80% of the ODA budget allocated to the Syria crisis, is as follows:



PHOTO: ESPEN RØST

TABLE 1: SECTION FOR HUMANITARIAN AFFAIRS - AID VOLUMES, AGREEMENTS AND STAFFING

Section for Humanitarian Affairs	2011	2012	2013	2014	2015	2016
Resources to the Syria crisis (NOK)	34,911	147,657	652,400	482,485	1,325,670	2 billion
Number of partner agreements	7	14	23	33	60	Unavailable
Staff	1	1	1	2	3	3 + (additional staff for 2016)

Staffing in Embassies to manage ODA to the Syria crisis (alongside other duties) is as follows:

TABLE 2: ROYAL NORWEGIAN EMBASSIES - STAFFING

Embassy	2015
Damascus	1.5 (to increase to 2.5 in 2016)
Ankara	2
Amman	5 in total
Beirut	2.5 (to increase to 3.5 in 2016)

This limited staffing is a serious concern for responding to a complex crisis. It reduces safeguards and increases all dimensions of risks. Specifically, it:

- > Limits the time for staff to 'plan ahead', which is important for a now-protracted crisis
- > Reduces scope to conduct detailed decision-making processes, such as around partner choice, resulting in sometimes default decisions to work with familiar partners
- > Provides insufficient opportunity to conduct detailed scrutiny of proposed initiatives, including screening for conflict/fragility and political sensitivity
- > Limits the ability to provide close oversight of partners and funded initiatives, such as on selection processes for local partners

HOW COULD NORWAY DO BETTER? NO.3

Sufficient staff is an important safeguard in managing responses to complex crises. Learning from evaluations and other evidence suggests that Norway needs to ensure that sufficient staffing is available to manage and oversee the assistance. This will involve the relevant section in the Department for Regional Affairs, the Section for Humanitarian Affairs and where relevant Embassies.

The Ministry for Foreign Affairs should consider short-term appointments, contracts for Norwegian academic institutions or consultancy firms, the appointment of expert individuals, and/or the appointment of national officers within Embassies. It should also draw on Norad and other external technical resources to guide the overall direction of the response, and to help identify the political and strategic risks faced.

4. Monitoring and evaluation for risk

Finally, monitoring and evaluation is a common challenge in complex crises, with many areas inaccessible to humanitarian workers or agencies. This has proven the case in the Syria regional crisis, though partners are now pooling information through the Whole of Syria Approach. A growing body of evidence is also available from evaluations.

Other evaluations of Norwegian aid management have flagged weak performance management systems for both development and humanitarian interventions. For the Syria regional crisis, no annual reports have been prepared on the performance of the funding overall, and few demands have been placed on partners to report on performance. No objective selection or performance criteria are applied for staff visits to projects and programmes, meaning that no systematic overview of performance is available.

Monitoring and evaluation are important aspects of the control environment for humanitarian action. The risks of compromised effectiveness and efficiency are much higher in high-risk and politically complex operating environments. Yet Norway's systems has not differentiated or intensified these for the Syria regional response. To properly manage operational risk, there is a need for stronger accountability procedures.

HOW COULD NORWAY DO BETTER? NO.4

The importance of, and techniques for, monitoring and evaluating for reducing risk in humanitarian crises is currently an important topic of debate. To address this issue, Norway could:

- i. Set up a review mechanism for the strategic framework above, which includes partners and external technical resources. Review progress annually and report – what progress, what bottlenecks, what changes and shifts? Use this collective process to adapt/revise the strategic framework as appropriate.
- ii. For partners, whilst recognising the challenges that complex crises present:
 - a) define Norway's broad intentions in terms of achievement on an annual basis
 - b) review progress towards these intentions at the end of the funding cycle
 - c) develop minimum reporting standards for partners e.g. an annual template, specifically geared to the crisis and which requests evidence of contribution to Norway's intended strategic priorities
 - d) make better use of performance reports, independent evaluations and other material to inform decisions and judgements



PHOTO: ESPEN RØST

CONCLUSIONS

The flexibility, agility and responsiveness of Norway's aid management system, alongside its prioritisation of humanitarian needs, provides considerable advantages for responding to humanitarian crises. Within the Syria crisis, it has enabled critical needs to be addressed as they emerge.

However, where crises are complex, whether politically or for other reasons, a proactive approach to risk is required. This requires detailed analysis, built on a clear plan and learning from partners and drawing on expertise from external technical resources. Sufficient staff are needed to manage the response, and keep all dimensions of risk under continuous management and review. Tracking and reporting on performance is key for accountability.

Where crises become protracted – as is the case for Syria – and where flows of external resources are high, risk identification, management and mitigation become even more important.

The lessons learned from the Syria regional crisis provide some valuable pointers in good risk management – a key part of *'good donorship'* to complex crises. Overall, whilst the evaluation finds that Norway's approach to the Syria crisis has many strengths, it also identifies scope for improvement – and, in doing so, ways to manage the risk profile of its assistance.

The Evaluation Department, located in Norad, initiates evaluations of activities financed over the Norwegian aid budget. The Department is governed under a specific mandate and reports directly to the Ministry of Foreign Affairs. The evaluations are carried out by independent evaluators, and all evaluation reports are made public.

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FURTHER SOURCES OF INFORMATION

Evaluation of the Planning, Management and Organisation of Norway's assistance to the Syria Regional Crisis. Norad, April 2016

Government of Norway (2008) White Paper on Humanitarian Policy (St. Meld 40 2008/2009)

Norad (2014) Can we demonstrate the difference that Norwegian Aid makes

Syria Common Context Analysis, available at https://interagencystandingcommittee.org/system/files/syria_crisis_common_context_analysis_june_2014.pdf

Syria Evaluation Portal for Co-ordinated Accountability and Lessons Learning: <http://www.syrialearning.org/>

UN General Assembly (2016) One humanity: shared responsibility: Report of the Secretary General for the World Humanitarian Summit, UN General Assembly, 2nd February 2016

EVALUATION OVERVIEW

This evaluation brief draws on an evaluation of the organisation, planning and management of Norway's support related to the Syria crisis. The evaluation was commissioned by the Evaluation Department in Norad and conducted by IOD Parc.

Purpose of the evaluation: To contribute to effective and high quality Norwegian assistance to Syria and the neighbouring countries in the future.

Methodology: A systematic approach was adopted, including quantitative analysis of financial and project data; structured documentary analysis of strategic, project and framework agreement documents; and semi-structured interviews. The team met with Embassy staff and interviewed key partners in Amman, Beirut and Ankara/Gaziantep/Istanbul.

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This brief was written by Julia Betts.