

**DFID GLOBAL SOCIAL
EXCLUSION STOCKTAKE
REPORT**

Julia Betts, Sadie Watson and Cathy Gaynor

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

Evaluation Report EV707

**DFID GLOBAL SOCIAL EXCLUSION
STOCKTAKE REPORT**

Julia Betts, Sadie Watson and Cathy Gaynor

February 2010



Table of Contents

Table of Contents	v
Acronyms	vii
Acknowledgments	ix
Executive Summary	x
Section 1 Background and objectives	1
1.1. Background	1
1.2. What is ‘social’ exclusion?	1
1.3. Why social exclusion?	2
1.4. The DFID Social Exclusion Policy	3
1.5. Purpose and objectives	3
1.6. Structure	4
Section 2 Approach and methodology	5
2.1. Approach	5
2.2. Shifting parameters of the stocktake	6
2.3. Analytical framework	6
2.4. Methodology	10
2.5. Parameters and limitations of the study	11
Section 3 Findings	12
3.1. Overview	12
3.2. Theme 1: Corporate Commitment	13
3.3. Theme 2: Exclusion within thematic policy areas – conflict, fragile states, trade, growth and climate change	20
3.4. Theme 3: Building the evidence base: Analysis, statistics and research	26
3.5. Theme 4: Working with partners	30
Section 4 Conclusions	36
4.1. Summary narrative	36
4.2. Progress towards the Policy commitments	36
4.3. Lines of attribution	37
4.4. OECD-DAC Principles	37
4.5. Paris Principles	38
4.6. Key lessons learned	38
4.7. Conditions for facilitating exclusion activity:	39
4.8. Key areas of opportunity:	39
4.9. Risks to DFID	40
Section 5 Ways forward for the Policy: Options and recommendations	41
5.1. Options and directions	41
5.2. Recommendations	43

List of Figures

Table 2.1. Analytical framework	8
Table 2.2. Methodology	10
Table 2.3. OECD-DAC / Paris criteria application:	11
Table 3.1. Shared learning and joint analysis on exclusion	17
Table 3.2. Sample programmatic expenditure recognising exclusion	18
Table 3.3. Institutional initiatives to address diversity	19
Table 3.4. GEWE and Social Exclusion institutional implementation	20
Table 3.5. Prevalence of exclusion within strategy and policy	22
Table 3.6. Programmatic focus on exclusion:	24
Table 3.7. Monitoring and reporting on exclusion within programmes	24
Table 3.8. Country programmes with GSEA conducted (December 2008)	27
Table 3.9. Exclusion within commissioned research 2005–2009	29
Table 3.10. Multilateral partner expenditure 2007/8	31
Table 3.11. Exclusion within MLA strategy, systems and activity	32
Table 3.12. Exclusion within PPA expenditure 2005–8	34
Table 3.13. Exclusion within CSCF expenditure 2005–2008	34
Table 4.1. Summary progress against Policy commitments	37
Table 4.2. Lines of attribution and absence of attribution	37
Table 4.3. OECD-DAC principles: summary of assessment	37
Table 4.4. Paris principles: summary of assessment	38
Table 5.1. Options for continuance:	42

List of Boxes

Box 1. Social exclusion and the MDGs	2
Box 2. Untitled	5
Box 3. Incentives for exclusion accountability: different country contexts	16
Box 4. Good practice example: Latin American and Caribbean Department	17
Box 5. Example country context	25
Box 6. Ethiopia Good Practice example: Exclusion-focused analysis informing programming	27
Box 7: Country activity on statistical capacity building for exclusion	28
Box 8. Good practice example: DFID-MLA partnership agreements at country level	33
Box 9. Civil Society Partnership at the country level	35

List of Annexes (printed separately)

Annex 1	ToR for the Social exclusion Stocktake
Annex 2	List of those consulted
Annex 3	Multilateral Agency Assessment
Annex 4	Methodology
Annex 5	Bibliography
Annex 6	Livelihoods and Social Inclusion Framework
Annex 7	DFID Ethiopia Social Exclusion Case Study Report
Annex 8	DFID India Social Exclusion Case Study Report

Acronyms

AfDB	African Development Bank
ADB	Asian Development Bank
CAP	Country Assistance Plan
CBP	Country Business Plan
CGA	Country Governance Assessment
CSCF	Civil Society Challenge Fund
CSO	Civil Society Organisation
DFID	Department for International Development
DPF	Divisional Performance Framework
DSO	Departmental Strategic Objective
EF	Evaluation Framework
ERT	Equity and Rights Team
EU	European Union
EvD	Evaluation Department
GEWE	Gender Equity and Women's Equality
GSEA	Gender and Social Exclusion Analysis
IADB	Inter-American Development Bank
IACDI	Independent Advisory Committee for Development Impact
LACAD	Latin American and Caribbean Department
MfDR	Managing for Development Results
MLA	Multilateral Agency
OECD-DAC	Organisation for Economic Co-operation and Development Assistance Committee
PIP	Policy Implementation Plan
PM	Programme Memorandum
PPA	Programme Partnership Agreement

PRD	Policy and Research Division
RPC	Research Programme Consortium
QMR	Quarterly Management Report
SCA	Strategic Conflict Assessment
SDA	Social Development Advisor
ToR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
WB	World Bank
WHO	World Health Organisation

Acknowledgments

The writers would like to thank all those who supported this study, including all respondents and both Advisory Groups. In particular, we are grateful to Evaluation Department, DFID India and DFID Ethiopia.

Executive Summary

- S.1. *'For DFID, social exclusion matters because it denies some people the same rights and opportunities as are afforded to others in their society...But social exclusion also matters to DFID because it causes poverty and gets in the way of poverty reduction.'* (DFID Social Exclusion Policy 2005 p5)
- S.2. *'We see too little evidence that social exclusion is consistently part of DFID's core business, including but not only at country level.'* (DFID Quarterly Management Report Qtr2 2007-08)
- S.3. *'The mainstreaming of gender and social inclusion has become tokenistic...DFID's Policy and Research Division should give clear guidance....to ensure effective and measurable improvements are made that embed gender and social inclusion as part of regional approaches.'* (DFID Synthesis of Regional Programmes Evaluation 2008)
- S.4. This report represents an interim stocktake of the corporate commitments set out in DFID's 2005 Social Exclusion Policy. It was commissioned by DFID's Evaluation Department in June 2008. Its objectives are:
- To explore the progress made by DFID towards the commitments set out in the 2005 Policy Paper Reducing Poverty by Tackling Social Exclusion.
 - To generate lessons on how to make the implementation of the Social Exclusion Policy more effective.
 - To make recommendations for any final evaluation of the Policy.
- S.5. The report is directed at decision makers across DFID HQ Departments, regional divisions and country offices, including the Independent Advisory Committee for Development Impact (IACDI), Evaluation Department (EvD) and Equity and Rights Team (ERT). It may also provide information relevant to external partners.

Summary narrative

- S.6. The Social Exclusion Policy contains 10 public policy commitments. Based on the body of evidence, this stocktake finds the aggregate narrative of progress against these commitments as follows:
- There has been **very poor take-up and traction** of the Social Exclusion Policy. Awareness levels of the Policy and its commitments are low. The Policy implementation architecture developed (Policy Implementation Plan and Evaluation Framework) has been neither disseminated nor deployed.
 - Notwithstanding this, **there appears to be a growing body of quality activity on exclusion within DFID**. This is reflected in:
 - A significantly increasing amount of exclusion-focused analysis;
 - Exclusion's prevalence within DFID's new central research agenda;
 - Proportionately strong deployment of civil society funding streams towards addressing exclusion;
 - An increased focus on exclusion issues within sample country planning and accountability frameworks; and
 - An emerging discourse on exclusion within new policy areas such as conflict, fragile states and growth.

- However, this groundswell of activity is arising *iteratively in response to the reality of development contexts and discourses*, rather than being generated by, or attributable to, the corporate Policy process. The Policy and the development activity appear to be *functioning in separate and parallel universes*, without the points of intersection required to inform and influence each other.
- While growing in significance and scale, the current body of exclusion-related activity currently appears *neither comprehensive nor (in aggregate) strategic*.
- We conclude that: to date, *corporate systems and incentives have performed inadequately* to enable a systematic addressing of the Policy Commitments. This is resulting in *a fragmented institutional* response to generating the comprehensive body of exclusion-focused activity required to meet these Commitments. *Insufficient energy is being devoted to developing a common and strategic discourse of exclusion*, both within the organisation and externally.
- These findings validate and necessitate DFID adopting a *clearer position and a more comprehensive approach* to addressing exclusion within its activity.
- DFID will need to change its approach going forward in order to mitigate corporate *reputational, efficiency and accountability risks*.

Summary progress against Policy commitments

S.7. The body of evidence has been analysed to assess progress to date against the 10 public Policy commitments. The following table summarises this progress. It employs a simple traffic light system:

- Green – evidence of good progress; the Policy Commitment met or on track to be met.
- Amber – evidence of some or minor progress; but risk of a breach on the Commitment.
- Red – little or no evidence of progress; significant risk of a breach on the Commitment.

Summary progress against Policy commitments

Policy Commitment	Progress
1. Analysis	Amber to green
2. Exchange of best practice	Amber to red
3. Conflict	Amber
4. Fragile States	Amber
5. Statistics	Amber
6. Engagement with multilaterals	Red
7. Diversity	Green (but not linked to the Policy)
8. Research	Amber with promise of green
9. Engagement with civil society	Green
10. Accountability	Red

S.8. The reasoning behind these assessments is outlined below. The full text sets out the body of evidence behind them.

Key findings

S.9. The study has identified *four main narrative themes* for the current state of social exclusion activity within DFID. These themes encompass both the 10 Policy Commitments and the additional requirements of the Terms of Reference. They are:

- Corporate commitment;
- Social exclusion in emerging policy areas;
- Building the evidence base;
- Working with partners.

S.10. Summary findings against each theme are as follows:

Theme 1: Corporate commitment

Policy commitment	Progress
10. To be accountable for implementation of the policy set out in this paper by evaluating progress in 2007-2008	Red
2. Promote exchanges of best practice between national and regional organisations	Amber to red
7. Increasing inclusiveness of our own human resources practices and strengthen the diversity in our workforce	Green (but not linked to the Policy)
Additional ToR requirements: - Take up and traction of the Social Exclusion Policy - Human and financial resource commitments	

- ***The Social Exclusion Policy has had low levels of traction to date.*** Proportionately few DFID staff are familiar with its content or commitments. The extensive Policy implementation architecture developed (Implementation Plan and Evaluation Framework) has been neither disseminated nor deployed. Exclusion is poorly reflected in corporate-level reporting, and the Policy does not appear to be a current Departmental policy priority.
- Overall, ***corporate systems and incentives appear to be performing inadequately*** to enable a comprehensive focus on exclusion within reporting frameworks. However, there is evidence of ***a growing recognition of exclusion within selected country planning and accountability frameworks***, reflecting a response to the development discourse and features of the context.
- ***There are some good examples of shared learning***, often led by Equity and Rights Team. Gains made in ***increasing human resource diversity*** are due to external drivers beyond the Policy. Current corporate systems do not allow for the tracking of human and financial resources to social exclusion; this is an area which will need to be addressed prior to any final Policy evaluation.

Theme 2: Emerging policy areas (conflict, fragile states, trade, growth, climate change)

Policy commitment	Progress
3. Work with other UK government departments & Development Partners to include analysis of exclusion as a cause of conflict and insecurity in our approaches and responses to conflict prevention and reduction	Amber
4. Identify opportunities to address social exclusion in fragile states	Amber

- Exclusion is *increasingly but patchily* reflected within the discourses of key thematic policy areas. The issue is gaining momentum within *conflict and growth*, supported by wider international discourses of e.g. inclusive growth. *Gender* is the factor that features most, perhaps as the result of a separate institutional process.
- Exclusion *is not as yet significantly reflected* within sample programming for these policy areas. If the discourse takes hold within policy areas, this may change going forward – but will require a *far more concerted corporate ‘push’* than has been the case to date.

Theme 3: Building the evidence base (analysis, statistics and research)

Policy commitment	Progress
1. Analyse the impact of exclusion on poverty reduction on all country programmes, in order to decide on priorities for work by region, country and sector in our CAPs and regional DDPs	Amber to green
5. Strengthening collection and analysis of statistics	Amber
8. Commissioning new research to ensure that adequate attention is paid to exclusion, inequality and rights	Amber with promise of green

- Despite the lack of a corporate drive on the Social Exclusion Policy, there is *increasing demand from country offices for analysis, research and statistical data* around exclusion. A significant body of evidence is being generated in response to this demand and there are examples of programming / strategy being influenced by it. Analysis is providing the evidence base to start to impact upon donor (DFID and partner) and national policy and programming activities.
- The *Gender and Social Exclusion* analytical tool (GSEA) is demonstrating good levels of take-up and application, and has the potential to join up understanding across sectors and cadres. Exclusion is emerging as *a very significant element of the central research agenda*.

Theme 4: Working with partners (multilaterals and civil society)

Policy commitment	Progress
6. Work with the World Bank and regional development banks, UN agencies, EC and other donors to make development work better for excluded groups. To include continuing substantial financial and technical support to strengthen their capability to take forward work in this area	Red
10. Broaden and deepen our engagement with civil society to strengthen the contribution it can make to tackling exclusion	Green

- Despite entry points in the European Union (EU)-DFID partnership agreement, and World Bank / UNDP current strategies, there is *little evidence of effort* to raise the

issue in central dialogue. Despite explicit references to social inclusion and the rights of excluded groups in the EU Institutional Strategy Paper (2008), for example, it appears that this has not been part of a broader strategic discourse. Given the major resource flows to, and strategic significance of partnerships with, multilateral agencies (£1.9 billion in 2007/8) this is a *missed opportunity* to create stronger awareness and understanding. The *stronger levels of engagement at country level reflect* the growing awareness of exclusion's significance within local poverty contexts.

- *Civil society resource flows* (92% of Civil Society Challenge Fund grants and 62% of Programme Partnership Agreements) indicate a strong proportionate focus on exclusion. *There appears to be a substantial body of exclusion-related activity* within these alternative channels to bilateral aid.

Future options and directions:

S.11. This report finds that a number of corporate risks may arise to DFID if the current trajectory continues:

- *Corporate reputational risks* – by failing to realise / deliver on public Policy commitments.
- *Efficiency risks* – around developing a Policy and implementation architecture at significant cost to public finance, and then failing to implement it.
- *Accountability risks* – by implicitly colluding in development policies or programming that fail to recognise or address exclusionary factors, despite an explicit Policy to the contrary.

S.12. These findings validate and necessitate DFID adopting a *clearer position and a more comprehensive approach* to addressing exclusion within its activity. However, any future role for the Social Exclusion Policy will be informed by a set of *wider institutional questions* around the role and function of policy within DFID.

S.13. To help translate the rhetoric of the Policy into reality of delivery, this report identifies two potential directions of travel for DFID:

- **Scale up activity** on exclusion to achieve the Policy commitments, and / or
- **Demonstrate a clear and robust alternative position** to the Policy and its commitments.

S.14. Four specific options are outlined, alongside their challenges and opportunities. This stocktake's internal Advisory Committee indicated in May 2009 that they would prefer the option of *retaining the Policy and its commitments, along with a potentially revised implementation architecture*.

Recommendations

S.15. The following recommendations are based on the body of evidence developed. They are aimed at helping DFID shift from the rhetoric of Policy towards reality of action. The full text of this report expands upon them.

1. The GSEA provides a powerful tool for joining up understandings and discourse around exclusion, and for building the evidence base to inform programming and dialogue. We recommend that the *GSEA become mandatory (again) for country*

planning, and that mechanisms and processes are put in place to ensure quality assurance, accountability, and the integration of the political aspects of exclusion.

2. We recommend that ***Equity and Rights Team (ERT) work to develop a clear internal position and discourse around exclusion***, using the GSEA as a tool. This presents an opportunity to politicise exclusion more explicitly to employ emerging narratives on ‘inclusive growth’; and to move beyond group-focused activity into wider rationales of contexts and operating environments.
3. Entry points within the ***narrative for White Paper 4*** (conflict, growth and trade) should be seized and acted upon. Emphasis should be placed on the fundamental role of exclusion within DFID priorities i.e. ***reaching the poorest and achieving the MDGs***.
4. We recommend focus on ***generating a shared discourse / priorities with OECD DAC and / or G20 partners***. This will be essential for achieving efficiency & effectiveness of activity. Key entry points include the forthcoming World Bank Social Development strategic review, the current UNDP Strategic Plan, the EU-DFID Institutional Strategy Paper, and the expertise of partners such as Brazil.
5. We recommend that ERT staff ***review the Gender Equity and Women’s Equality (GEWE) institutional process***, to identify learning and points of intersection between GEWE and the Social Exclusion Policy process.
6. Given the evidence that the Policy and the activity are currently ***functioning in separate spheres***, there is a case for a ***more dynamic Policy review and refresh cycle***. This will generate greater points of intersection between DFID’s Policy and development activity. A future evaluation may form part of this cycle. We recommend that any future study address:
 - ***Policy effectiveness*** – rather than implementation, and
 - ***Opportunities to generate a common discourse*** around exclusion with development partners – e.g. by conducting any future evaluation jointly, and including a focus on one or more multilateral agencies.

Section 1 Background and objectives

- 1.1. *'At the start of the 21st century...patterns of structural inequality often exclude people, such as those in rural areas, women, youth, people with disabilities....Lack of inclusion and accountability can cause disruptions that discourage investment, reduce growth and threaten the cohesiveness of societies.' (World Bank Social Development Strategy 2005)*
- 1.2. *'Social exclusion is often a cause of poverty, conflict and insecurity. If we are to tackle it effectively, we need to recognise where it is a problem, understand it better and, where appropriate, find different ways of working with partner governments, the international community and civil society organisations to overcome it.'* (Gareth Thomas, DFID Social Exclusion Policy, 2005).
- 1.3. *'We see too little evidence that social exclusion is consistently part of DFID's core business, including but not only at country level.' (DFID Quarterly Management Report Qtr2 2007-08)*

1.1. Background

- 1.4. This stocktake supports the strengthening of DFID's response to realising the corporate commitments of its 2005 policy 'Reducing Poverty by Tackling Social Exclusion'. It was commissioned by DFID's Evaluation Department in June 2008. It is intended for decision makers across DFID HQ Departments, regional divisions and country offices. In particular, it addresses DFID senior management, the Independent Advisory Committee for Development Impact (IACDI), Evaluation Department (EvD) and Equity and Rights Team (ERT). It may also be relevant to external partners.

1.2. What is 'social' exclusion?

- 1.5. **'Social exclusion' is a contested term.**¹ It is often understood as, or conflated with – including by many of those interviewed here – alternative (but related) lenses of equity, inequality and vulnerability.
- 1.6. **Exclusion is a multifaceted concept.** Its application helps show the dynamics of poverty, including the politics and processes which make some groups poorer than others in a given society, which drive them deeper into poverty or which constrain their movement out of poverty. These politics and processes are often explicitly – or implicitly – political.
- 1.7. **Social inclusion** is the process of overcoming the barriers which normally exclude certain groups, to enable their equitable access to assets and resources.² Sometimes this requires state support for those who are most disenfranchised or disadvantaged. Social inclusion may be – but often is not – based on an understanding of the dynamic nature of discrimination.
- 1.8. This report does not prioritise social exclusion over alternative analytical lenses. As a study of Policy implementation, it applies the DFID definition below. However, it recognises that understanding exclusion as e.g. vulnerability does not capture the political basis of exclusion and discrimination.

¹ See for example Silver, H (2007) The process of social exclusion: the dynamics of an evolving concept. Masaki, K (2007) 'Inclusive citizenship' for the chronically poor: exploring the inclusion-exclusion nexus in collective struggles.

² DFID Ethiopia PBS II Social Inclusion and Gender Annex (prepared by Social Development Direct) (2008)

1.3. Why social exclusion?

Box 1. Social exclusion and the MDGs

- In Ethiopia's Somali region, a male pastoralist lives, on average, 17 years less than other men³
- In Tanzania, households with disabled people are 20% more likely to live in poverty⁴
- In India, Scheduled Castes and Scheduled Tribes make up a quarter of India's population, but constitute over half of the poorest families⁵
- In Bangladesh, women's wages in the formal sector are only 60% those of men, due mainly to discrimination⁶
- In Brazil, non-Whites earn between 40 and 44 percent of Whites earnings⁷

1.9. It is not the function of this study to make the development case for social exclusion. This is set out within the DFID Policy and the wider literature.⁸ However, we note the following widely-rehearsed arguments:

- **Equitable progress towards the MDGs:** MDG progress reports are indicating lower progress / higher rates of poverty among particular segments of the population, requiring more nuanced (and costly) targeting approaches to reach them.⁹
- **Linkages with conflict:** There is now an established body of evidence around the role of exclusion in preventing or tackling conflict. See e.g. DFID (2005) Reducing Violent Conflict.¹⁰
- **Inclusive growth:** A growing discourse of 'inclusive growth' (within e.g. the World Bank, Asian Development Bank and UNDP)¹¹ stresses exclusion's role in constraining productive capacity. Countries such as India and Thailand are employing this discourse within their national development strategies.¹²
- **Human rights:** Human rights-based approaches,¹³ focused on addressing discrimination / exclusion in development, are now embedded into the strategies of e.g. UNDP and UNICEF.

1.10. Trade, growth and conflict feature heavily within DFID's fourth White Paper.¹⁴ The available research and evidence (above) locates social exclusion firmly within these concerns.

³ Ibid.

⁴ DFID How To Note, Gender and Social Exclusion Analysis (op.cit.)

⁵ DFID India Social Exclusion and Gender Analysis, from the DFID India Country Plan 2008-2015

⁶ Das, M, 2008, 'Whispers to the Voices: Social Transformation in Bangladesh', World Bank

⁷ Telles, EE, 2006 'Race in Another America: The Significance of Skin Color in Brazil' Princeton University Press

⁸ See DFID's Social Exclusion Policy (2005); Gender and Social Exclusion Analysis How To Note (DFID, January 2009); also for example Kabeer, N 'Poverty, Social Exclusion and the MDGs: The Challenge of 'Durable Inequalities'; Brauholtz-Speight, T (2008) Background Paper for the Chronic Poverty Report 2008-09 and many others.

⁹ See the Social Exclusion Policy p5; also for example Millennium Development Goal (MDG) reports for 2008 on education and health (www.un.org/millenniumgoals) also the work of Frances Stewart at www.crise.ox.ac.uk

¹⁰ DFID (2005) Reducing Violent Conflict

¹¹ See for example the World Bank Social Development Strategy (2005); UNDP (2008-13) Strategic Plan

¹² See for example India's Eleventh Five Year Plan (planningcommission.nic.in/plans/planrel/11thf.htm)

¹³ See for example www.unhcr.ch/development/approaches.html or

www.undp.org/governance/docs/HR_Pub_Missinglink.pdf

¹⁴ White Paper 4 Draft Storyline (Nov 2008)

1.4. The DFID Social Exclusion Policy

1.11. DFID's 2005 Social Exclusion Policy defines social exclusion as follows:

1.12. *'Social exclusion describes a process by which certain groups are systematically disadvantaged because they are discriminated against on the basis of their ethnicity, race, religion, sexual orientation, caste, descent, gender, age, disability, HIV status, migrant status or where they live. Discrimination occurs in public institutions, such as the legal system or education and health services, as well as social institutions like the household'*

1.13. The Policy was developed partly in response to growing body of activity on exclusion, particularly within South Asia, and an increasing recognition of its role in undermining poverty reduction initiatives.¹⁵ It emphasises that exclusion is a dynamic and multifaceted process. It sets out a number of challenges for DFID's policy response to exclusion:

- Work to create legal, regulatory and policy frameworks that promote social inclusion.
- Ensure that socially excluded groups benefit from public expenditure as much as other groups.
- Improve economic opportunities and access to services for excluded groups.
- Promote political participation in society and capacity to organise.
- Increase accountability to protect human rights.
- Tackle prejudice and change behaviour.¹⁶

1.14. To address these challenges, ten corporate commitments are made within the Policy. It is primarily delivery against these Policy commitments that this stocktake has been tasked to address.

1.5. Purpose and objectives

1.15. The **purpose** of this stocktake as set out within the Terms of Reference (ToR) is:

- To assess progress to date on the Social Exclusion Policy in preparation for a full evaluation in 2010/11 (i.e. 5 years after policy issue).

1.16. The **objectives** of the study are to:

- a) Explore the progress made by DFID towards the commitments set out in the 2005 Policy Paper Reducing Poverty by Tackling Social Exclusion, including commentary on:
 - progress against the public policy commitments of the Policy document.
 - progress in areas of activity where social exclusion is strongly considered, highlighting gaps and areas of omission.
 - progress within defined areas of DFID activity, including emerging policy areas (climate change, trade and growth) and the extent to which this is consistent and coherent with Policy commitments.

¹⁵ Key informant interview December 2008

¹⁶ DFID (2005) Reducing Poverty by Tackling Social Exclusion (p1)

- b) Generate lessons on how to make the implementation of the Social Exclusion Policy more effective, including commentary on:
- the policy implementation process to date.
 - evidence/lessons learned that could (if implemented) enhance Policy implementation and therefore successful delivery against the Policy commitments.
 - lessons learned around how DFID can more effectively consider social exclusion within its work (including country offices), to support the work of Equity and Rights Team (ERT) and any potential Policy refresh.
 - whether corporate resources and support (human and financial) appear currently adequate to address social exclusion, and identify any priority areas where resources are likely to be needed in future.
- c) Make recommendations for any final evaluation of the Policy including methodology and scope.
- 1.17. A later addition to the ToRs required a review of four key multilateral agency partner (MLA) activity on exclusion. The full ToRs can be found at Annex 1.

1.6. Structure

- 1.18. The report consists of 5 sections:
- Section 1: Background and objectives
 - Section 2: Approach and methodology for research, including the analytical framework for research
 - Section 3: Findings
 - Section 4: Conclusions and lessons learned
 - Section 5: Options and recommendations going forward
- 1.19. The full Terms of Reference (ToRs), list of those consulted and references, methodology, detail on multilateral assessment and Livelihoods and Social Inclusion Framework, the Ethiopia and India Case Studies, and recommendations for any future full evaluation of the Policy can be found in a separate Annex.

Section 2 Approach and methodology

2.1. Approach

- 2.1. Researching DFID activity on such a diffuse issue as social exclusion required clear boundaries and parameters. These are briefly described below.

Terminology

- 2.2. The language of ‘social exclusion’ has proven a constraint for both Policy implementation and this stocktake (see section 3.1). It carries assumptions of a ‘social’ issue – often interpreted by DFID staff (see Section 3.2) as the province of the Social Development cadre of advisers (SDAs).
- 2.3. However, as the Policy explains, ‘social exclusion’ also incorporates e.g. political, geographical and economic exclusion. For clarity we use the term ‘exclusion’ within this report, except for reference to the Social Exclusion Policy and where activity is explicitly labelled as ‘social exclusion’.

Exclusion and specific groups

- 2.4. The Policy focuses on the processes and patterns of discrimination which create exclusion. However, it also recognises that certain groups often remain excluded and disadvantaged from the benefits of development.¹⁷ We have addressed DFID activity with groups where this has used an exclusion perspective (i.e. where activity has focused on discrimination or structural barriers to inclusion). Analysis of the effects of exclusion on specific groups is beyond the scope of this stocktake.

Box 2. Untitled

A Helpage audit of DFID policy and practice towards older people found that DFID documentation rarely recognises older people as a distinct stakeholder group. This consigns older people to a double inequality; that of being unrecognised, and that of their particular needs (as opposed to e.g. gender or disability) being missed (Roland and Haruna 2009)

Social exclusion and gender inequality

- 2.5. Gender Equity and Women’s Equality (GEWE) functions conceptually and operationally within the social exclusion remit of DFID.¹⁸ The organisation has devoted considerable resources and energy to the GEWE policy process, based on the Gender Equality Action Plan (GEAP). To avoid the risk of skewed or distorted findings, we distinguish (but learn from) the corporate effort around GEWE.¹⁹

¹⁷ Examples from the Policy include minority ethnic groups migrants; people with disabilities; the elderly and the young; women and those living with HIV&AIDS. The issues faced by these groups may overlap, creating multiple disadvantages.

¹⁸ The Equity and Rights team merged the Social Exclusion and GEWE workstreams in early 2009.

¹⁹ GEWE has its own substantial system and process for tracking implementation of the Gender Equality Action Plan. As well as the methodological concerns of generating robust findings, it was outwith the remit of this study (and beyond its resources) to address the GEWE process.

2.6. Within central policy areas we consider (but hold distinct) work on gender. Gender is however embedded within country-level findings, as it is operationally inextricable from exclusion in substantive development analysis, planning and programming.

2.2. Shifting parameters of the stocktake

2.7. The Social Exclusion Policy was the first DFID Policy to have a full implementation architecture established. Following its launch in 2005, a Policy Implementation Plan (PIP), and accompanying Evaluation Framework (EF) with preliminary baseline and indicators were developed.²⁰

2.8. This stocktake was originally aimed at systematically assessing DFID progress against this architecture. However, it rapidly became apparent that while the Policy itself has a relatively low corporate profile (see section 3.2), almost no knowledge or awareness of the PIP or EF existed. This rendered it effectively redundant as an analytical tool.

2.9. The study's cross-divisional Advisory Group agreed to a proposal to redevelop the study's analytical framework around the broader Policy commitments. This was applied retrospectively to data already gathered,²¹ including one country case study. Analysis therefore took place against the two key revised lines of enquiry of the stocktake; namely, **accountability** against the Policy commitments and **lesson-learning** around its implementation.

2.3. Analytical framework

2.10. The revised analytical framework (below) is based around the ten public commitments within the Social Exclusion Policy. It draws on indicators developed within the original Evaluation Framework, with additions where required. It aims to respond to the relevant OECD-DAC and Paris principles for development effectiveness as described in section 2.5 below.

2.11. The framework sets out some interim results for this stage of assessment. It uses a simple traffic-light system to provide a summary report on progress. Assessment was made on the basis of whether (and to what extent) one or more of the indicators were met.

- Green – evidence of good progress; the Policy Commitment met or on track to be met.
- Amber – evidence of some or minor progress; but risk of a breach on the Commitment.
- Red – little or no evidence of progress; significant risk of a breach on the Commitment.

2.12. To help map progress against these indicators, and for deeper insights into the range and nature of exclusion-focused activity within DFID, screening tools for documentation were developed using the Livelihoods and Social Inclusion conceptual model.²² This has three components:

²⁰ DFID Social Exclusion Policy Implementation Plan (2005) Gaynor and Watson (January 2007) Evaluating DFID's Policy on Tackling Social Exclusion: Evaluation Working Paper 22 , DFID

²¹ Including information from the tracker countries

²² DFID-Nepal Country Assistance Plan (2005) See Annex 6 for the full framework.

- **Access to assets and services** – i.e. the barriers of access to services, assets and economic opportunities faced by excluded groups.
- **Voice and influence** – i.e. the extent to which political exclusion reinforces socio-economic disadvantage, and the capability of excluded groups to organise and influence.
- **Rules of the game** i.e. the extent to which discrimination is institutionalized in informal and formal rules e.g. through legislation, regulation, etc.

2.13. Screening tools are described in Annex 4 on methodology. The table below sets out the full analytical framework:

Table 2.1. Analytical framework

Social Exclusion Policy Commitment	Indicator of “effort” employed for analysis	Expected interim result
1. Analyse the impact of exclusion on poverty reduction on all country programmes, in order to decide on priorities for work by region, country and sector in our CAPs and regional DDPs	<ul style="list-style-type: none"> • GSEA exists • Evidence of exclusion analysis / tracking within the CBP / CAP • CGA includes exclusion assessment • Extent to which excluded groups and/or CSOs representing them are included in CAP / CBP consultation 	Programmes designed to tackle exclusion
2. Promote exchanges of best practice between national and regional organisations	<ul style="list-style-type: none"> • Extraction and sharing of good practice on exclusion by DFID country offices and ERT • Joint analysis 	Increased learning and shared understanding
3. Work with other UK government departments & Development Partners to include analysis of exclusion as a cause of conflict and insecurity in our approaches and responses to conflict prevention and reduction	<ul style="list-style-type: none"> • Conflict pools and other joint documents include analysis of exclusion • Conflict programmes reflect exclusion consideration 	Programmes working on conflict include analysis of exclusion
4. Identify opportunities to address social exclusion in fragile states	<ul style="list-style-type: none"> • Reflection of exclusion within fragile states policy and strategy documentation • Fragile states team address exclusion 	Exclusion analysis informing Fragile States strategies
5. Strengthening collection and analysis of statistics	<ul style="list-style-type: none"> • Exclusion indicators in the CBP • Disaggregation in programmes • Support by country programmes to national and state institutions & data on excluded groups 	Greater understanding contextual information around exclusion
6. Work with the World Bank and regional development banks, UN agencies, EC and other donors to make development work better for excluded groups. To include continuing substantial financial and technical support to strengthen their capability to take forward work in this area	<ul style="list-style-type: none"> • Exclusion (and related concepts) on the agenda of global, regional & country partnership agreements with WB/UN/EC/other donors (ISP and MoU commitments) • Extent and scale of policy coherence, discourse, reporting frameworks, analytical tools, thematic activity and tracking systems within sample MLAs 	Partnerships & harmonised approaches on exclusion with WB/EC/UN/other donors
7. Increasing inclusiveness of our own human resources practices and strengthen the diversity in our workforce	<ul style="list-style-type: none"> • Diversity Targets for 2008 achieved 	More diverse workforce
8. Commissioning new research to ensure that adequate attention is paid to exclusion, inequality and rights in all our research	<ul style="list-style-type: none"> • Research commissioned in policy areas includes consideration of exclusion 	Greater understanding of exclusion issues in policy areas – trade, growth, climate change

Social Exclusion Policy Commitment	Indicator of “effort” employed for analysis	Expected interim result
9. Broaden and deepen our engagement with civil society to strengthen the contribution it can make to tackling exclusion	<ul style="list-style-type: none"> • PPA outcomes include strengthened contribution to tackling exclusion • CSCF outcomes include strengthened contribution to tackling exclusion • Increased resources to CSOs 	Stronger civil society to tackle exclusion
10. To be accountable for implementation of the policy set out in this paper by evaluating progress in 2007-2008	<ul style="list-style-type: none"> • Corporate monitoring and reporting systems include exclusion • Messages on progress identified and disseminated to corporate services and programmes 	Lessons on progress fed back to corporate systems & programming

2.4. Methodology

2.14. The stocktake took place from late summer 2008 to March 2009. The consultants comprised three social development specialists, two of whom had helped develop the original Evaluation Framework. The period under review was September 2005 (the date of Policy issue) to March 2009.

2.15. The methodology (summarised below) was formed around the original key line of enquiry, accountability against the implementation architecture. It was later expanded to include a focus on lesson-learning, resources and multilateral agencies (see ToRs at Annex 1). Full justification for the methods employed is set out in Annex 4.

Table 2.2. Methodology

DFID activity	Sampling mechanism	Method / Data sources
One <i>country case study</i> (India) and one parallel stocktake (Ethiopia)	India identified for exclusion's role within the policy and planning context; DFID-Ethiopia commissioned work in recognition of the need to do more on exclusion	One week's field visit – documentation and interviews with DFID staff and partners
Five ' <i>tracker countries</i> ' Malawi, Pakistan, Sierra Leone, Ghana, Vietnam	Based on 5 initial tracer countries (Nepal and West Balkans replacing Malawi and Vietnam due to other influences – c.f. Annex 4)	Conducted remotely involving document review and key informant interviews.
Emerging <i>policy areas</i> (climate change, growth, conflict/fragility, trade)	Selected by EvD on the basis of key emerging themes	Document review and key informant interviews
<i>Corporate priorities</i>	Purposively sampled around data availability	Results Frameworks; Development Committee minutes; interviews
<i>Country planning</i>	Purposive – where information available since 2005	Country Assistance and Business Plans since 2005 where available,
<i>Research programmes</i>	All surveyed from 2005-2009, plus those relevant to social exclusion studied in more depth	R4D sources up to 2008; 2008-2011 Research Strategy & consultation; specific Research Programme Consortia and policy area research
<i>Programming</i>	Sample of programme memoranda (PM) / logframes per policy area made available by EvD; PMs from the two country case studies	PMs/logframes for trade, growth, climate change, conflict and country case study PMs.
<i>Multilateral partnerships</i>	EC, World Bank, AfDB and UNDP – the four with the highest DFID spend.	Document review – policies, strategies, ISPs, results frameworks; interviews
<i>Civil society partnerships</i>	Interviews with advisory group; 100% Partnership Programme Agreements (PPAs); 30% Civil Society Challenge Fund agreements	PPAs; CSCF agreements; interviews
<i>Resources</i>	Equity and Rights Team resources plus PM analysis / PPAs / CSCF / MLA expenditure	PM sample; ERT human and financial resources; CSCF / PPA financial data

2.5. Parameters and limitations of the study

Parameters

2.16. This study is an interim stocktake of DFID policy implementation, rather than a full evaluation of the Social Exclusion Policy. It is therefore primarily focused on inputs – activities and resources – rather than effectiveness or results. It is indicative rather than comprehensive – it does not, for example, address individual factors of exclusion or the effects of exclusion on specific groups.

OECD-DAC and Paris Criteria

2.17. As this study makes clear, the exclusion discourse with DFID’s main development partners is extremely fragmented. It has therefore been very challenging to locate this study within the relevant international frameworks (OECD-DAC criteria and Paris principles) for evaluating the effectiveness of development assistance. An interim stocktake would in any case only partially address these frameworks; impact, effectiveness and sustainability are areas for any final evaluation to explore.²³

Table 2.3. OECD-DAC / Paris criteria application:

DAC criteria	Efficiency	Adequacy, timeliness and appropriateness of DFID resources (human and financial) for tackling exclusion.
	Relevance	Extent to which DFID activities are grounded in context-based understanding of exclusion / in line with international commitments; appropriateness of activities for tackling exclusion
Paris principles²⁴	Harmonisation Accountability	Activity at DFID corporate level
	Ownership Alignment	Activity within country case studies
	Results	Corporate & country level – evidence of planning & managing for results on exclusion.

Methodological constraints

2.18. The following limitations apply to the data gathered, and accordingly to findings and analysis. They should also be borne in mind for any future evaluation:

- The absence of any marker or systems for systematic tracking or reporting on exclusion activity in DFID means that no evidence base is available for the assessment of resources. A proxy approach was designed, but has many limitations (see Annex 4 Methodology).
- This study has encountered very significant data constraints within DFID systems. PRISM / ARIES data were difficult to source, and in many cases simply unavailable. Sampling is therefore mostly purposive, using data that could be accessed.
- Around 70% of the data were collected against the original analytical framework. Although retrospective analysis did prove possible, in some instances only limited data were available for the revised analytical framework.

²³ http://www.oecd.org/document/22/0,2340,en_2649_34435_2086550_1_1_1_1,00.html

²⁴ See http://www.oecd.org/document/18/0,3343,en_2649_3236398_35401554_1_1_1_1,00.html

Section 3 Findings

3.1. Overview

3.1. Research and analysis has generated four substantive themes. These capture both the 10 Policy Commitments and the wider narrative of Policy implementation in DFID currently:

Theme	Policy Commitment	Cross-cutting Threads
1. Corporate commitment	10. To be accountable for implementation of the policy set out in this paper by evaluating progress in 2007-2008	<i>The discourse of 'social' exclusion The context of exclusion</i>
	2. Promote exchanges of best practice between national and regional organisations	
	7. Increasing inclusiveness of our own human resources practices and strengthen the diversity in our workforce	
	Additional ToR requirements: - Take up and traction of the Social Exclusion Policy - Human and financial resource commitments	
2. Emerging policy areas	3. Work with other UK government departments & Development Partners to include analysis of exclusion as a cause of conflict and insecurity in our approaches and responses to conflict prevention and reduction	
	4. Identify opportunities to address social exclusion in fragile states -Growth, trade and climate change	
3. Building the evidence base	1. Analyse the impact of exclusion on poverty reduction on all country programmes, in order to decide on priorities for work by region, country and sector in our CAPs and regional Directors Delivery Plans	
	5. Strengthening collection and analysis of statistics	
	8. Commissioning new research to ensure that adequate attention is paid to exclusion, inequality and rights	
4. Working with partners	6. Work with the World Bank and regional development banks, UN agencies, EC and other donors to make development work better for excluded groups. To include continuing substantial financial and technical support to strengthen their capability to take forward work in this area	
	9. Broaden and deepen our engagement with civil society to strengthen the contribution it can make to tackling exclusion	

3.2. Findings under these theme headings are set out in sections 3.2 – 3.5 below.

3.3. The following two analytical threads cut across these four themes. They have helped analyse the context of Social Exclusion Policy implementation:

Thread 1: the discourse of 'social' exclusion:

- *There are multiple and varied understandings of 'social exclusion' within DFID* – it is often equated with vulnerability / social protection, and / or reduced to specific groups.
- *The terminology of 'social' exclusion is unhelpful*, leading to a common perception across DFID that social exclusion somehow 'belongs' to the Social Development cadre.

- *The policy discourse of (social) exclusion has little common currency beyond DFID, creating a challenge for engagement with international and national development partners.*

Thread 2: the context of exclusion

3.4. *DFID is a large decentralised organisation working in varied sociopolitical and institutional environments.* The scope and entry points for working on exclusion issues, as well as the design of any appropriate response, are dependent on factors which include:

- *the nature and architecture of the operating environment* (including national and donor partner policies and priorities, particularly where development activity is heavily harmonised).
- *societal and cultural* factors.
- *market* (labour, growth and asset) considerations.
- *governance, socio-political and political economy* concerns.²⁵

3.5. We do not, here, make cross-country comparisons, or suggest that the same model, depth and scope of approach to exclusion is always relevant in every context. Rather, we ask:

1. *Where the operating environment permits* – is DFID rising to the challenge of identifying and addressing exclusion issues?
2. *Where the operating context presents barriers* – is DFID working effectively to challenge these?

3.6. The following sections respond to these questions.

3.2. Theme 1: Corporate Commitment

3.7. This section considers three of the 10 Policy commitments:

	Policy commitment	Status
10.	To be accountable for implementation of the policy set out in this paper by evaluating progress in 2007–2008	Red
2.	Promote exchanges of best practice between national and regional organisations	Amber to red
7.	Increasing inclusiveness of our own human resources practices and strengthen the diversity in our workforce	Green (but not linked to the Policy)

3.8. It also considers corporate commitment as evidenced through:

- take up and traction of the Social Exclusion Policy.
- human and financial resource commitments (as required by the ToR).

²⁵ See DFID Gender and Social Exclusion How To Note (2009)

Key Findings

The Social Exclusion Policy has had low levels of traction to date. The implementation architecture developed (Policy Implementation Plan and Evaluation Framework) has been neither disseminated nor deployed. Awareness levels of the Policy are low, and exclusion is poorly related in corporate reporting frameworks. Efforts at shared learning have been neither strategic nor comprehensive. The significant effort on, and gains made in, increasing diversity are due to external drivers beyond the Policy. Country planning and reporting frameworks however do indicate greatly increased recognition of exclusion issues – but this is not attributable to the Policy.

3.2.1 Take-up and traction of the Social Exclusion Policy

3.9. Take-up and traction of the Policy is assessed under three areas: **awareness** of the Policy, internally and externally; **deployment** of the implementation architecture; and the **recognition** accorded to the Policy in key DFID strategic documentation.

a) Awareness

3.10. **Internal awareness:** Disappointing, informants in both DFID HQ Policy areas and in country offices were largely unfamiliar with the Policy. Of 71 DFID respondents across the cadres, only 23 had knowledge of it, and the majority of these were unfamiliar with its content and commitments. 18 of these were Social Development Advisors (SDAs). A rapid informal check by an SDA on DFID's Growth team of around 20 colleagues found none aware of the Policy. Only six of the SDAs interviewed were reasonably familiar with the Policy's commitments.

3.11. Generally speaking, only those involved in the Policy development process, or in two cases staff who lead on / had led on exclusion issues in a country office, had a reasonable level of familiarity with the Policy and its commitments.

3.12. **External awareness:** In contrast, all three of the Civil Society Organisations (CSOs) on this stocktake's external Advisory Group, and 4/6 civil society partners interviewed for the India case study, were both aware of the Policy, the definition of social exclusion within it, and its public commitments. Only two of the 8 multilateral agency personnel interviewed – the World Bank (WB) and African Development Bank (AfDB) – knew of the Policy – and both these individuals are former DFID SDAs, one of whom had been closely involved in the Policy's development.

b) Implementation and monitoring architecture

3.13. The original Policy Implementation Plan (PIP) and Evaluation Framework (EF), including indicators targeted to specific departments/divisions, have been neither shared nor utilised. No current postholders interviewed were aware of their responsibilities under the PIP, and the Equity and Rights Team (ERT) have not utilised the EF, citing resource constraints and staff turnover. The Working Paper containing this is unavailable on Insight.

3.14. This non-deployment of the implementation architecture resulted in the stocktake's change of focus, discussed above. It appears to have seriously constrained corporate awareness of, and focus on, Policy implementation.

c) Recognition of the Policy

- 3.15. **Referencing in documentation:** The Policy is not cited in places where reference to DFID position on exclusion would be expected, e.g. within the Gender Manual or documentation on growth or fragile states (although as discussed in section 3.4 it does appear explicitly within both conflict and research strategies). It is not explicitly referred to within White Paper 4, although specific excluded groups such as women, the elderly and disabled are mentioned.²⁶
- 3.16. **Policy priorities:** The Social Exclusion Policy does not feature in the list of Development Committee policy priorities April–September 2009²⁷ or explicitly in the recent Policy Priority Matrix produced by regions. There is no separate category for or recognition of exclusion within the latter, although exclusion would influence the Departmental Strategic Objective-linked categories of governance, growth and trade, public services and conflict and humanitarian work.²⁸
- 3.17. **Overall,** the corporate process around implementation appears fragmented at best – leading to **poor take-up and traction** of the Policy.

3.2.2 Policy Commitment 10: Accountability

Commitment	Indicators	Status
10. To be accountable for implementation of the policy set out in this paper by evaluating progress in 2007–2008	Corporate monitoring and reporting systems include exclusion Messages on progress identified and disseminated to corporate services and programmes	Red

- 3.18. Linked to the non-use of the implementation architecture, above, this study has found that exclusion is generally **poorly reflected in corporate reporting and accountability frameworks** – resulting in low incentives for management and staff.

a) Corporate-level reporting

- 3.19. The Social Exclusion Policy has been red flagged on several occasions within the former Quarterly Management Report (QMR): “Implementation of the Social Exclusion action plan is uneven across the organisation...***We see too little evidence that social exclusion is consistently part of DFID's core business, including but not only, at country level.***’ (2007–2008 quarter 2 QMR). No follow up action appears to have been taken in response to this finding.
- 3.20. The QMR has now been replaced by biannual updates of divisional performance against Departmental Strategic Objectives (DSOs). These feed into an external Annual and Autumn Performance Report. Exclusion does not feature within this beyond gender.
- 3.21. **This stocktake** does however constitute a form of corporate reporting; its commissioning does provide a response to Policy commitment 10. Evaluation Department (EvD) also now require e.g. Country Programme evaluations to report on social exclusion outcomes. **Equity and Rights Team**, who lead the Social Exclusion workstream within

²⁶ DFID (2009) White Paper 4 Building Our Common Future

²⁷ Internal minute April 2009

²⁸ Regions Policy Priorities Matrix April 2009

Policy and Research Division (PRD), are required to present the findings of this report to the Development Committee in November 2009.

b) Divisional and country accountability frameworks

3.22. **Divisional accountability frameworks:** There is currently no tracking system / marker / reporting requirements for exclusion across Divisions. Only 1 of 7 Divisional Performance Frameworks (DPFs) (unsurprisingly, that for South Asia) contains an exclusion-related indicator.

3.23. **Country accountability frameworks:** In contrast, of 7 **country-level accountability frameworks** developed since the Social Exclusion Policy, 5 (India, Sierra Leone, Vietnam, Malawi, Ghana) do feature exclusion as a reporting parameter. A **good-quality Gender and Social Exclusion Analysis (GSEA)**²⁹ appears to influence this presence (India, Vietnam and Sierra Leone being cases in point). A lack of upwards reporting requirements e.g. within the Africa DPF, is clearly not preventing country programmes from reflecting exclusion within their own accountability systems – but is also not providing any sort of corporate driver for its recognition.

3.24. While corporate monitoring systems appear to have decreased their focus on exclusion, therefore, country level accountability frameworks (often informed by a Gender and Social Exclusion analysis, discussed below) are **increasingly reflecting** the issue. This can, where the operating context permits, result in a stronger programmatic focus.

Incentivising exclusion accountability

3.25. The two contexts studied in situ for this stocktake indicate the following factors for incentivisation. They are partly related to upwards accountability, and partly to factors in the operating environment:

Box 3. Incentives for exclusion accountability: different country contexts

India: Ingredients for exclusion accountability include: upwards reporting to the Asia DPF, which contains an exclusion indicator; a strong SDA presence; a conducive national policy and operating environment; relatively good data availability; the integration of exclusion within partnership agreements with key multilateral and bilateral partners; previously senior-level champions of the Policy within the office; a strong GSEA with an accompanying accountability framework.

Result = good reflection of exclusion within country level accountability

Ethiopia: a different operating context – upwards reporting to the Africa DPF (no exclusion indicator); relatively constrained SDA resources within the office; a non-conducive national policy and operating environment; limited or weak data availability; no GSEA

Result = limited reflection within country level accountability frameworks (though increasing volume of activity reflects the growing significance of exclusion as a development issue).

3.26. We do not suggest that these factors are relevant in all contexts, but they provide ideas for intensifying a focus on exclusion issues.

²⁹ The GSEA was developed as a direct result of the Social Exclusion Policy

3.2.3 Policy Commitment 2: Best Practice

Commitment	Indicators	Status
2. Promote the exchange of best practice between national and regional organisations	Extraction and sharing of good practice on exclusion by DFID country offices and ERT Joint analysis of exclusion	Amber to red

3.27. This stocktake could not undertake a systematic review of exclusion-related documentation over the reporting period. However, we identified some good examples of shared learning (often led by ERT) and some very good examples of joint analysis:

Table 3.1. Shared learning and joint analysis on exclusion

Shared learning	Joint analysis
ERT Good Practice Notes on Social Exclusion (Brazil, Nepal, Sierra Leone case studies) – currently unfinished	2007-08: joint DFID, IrishAid, the Netherlands and Norway research into Aid Effectiveness, Gender Equality, Human Rights and Social Exclusion (six countries). Evidence base for Accra Forum.
Sessions on social exclusion within DFID cadre retreats – Governance (2008) and Social Development (2007, 2009)	Support to social exclusion studies in Yemen and Bolivia. Served as inputs for the World Bank's 2006 Country Social Analysis methods and pilots
Support to the Disability Mainstreaming Forum in March 2009, and to a 2008 World Health Organisation (WHO) conference on the Social Determinants of Health	Country analyses: Nepal (with the World Bank & Nepal National Planning Commission), Sierra Leone (with the EC on youth), Ghana (with UNDP on exclusion)
Forthcoming Conflict, Humanitarian and Security Affairs and Politics & States Team briefing paper includes a chapter on discrimination / exclusion ³⁰	LACAD - lessons from support to partner work on exclusion (see Box below)

3.28. Latin American and Caribbean Department (LACAD), whose development context provides major entry points for exclusion-related work, offers an example of good practice, as follows:

Box 4. Good practice example: Latin American and Caribbean Department

Production of *Lessons from DFID LA Programme: Social Exclusion*³¹. Includes examples of work with the Inter-American Development Bank (IADB) / World Bank on exclusion and gender, and the use of a Multi-donor Civil Society Fund in Nicaragua.

The twelve Partnership Programme Agreement (PPA) agencies in Latin America 'Working in Partnership' booklet to address social exclusion, including ethnicity, gender, geography and race.

3.29. Constrained resources within ERT (see below) mean that activity appears *reactive* rather than *comprehensive or strategic*. However, seemingly *rising demands*³¹ for information from country offices suggests greater awareness of exclusion-poverty interlinkages. Guidance is sought in particular on responses for specific excluded groups, such as youth and people living with disability (PLWD).³²

³⁰ Principle 6: Non-discrimination Draft Chapter from Briefing Paper on Working Effectively in Situations of Conflict and Fragility 07/11/08

³¹ Key informant interview 9.12. 08

³² Key informant interview 9.12.08

3.2.4 Commitment to exclusion through resources (human and financial)

- 3.30. The ToRs for this study required an assessment of DFID's corporate commitment to exclusion as reflected in human and financial resources. This area has been **highly problematic** to assess. For financial resources, there is no tracking system or marker for exclusion. For human resources, using SDAs as a proxy indicator for exclusion work is unreliable; the study found clear evidence that other cadres / roles have acted as champions. There is no reliable data available on time use.
- 3.31. Current work to assess expenditure on GEWE has encountered significant difficulties in generating a robust measure of spend,³³ despite a clear marker and tracking system. This study agreed instead to use a series of proxy measures; ERT resources and a sample of programmatic activity across policy / country areas. Civil society and multilateral resource allocations are reported upon separately in section 3.5.
- 3.32. **Human resources:** Human and financial resources did increase immediately after the Policy, but this was due to internal restructuring. There have been no significant changes to financial or human resources for exclusion in ERT from 2006 onwards.
- 3.33. There is no apparent concerted effort around building capacity for exclusion apart from GSEA guidance and the sessions at Retreats for advisers listed above. A Gender and Social Exclusion post for the Asia Regional Office has been created (May 2009) – but this will come from the existing cadre.
- 3.34. **Financial resources:** Using a proxy sample of 91 Programme Memoranda (PMs) across policy areas and case study countries (see Annex 4 on methodology), and the Livelihoods and Social Inclusion framework outlined above, we applied categories of principal, significant and non-targeted³⁴ to identify the extent of recognition of exclusion within programme design.³⁵ (We caution however that this data **should not** be interpreted as a definitive assessment of DFID expenditure on exclusion. As planning – rather than operational – documents, PMs have **limited value** in representing actual DFID activity, and there are concerns around sample construction (see Annex 4).

Table 3.2. Sample programmatic expenditure recognising exclusion

	% of PMs	Expenditure	% expenditure
Principal	17.5%	£595.43m	24.9%
Significant	36.4%	£1,018.34m	42.8%
Not targeted	46.1%	£768.10m	32.3%
Total	100%	£2381.87m	100%

³³ Improvements to the marker have been recommended, but DFID have been cautioned against using current information until there is a more thorough quality check.

³⁴ Analysis employed a descriptive policy marker based on the DAC Gender Equality Policy Marker, and the DFID gender marker (see Methodology Annex). Principal = where one or more of the elements of the social exclusion approach as set out in the Livelihoods and Social Inclusion model can be identified in the design of the activity and which are an explicit objective of the programme. Significant = where at one of the elements of the model is important, but not one of the principal reasons for undertaking the activity. Not targeted = programme which did not consider any of the three elements

³⁵ Gender was excluded from this analysis for the reasons set out above.

3.35. Nearly 54% of sample programmes reviewed recognised exclusion as a principal or significant feature at design stage, representing £1,613.7m of potential spend (67.7% of the total) 2005–2008. However, this apparently substantial proportion of resources focused on exclusion – or excluded group – at design stage is likely to reflect exclusion’s presence within the programme’s Social Appraisal. **Recognition of exclusion** may well therefore be present in analysis and design – but previous research has shown a considerable degree of evaporation in practice.³⁶ DFID’s programme approval criteria for the social appraisal are also unspecific on exclusion, referring only to understanding of the poverty and social context.³⁷ Without clear criteria and a corresponding architecture/incentives for implementation, there is a strong risk of rhetoric not translating into reality on the ground.

3.2.5 Policy Commitment 7: Human Resources

Commitment	Indicators	Status
7. Increasing inclusiveness of our own human resources practices and strengthen the diversity in our workforce	Diversity Targets for 2008 achieved	Green (but not linked to the Policy)

3.36. There is a strong corporate commitment to increasing diversity in DFID’s human resources, below:

Table 3.3. Institutional initiatives to address diversity

Documentation	Champions	Accountability
Strategy paper (2009) Our Strategy for Delivering Diversity and Equality Core scripts on e.g. race, gender, disability, sexual orientation Workplace policies e.g. HIV-AIDS	Diversity champions at deputy director level	“Making Diversity Work for Everyone” (“Equality Impact Assessments”) ensures that relevant UK policies are evaluated for adverse impact on age, disability, gender, race, belief, sexual orientation and working patterns. Annual Diversity Report –reports against targets

3.37. The country offices surveyed reflect these initiatives, despite complexities around different legal contexts, with e.g. diversity baselines being developed. However, progress is due to **legal directives** such as Gender and Disability Duties and UK Equalities legislation translating into corporate drivers. The Social Exclusion Policy was not on any occasion cited as a driver for action.

In conclusion:

3.38. While weakness in data and methodology prevent any robust conclusions being drawn around DFID expenditure on exclusion, there is a clearly a **growing recognition** of exclusion within country level accountability frameworks, and a fair reflection of the issue within programme design – though the latter is unsystematically reflected within reporting frameworks. Overall, though, **systems and incentives appear to be performing inadequately to enable a comprehensive focus on exclusion within corporate-level accountability frameworks.**

³⁶ See for example Moser, Caroline “An Introduction to Gender Audit Methodology: Its design and implementation in DFID. Malawi” (London: Overseas Development Institute, 2005)

³⁷ As set out within the Blue Book – ‘Does the project programme reflect a serious understanding of poverty and the social context? Which groups of poor people will benefit? How?’ (section B5)

3.39. Accountability frameworks are a key driver for embedding exclusion into corporate activity. What **can be achieved** by a strong Policy process, a focus on accountability and accompanying institutional effort is demonstrated by the recent Gender Equity and Women’s Equality (GEWE) initiative. The table below compares the activity and effort between the Social Exclusion policy process and GEWE. The latter is backed by a Millennium Development Goal (MDG) and legal frameworks (Gender Duty). Varied institutional mechanisms help generate traction, as follows:

Table 3.4. GEWE and Social Exclusion institutional implementation

Mechanism	Gender	Social Exclusion
Policy Paper	No “policy paper” – refers back to the Target Strategy Paper on gender and the GEAP	There is a discrete policy paper and a PIP largely based on existing activity
Drivers for implementation	Much evidence (2006 evaluation) ³⁸ Reputational risk, other donors, MDGs	Some evidence, national contexts, CSOs and lobby groups
Analytical tools/Guidance	Gender Manual with section on tools and guidelines for all who work for DFID	GSEA guidance for country programmes
Resources	Specific gender teams, high level gender champions, gender training budgets	SDAs, some ERT time, staff working on single issues (e.g. disability or gender)
Incentivisation	Financial bonuses for senior management, GEAP	National contexts – some reflection in Asia performance frameworks
Accountability frameworks	Gender is embedded at all levels (including PSA targets)	Only sparsely embedded in corporate-level accountability frameworks
Capacity building	Gender capacity building part of DFID training	Nothing systematic identifiable
Campaigns	“Think Women”	Generally around regions /specific issues

3.40. **Theme 1 implications for any final evaluation:** Under DFID’s current systems, there are **significant methodological challenges** for assessing resource allocations to exclusion. Any future exercise would need to set tracking mechanisms in place, using proxy measures, at an early stage.

3.3. Theme 2: Exclusion within thematic policy areas – conflict, fragile states, trade, growth and climate change

3.41. *The pursuit of a more equitable growth agenda requires improving the ability of poor people to participate more fully in the growth process...Decreasing social exclusion is at the heart of reducing vulnerability and increasing access to opportunities (DFID Bangladesh Strengthening Public Expenditure Management Programme May 2009).*

³⁸ DFID (2006) Evaluation of DFID’s Policy and Practice in Support of Gender Equality and Women’s Empowerment

3.42. This section considers the following two Policy commitments:

Policy commitment	Indicators	Status
3. Work with other UK government departments & Development Partners to include analysis of exclusion as a cause of conflict and insecurity in our approaches and responses to conflict prevention and reduction	Conflict pools and other joint documents include analysis of exclusion Conflict programming reflects exclusion considerations	Amber
4. Identify opportunities to address social exclusion in fragile states ³⁹	Reflection of exclusion within fragile states policy and strategy documentation Fragile states team address exclusion in their work	Amber

Key Findings

Exclusion is, at an aggregate level, increasingly – but patchily – reflected within the discourses and activity of key thematic policy areas. Conflict, fragile states and growth all indicate a growing narrative; it is nascent within trade. Climate change policy, strategy and activity employ the lens of vulnerability rather than exclusion.

3.43. At DFID corporate level, the stocktake was tasked to undertake a review of exclusion recognition within five key policy areas: conflict (Policy commitment 3), fragile states (Policy commitment 4), growth, trade and climate change. For brevity, findings are summarised in two areas:

- a) Policy, strategy and analysis (on the basis that if this discourse is present, it provides a strong corporate driver for programming).
- b) Programming (i.e. the extent to which the discourse has been translated into investment).

a) Policy, strategy and analysis

3.44. The table below summarises whether and how exclusion is reflected at strategic level:

³⁹ DFID defines fragile states as ‘those where the government cannot, or will not, deliver its core functions to the majority of its people, including the poor. DFID has a list of 46 fragile states based on the World Bank's Country Policy and Institutional Assessments. See <http://www.dfid.gov.uk/About-DFID/Finance-and-performance/Making-DFIDs-Aid-more-effective/How-we-give-aid/Fragile-states/>

Table 3.5. Prevalence of exclusion within strategy and policy

Policy area	Findings
Fragile states	<p>Discourse emerging from country experience, but not yet reflected in policy and strategy:</p> <p>Prior to the Social Exclusion Policy, political exclusion and discrimination are identified as drivers of fragility.⁴⁰ Recent work driven mainly by OECD-DAC's 2007 Principles for Good International Engagement in Fragile States and Situations.⁴¹ Largely via DFID's efforts that non-discrimination included.⁴²</p> <p>Joint PST / CHASE Briefing Paper on fragility explores exclusion's role.⁴³</p> <p>However, while exclusion features in analysis/assessments on the pilot countries used to develop the Fragile States Principles, no effort as yet to distil information and reflect it in strategy.⁴⁴ Current studies on Principles do not focus on exclusion, beyond discrimination.⁴⁵ A recent DFID portfolio review of 6 fragile country case studies⁴⁶ says little around exclusion, despite its reflection in four of the country studies (Yemen, Cambodia, Nepal & Pakistan).</p>
Conflict	<p>Very explicit discourse:</p> <p>White Paper 3 - 'Fighting poverty and social exclusion...contributes to security ...and helps to reduce the potential for radicalisation or extreme political violence' (p39). Reducing Violent Conflict strategy (2006): 'If a lasting solution is to be found, exclusion and inequality must be tackled.' (p14)</p> <p>Guidance notes for Strategic Conflict Assessments (SCAs)⁴⁷ refer to exclusion. 13/15 SCAs surveyed make an explicit exclusion–conflict connection</p>
Trade	<p>Emerging recognition / discourse around the links between exclusion and trade:</p> <p>A recently - appointed Social Development Advisor within Trade Department supports the recognition that poverty and gender analysis needs to be more fully integrated into activity.⁴⁸</p> <p>Exclusion features within the 'Aid for Trade' (2008-13) strategy, as a commitment to ensure that trade creates inclusive growth and poverty reduction, and to identify how Aid for Trade can contribute to reducing inequality, including gender.⁴⁹</p>

⁴⁰ DFID (2005) Why we need to work more effectively in Fragile States; Claire Vallings and Magüi Moreno-Torres (April 2005) Drivers of Fragility: What Makes States Fragile; DFID PRDE Working Paper No. 7

⁴¹ Key informant interviews, DFID Fragile States team

⁴² Key informant interviews DFID Fragile States team and DAC International Network on Conflict and Fragility

⁴³ Principle 6: Non-discrimination Draft Chapter from Briefing Paper on Working Effectively in Situations of Conflict and Fragility 07/11/08

⁴⁴ OECD DAC Fragile States Group Support to piloting the principles of good international engagement in fragile states: Synthesis Report Room Document 4 7th meeting of FSG, Paris, October 2006

⁴⁵ Key informant in DAC International Network on Conflict and Fragility

⁴⁶ Marcus Cox and Nigel Thornton DFID engagement in countries in fragile situations: A Portfolio Review Case Studies Evaluation Report EV702 January 2009

⁴⁷ 2002 – the most recent document available

⁴⁸ Key informant interview

⁴⁹ Sharing the Benefits of Growth: Aid for Trade Strategy 2008-13 p17

Policy area	Findings
Growth	<p><i>Emerging global discourse on inclusive growth reflected in DFID documentation:</i></p> <p>The recent policy document on Growth⁵⁰ recognises the interrelationships between growth and inequality / exclusion. Africa strategy specifically targets ‘binding constraints to inclusive growth’ and Asia activity works on ‘ensuring that growth is more inclusive and opportunities exist for all’.</p> <p>A draft note on inclusive growth⁵¹ focuses on equal opportunities and the systemic exclusion issues affecting growth. The new International Growth Centre addresses inclusive growth.⁵² Gender and Growth Assessments have been conducted in Brazil, India, Nigeria and Tanzania.</p> <p>Now an ‘inclusive growth’ work stream. The Growth Team Workplan 2008-2011 has the objective to ‘facilitate improved DFID and international policy delivery for inclusive growth’.⁵³ But human resources are highly constrained – only one SDA in a Group of 40-50.</p>
Climate change	<p><i>Discourse focused more on vulnerability than exclusion:</i></p> <p>Global policy on climate change still evolving. Draft policy work⁵⁴ reflects exclusion implicitly in adaptation, which discusses vulnerability & resilience.</p> <p>Reasons for higher vulnerability levels and lower adaptive capacity are related to those which create / perpetuate exclusion. So this validates the case for stronger systems for assessing and addressing exclusion. However, climate change is not in itself a discriminatory process. A vulnerability lens which disaggregates among groups may be the most viable current tool (i.e. there may be more value from intensifying an existing approach than applying a new lens).⁵⁵</p>

⁵⁰ DFID (2008) Growth: Building jobs and prosperity for developing countries

⁵¹ DFID Growth Team ‘Inclusive Growth’ undated draft internal note

⁵² International Growth Centre Programme Memorandum 2008-2011

⁵³ Though the outputs from this currently focus mostly on gender

⁵⁴ DFID (2009) Social Appraisal for Climate Change Centre; DFID Climate Change Implementation Plan (2008); DFID Climate Change Policy (fifth draft Oct 2008)

⁵⁵ The available research supports this view. See for example Scott, Z (29/01/08) Gender and Social Development Research Centre Helpdesk Research Report: Climate Change and Social Exclusion.

3.45. Within central policy areas, therefore, the discourse is emergent but fragmented. It is most strongly established and explicit in the conflict arena, and most insubstantial within trade. A growing discourse from international institutions around inclusive growth is gaining momentum, providing clear entry points for DFID engagement.

b) Programme level:

3.46. The table below shows sample expenditure within the policy areas (data are subject to the same caveats as 3.2.5 above – particularly since the sample available was extremely small).

Table 3.6. Programmatic focus on exclusion:

Policy area	Conflict (15 PMs)	Fragile States (13 PMs)	Growth (9 PMs)	Trade (9 PMs)	Climate change (9 PMs)
<i>Principal / significant exclusion</i>	35%	36%	55.5%	33.3% significant (none have a principal focus)	33.3% significant (none have a principal focus)
<i>Principal / significant expenditure</i>	£43.6m	£69m	£173.1m (but skewed by two programmes of £48m and £32.8m respectively)	£23.45m	£21m
<i>Not targeted</i>	65%	64%	44.5%	66.6%	66.6%
<i>Not targeted expenditure</i>	£78.8m	£148m	£21.3m	£60.44m	£218m
<i>Total expenditure</i>	£122.4	£217m	£194.4m	£83.89	£239m

3.47. **Programme accountability frameworks:** A sample of Programme Memoranda (PMs) across these Policy areas (and including the two country case studies) shows **some recognition of exclusion** within monitoring and reporting for identified excluded groups – but this is occurring at an **inadequate level** for the programme focus.

Table 3.7. Monitoring and reporting on exclusion within programmes

PMs where exclusion is principal / significant total ⁵⁶	PMs where exclusion is principal / significant , and where reporting framework makes a commitment to disaggregation
53.9 %	29.7 %

3.48. Disaggregating within programmatic reporting frameworks does not in itself indicate a focus on exclusion – this may occur through a vulnerability lens, for example. It is also highly dependent on the operating context (political economy aspects, data availability etc). However, there does not appear to be **any consistent or comprehensive approach** to monitoring or reporting for exclusion at programme level within these Policy areas.

⁵⁶ See section 3.2.4 for the methodology applied, and Annex 4 for more detail

3.49. By contrast, at country level, an organisational architecture which creates a driver for exclusion can generate greater consistency within programmes, as follows:

Box 5. Example country context

In DFID's India office, where the country results framework, underscored by a Gender and Social Exclusion Analysis, is a driver for much disaggregation around exclusion, 15/19 PMs reviewed contain a commitment to disaggregate.

3.50. Exclusion therefore *does not appear as yet significantly reflected* within sample programming or accountability frameworks for these policy areas. As the discourse takes hold within policy areas, this may change going forward – but will require a far *more concerted (and coherent) corporate 'push'* than has been the case to date.

In conclusion

3.51. The lack of wider awareness of the Policy across DFID, and the poor implementation of its accountability architecture, is unsurprisingly leading to a fragmented approach to the issue across policy areas. Except where the substantive linkages between exclusion and the respective policy theme are longstanding and well-documented, as is the case for conflict, the discourse is relatively weak.

3.52. The Policy itself can of course provide an aggregate narrative for addressing exclusion across areas; but without a strong corporate process around its implementation, exclusion issues are likely to emerge in an ad-hoc way, largely dependent on individual effort or interest, rather than as a more comprehensive approach. The success of the more systematic approach, based on the analysis of the GSEA and translating this into a comprehensive architecture for addressing exclusion, is evident from country offices such as India.

3.53. In the current climate, DFID's resources (human and financial) are highly constrained. We recognise these limitations, but note that the resources available will need to be used more effectively than currently if the Policy commitments are to be systematically addressed.

3.54. *Theme 2 implications for any future evaluation:* information around exclusion within the sample policy areas is subject to the data constraints noted in section 3.2 above. Any future evaluation should continue the focus on these policy areas, employing proxy measures and developing early tracking systems to negotiate these constraints. It should also incorporate sample programming from DFID's more traditional areas of delivery in human development sector i.e. education and health.

3.4. Theme 3: Building the evidence base: Analysis, statistics and research

3.55. This section considers the following three Policy Commitments:

Policy commitment	Progress
1. Analyse the impact of exclusion on poverty reduction on all country programmes, in order to decide on priorities for work by region, country and sector in our CAPs and regional Directors Delivery Plans	Amber to green
5. Strengthening the collection and analysis of statistics	Amber
8. Commissioning new research to ensure that adequate attention is paid to exclusion, inequality and rights	Amber with promise of green

Key Findings

Despite the lack of a corporate drive on the Social Exclusion Policy, there appears to be a (gradually) increasing demand for good, fine-grained analysis and research around exclusion, informed by robust and detailed datasets. Where such analysis takes place, it is revealing the prevalence / nature of exclusion as a development issue – particularly where socio-political questions inform research. However, the drive for analysis and research are emerging as a response to context, rather than being a result of the Policy.

3.4.1 Policy Commitment 1: Analysis

Policy commitment	Indicators	Status
1. Analyse the impact of exclusion on poverty reduction on all country programmes, in order to decide on priorities for work by region, country and sector in our CAPs and regional Directors Delivery Plans	GSEA exists CGA includes exclusion assessment Evidence of exclusion analysis / tracking of exclusion within CAP or CBP Extent of inclusion of excluded groups and/or CSOs working with them in CAP / CBP consultation	Amber to green

a) Country level analysis

3.56. Despite the lack of a corporate push on the Policy, there is a **clear and growing demand for exclusion-focused analysis at country level**. A fairly high proportion (9/13⁵⁷ surveyed) of country planning documents included evidence of **exclusion analysis informing planning**. Of these, 4 are from Asia (India, Vietnam, Bangladesh, Pakistan) and 5 from Africa (Sierra Leone, Malawi, Ghana, Tanzania, Ethiopia). The prevalence from Africa offices is encouraging, given the contrast set out within the Policy around the different status and nature of the exclusion discourse between Africa and Asia.

3.57. The **Gender and Social Exclusion Analysis (GSEA)** for example remains mandatory only in South Asia for country planning – but seven countries in Africa have considered it a relevant enough tool to employ it.

⁵⁷ Vietnam, Bangladesh, India, Pakistan, Sierra Leone, Malawi, Ghana, Rwanda, DRC, Tanzania, Mozambique, Ethiopia, Uganda

Table 3.8. Country programmes with GSEA conducted (December 2008)⁵⁸

Asia	Africa	Latin and Central America
Nepal, India, Vietnam, Pakistan	Sierra Leone, Ghana, Malawi, Nigeria, Rwanda, Uganda, DRC	Brazil

3.58. **India** and **Vietnam** country offices offer especially good examples of how a strong GSEA can lead to a clearer emphasis on exclusion within country planning and accountability.⁵⁹ DFID India's linking of the GSEA to the country accountability architecture is an example of good practice.

3.59. Following this pattern, of 8 **Country Governance Analyses (CGAs)** since 2006,⁶⁰ only two (DRC and Tanzania) neither explicitly nor implicitly consider exclusion.⁶¹ 5 out of the remaining 6 identify it as an actual or potential driver of conflict. This coheres with the more intensive focus on exclusion within this policy area (see section 3.3 above).

b) Programmatic analysis:

3.60. The stocktake could not undertake a full exploration of programmatic analysis across countries, but has used the case study country offices (India and Ethiopia) as proxies. Both indicate a sharp recent increase in demand for explicitly exclusion-focused studies:

- **India:** 6 recent / current studies conducted (one more forthcoming).
- **Ethiopia:** 8 studies recently conducted (4 more forthcoming).⁶²

Box 6. Ethiopia Good Practice example: Exclusion-focused analysis informing programming

Ethiopia's Protection of Basic Services Phase II (PBS II) programme is DFID's largest investment in the country at £60m per year – and at \$540m in total, the second largest International Development Association programme ever. With growing recognition of the significance of exclusion issues for Ethiopia's development, DFID-E have commissioned and funded on behalf of Development Partners a Social Inclusion and Gender Annex (2008) to the Programme Memorandum. They have also supported with a contribution of around \$1.5 million the integration of social accountability pilots into programme design.

The pilots will support citizens and civil society organizations to ensure that basic service delivery is more effective, efficient, responsive and accountable. They will help enhance and institutionalise capacity for social accountability in Ethiopia (World Bank Project Appraisal Document PBS II April 2009).

3.61. However, this increasing demand is arising in both cases from the **local development discourse** rather than being attributable to the Social Exclusion Policy (or, in Ethiopia's case, to country planning / accountability frameworks). It reflects a clearly growing recognition that **good, fine-grained analysis** can both indicate exclusion's role and prevalence within poverty contexts, and help provide the evidence basis to impact upon e.g. national political economy considerations.

3.62. **Consultation with CSOs:** in both country case studies, there is clear evidence of extensive civil society consultation in country planning processes. CSOs in both contexts

⁵⁸ Source: ERT (Dec 2008)

⁵⁹ See India country case study report: Vietnam CAP (2008) including social exclusion and gender Annexes

⁶⁰ Those made available were India, Ethiopia, DRC, Malawi, Kenya, Ghana, Sierra Leone, Tanzania

⁶¹ Despite exclusion being a significant feature of both these development contexts. See for example Poverty and Social Exclusion in Tanzania (2004) ILS, Geneva and Registre J (2005) Social exclusion in post-conflict Congo

⁶² See country case study reports for lists of studies

expressed high levels of satisfaction with both the scale and nature of their engagement by DFID offices.⁶³

3.4.2 Policy Commitment 5: Statistics

Policy commitment	Indicators	Status
5. Strengthening collection and analysis of statistics	Exclusion indicators in the country planning document Evidence of disaggregation within programmes Country programmes providing support to national and state institutions & data on excluded groups	Amber

3.63. In line with the pattern emerging, country evidence indicates **increasing demand for statistical data on exclusion**, to provide the evidence base for impacting on the political economy of national policymaking. Despite potential political sensitivities around generating and applying data on exclusion – governments may for example be reluctant to expose the situation of particular groups in terms of access to resources – plus issues of weak datasets and limited government capacity (Ghana, Vietnam, Ethiopia), there is a groundswell of work in this area.

Box 7: Country activity on statistical capacity building for exclusion

- **India:** The programme has recently increased its investment in support for partner capacity around monitoring and reporting for exclusion. This is now demonstrating results, with an increasingly detailed evidence basis.
- **Ethiopia:** Statistical capacity within the DFID-E office is fairly constrained. However there is extensive support to statistical capacity-building for exclusion, which – while it has to date been rather fragmented – is now developing into a more comprehensive and strategic approach.
- **Malawi:** The new Performance Evidence and Accountability Programme supports inclusive decision-making.
- **Sierra Leone:** There is an increased focus on statistical disaggregation by gender, location and, to some extent, age. The GSEA calls for scaling up this support in the new CBP under preparation.

3.64. Again, no lines of attribution to the Social Exclusion Policy or its accountability frameworks were evident; but where such data is being generated – as the stocktake saw in India and Ethiopia – it is revealing both the *significance* and the *specific dimensions of exclusion* as a development issue. It is also, in some instances, influencing programmatic changes, as in the Ethiopia PBS II example above.

3.65. However, in all these cases, support *does not yet appear comprehensive* in terms of integrating exclusion parameters into national statistical systems.⁶⁴ In the light of Accra commitments to Managing for Development Results, this requires a more effective joint donor response. Given the only emergent status of the discourse with development partners (see section 3.5 below), greater emphasis on building a *common framework of understanding*, and developing a *more strategic approach* will be required.

⁶³ The concurrent India / Ethiopia country case study reports provide more details.

⁶⁴ Key informant interviews Nov-Dec 2009

3.4.3 Policy Commitment 8: Research

Policy commitment	Indicators	Status
8. Commissioning new research to ensure that adequate attention is paid to exclusion, inequality and rights in all our research	Research commissioned in policy areas considers exclusion	Amber with promise of green

3.66. *Exclusion is emerging as a very significant element* of the central research agenda. While it featured only implicitly in the 2007 research funding framework,⁶⁵ the more extensive consultation informing the 2008–13 strategy has led to a far stronger prominence:

- Exclusion is identified within regional consultations and 2008 Working Papers on Political and Social Science Research and Growth⁶⁶ as an area requiring more extensive research.
- In response, exclusion now features explicitly within new 2008–2011 research themes – most clearly in Governance in Challenging Environments and Social Processes and Growth.

3.67. Unsurprisingly, given its lower prominence within the 2005–7 funding framework, sample research products in the survey period indicate lesser emphasis on exclusion than may be the case in future.

Table 3.9. Exclusion within commissioned research 2005–2009

Research area	Sample of research addressing exclusion issues 2005–2009
Chronic Poverty Research Centre (who have an explicit remit to generate learning around the dynamics of poverty)	33%
Health Research Programme Consortium (RPC)	8% (perhaps because the RPC focused very extensively on health systems)
Growth RPCs	13% and 17% respectively
Access to Education RPC	66%
Centre for Research on Inequality, Human Security and Ethnicity (CRISE)	63%.

3.68. It is too early to assess the reflection on exclusion in the sample research products going forward, but shaped by the drivers of the funding framework, it would be reasonable to assume a stronger future focus.

3.69. *Anecdotal observation:* It was noticeable from sample research that studies which are ethnographic / ground-level in nature tend to feature exclusion much more prominently than research which focuses on policy and decision-making. We do not have systematic data on this, but the evidence coheres with the wider findings of the stocktake, where the groundswell of activity on social exclusion is arising from development contexts themselves, rather than being driven by the Policy.

⁶⁵ DFID Research Funding Framework 2005–2007

⁶⁶ DFID Research Strategy 2008–2013 plus Working Papers in Social and Political Science Research and Economic Growth; also DFID Research Consultation Process: Africa and Asia reports. A Gender Working Paper was also produced, but we do not consider this here, for the reasons cited above

3.70. However, research projects are, under the DFID system, commissioned out to external experts. The extent to which exclusion is considered within research products will therefore depend on a steer from DFID staff – so a central role is especially important here.

In conclusion

3.71. Findings under this theme cohere with those from Theme 1. Despite the absence of a corporate push on the Policy, there is clear evidence at country level of **a growing demand for, and body of, exclusion-related analysis and statistics**. This reflects both emerging **recognition** of exclusion as a key feature of the development discourse, and exclusion's **actual role and prevalence** within poverty contexts.

3.72. The GSEA is clearly gaining momentum in take-up and use. This tool alone may not be critical for an analysis of exclusion factors – a political economy analysis or e.g. Strategic Conflict Analysis which considers exclusion factors may provide an appropriate vehicle – but if it does offer a useful means of both informing, and helping position, a DFID response.

3.73. These tools help bring together the DFID response within country offices, where advisers and programme managers come together to agree development responses. More broadly, the powerful intersections between exclusion, socio-political and political economy concerns are intertwined at country level; their understanding needs to be shared between partners as part of a **joined up and strategic discourse**. The generation of a robust evidence base through analysis, statistics and research enables development actors to agree their joint position, and to start to impact upon e.g. national political economy considerations.

3.74. **Theme 2 implications for any future evaluation:** Data availability around analysis, statistical capacity building and research is stronger than for programmatic activity and resources. Any future evaluation should focus on the implications of the GSEA particularly, alongside the CGA, SCA and any available political economy analyses, in their contribution to programmatic focus and quality (and therefore development effectiveness).

3.5. Theme 4: Working with partners

3.75. *'Tackling exclusion requires the concerted effort of the international community. Exclusion is increasingly part of the work of international bodies such as the World Bank, the European Commission (EC) and the International Labour Organisation....Much of DFID's support is channelled through partners such as these. They offer a global reach that we do not have' (Social Exclusion Policy (2005) p16)*

Policy commitment	Progress
6. Work with the World Bank and regional development banks, UN agencies, EC and other donors to make development work better for excluded groups. To include continuing substantial financial and technical support to strengthen their capability to take forward work in this area	Red
9. Broaden and deepen our engagement with civil society to strengthen the contribution it can make to tackling exclusion	Green

Key Findings

The substantial resource flows to multilateral agencies do not appear to have considered exclusion, despite the Policy commitment and some clear entry points. Activity is constrained by the fact that no common overarching framework for exclusion exists, despite an emerging discourse within the World Bank and UNDP. Resource flows to civil society-focused exclusion work appear proportionately high. However, only one line of attribution to the Policy is identifiable.

3.5.1 Policy commitment 6: Multilateral agencies

Policy commitment	Indicators	Status
6. Work with the World Bank and regional development banks, UN agencies, EC and other donors to make development work better for excluded groups. To include continuing substantial financial and technical support to strengthen their capability to take forward work in this area	Exclusion (and related concepts) on the agenda of global, regional & country partnership agreements with WB/UN/EC/other donors Extent and scale of policy coherence, discourse, reporting frameworks, analytical tools, thematic activity and tracking systems within sample MLAs	Red

3.76. In 2007/08 DFID provided £1,990m of assistance to multilateral agencies (MLAs). This stocktake was tasked to consider the four MLAs to which the largest contributions were made in this year.

Table 3.10. Multilateral partner expenditure 2007/8

European Union (EU)	World Bank (WB)	United Nations Development Programme (UNDP)	African Development Bank (AfDB) ⁶⁷
£991m	£493m	£65.7m	£63.7m

3.77. Whilst the stocktake was asked to try to assess resource allocations to exclusion, this has proven unfeasible. There is no common currency of discourse around (social) exclusion across MLAs. This plus varied institutional structures makes activity highly dispersed. As with DFID, there are also no tracking, accountability or monitoring systems for exclusion within these agencies, except for UNDP (though the WB is developing an inclusion monitoring system). Finally, there is often a disjunct between central and country level activity. To produce a full measure of activity would require sampling country activity as well as central work.

⁶⁷ Including the African Development Fund, administered by the AfDB

a) Central policy and activity

3.78. Using a set of proxy indicators, the study has – similar to the five central DFID policy areas above – identified a **growing (but fragmented) discourse within agency central policy and activity**.

Table 3.11. Exclusion within MLA strategy, systems and activity

Indicator	Summary findings
Policy coherence	<p>Increasingly featured in strategy and policy (though no common discourse, see below):</p> <ul style="list-style-type: none"> • Very explicit within UNDP Strategic Plan 2008-2011, WB 2005 Social Development Strategy, European Consensus on Development 2005 • AfDB Poverty Reduction Policy 2004 – some reflection
Discourse	<p>Overall, no common discourse:</p> <ul style="list-style-type: none"> • UNDP – explicit discourse, coheres with DFID understanding in the main • WB – emerging discourse of ‘inclusion’, especially around growth (often gender) • AfDB – no explicit discourse, exclusion often interpreted as vulnerability • EC – dichotomy between EU and accession and developing countries; exclusion features explicitly in the former but not the latter
DFID – MLA partnership agreements	<p>Very little recognition within partnership agreements:</p> <ul style="list-style-type: none"> • Not present within WB annual objectives and priorities / DFID/Denmark/UNDP ISP (other than gender) or AfDB Joint Institutional Strategy. • Exception is the EC – DFID July 2008 ISP lists 3 core principles, one of which is ‘a rights-based approach’ including a specific focus on ‘social inclusion’.
Institutional reporting frameworks	<p>Becoming more prevalent within reporting frameworks (WB / UNDP)</p> <ul style="list-style-type: none"> • Strong and explicit within WB Social Development Strategy Results Framework and UNDP 2008-2011 Results Framework / Global Programme 2009-2011 Results Framework • Some reference within AfDB Medium Term Strategy 2008-2012 • Gender only within AfDB Corporate Key Performance Indicators and results reporting for ADF-10 / ADF-11 (Feb 2008)
Analytical tools	<p>Very varied prevalence within / availability of analytical tools:</p> <ul style="list-style-type: none"> • UNDP – multiple sources, including literature searches, a handbook, guidelines on work with indigenous peoples. • WB – features patchily within PSIA guidance/Country Social Analyses/Social Safeguards • EC – only discernible efforts are within gender • AfDB – within PSIA tool, and also emerging Fragile States Early Warning and Monitoring
Thematic activity	<p>Highly varied thematic activity and few tracking systems:</p> <ul style="list-style-type: none"> • WB – Vast amount of projects and programmes. Focus on indigenous people – 339 projects under supervision, another 103 forthcoming • UNDP – Much work to date, though dispersed. New Global Programme 2009-2011 will act as a coherent framework for exclusion / inclusion issues • AfDB – a focus on basic needs and vulnerability, little thematic emphasis on exclusion • EC – Within EU and accession countries extensive work on ethnicity, displacement, gender, age (especially youth), also indigenous people’s rights e.g. Roma
Tracking systems	<p>Some emerging focus on tracking:</p> <ul style="list-style-type: none"> • UNDP – present within internal global reporting system. Work has been done to assess the volume and scale of activity on gender; • WB – Currently trying to develop a tracking theme for social inclusion • No tracking systems within AfDB • No tracking systems within EC

3.79. It is clear that DFID resource allocations to these four MLAs have *not been explicitly linked to exclusion*.⁶⁸ None of the central DFID interlocutors with these agencies were aware of either the Policy, or of exclusion being raised in policy dialogue.⁶⁹ This is surprising since e.g. UNDP's Strategic Plan 2008-2011 and the DFID-EU partnership agreement explicitly address the issue.⁷⁰

b) Country level activity

3.80. In coherence with the wider set of findings of this study, at *country level*, there appear to be *stronger levels of engagement* on exclusion - as the following example from India shows.

Box 8. Good practice example: DFID-MLA partnership agreements at country level

Recent DFID India Trust Fund agreements with explicit mention of social inclusion / inclusive growth include World Bank (2008-13), Asian Development Bank (2008-13) and UN Development Assistance Framework (2008-2012).

3.81. In Ethiopia, where aid is heavily harmonised, DFID is a member of over 22 Technical Working Groups for development assistance, working closely alongside multilateral partners. The concurrent Ethiopia social exclusion stocktake found that DFID were widely perceived by multilateral interlocutors as a *pro-poor champion*, with particular strengths in promoting equity issues in large joint donor programmes. Exclusion issues are however highly politicised in Ethiopia, and the lack of a common or coherent discourse between Development Partners is constraining dialogue.

3.82. Overall, therefore, the relatively unsystematic approach to central dialogue does not necessarily limit engagement at country level. However, the absence of a common framework for understanding with multilateral partners clearly can constrain dialogue, both at country and central level.⁷¹ Little energy or effort appears to be being placed, on a central level at least, to generating shared understandings or a more strategic discourse of exclusion.

3.5.2 Policy Commitment 9: Civil society

Policy commitment	Indicators	Status
9. Broaden and deepen our engagement with civil society to strengthen the contribution it can make to tackling exclusion	PPA outcomes include strengthened contribution to tackling exclusion CSCF outcomes include strengthened contribution to tackling exclusion Increased resources to CSOs	Green

3.83. Civil society funding streams present an opportunity for DFID to act and influence around exclusion issues where bilateral aid flows may be constrained. We cannot

⁶⁸ Excepting gender, where substantial progress has been made on both raising gender as a strategic issue centrally and supporting the initiative of e.g. gender reporting within e.g. the World Bank

⁶⁹ One exception was the SDA in the Western Balkans, who has utilised the Policy and the Evaluation Framework with EC and national counterparts.

⁷⁰ Achieving the MDGs and poverty reduction, fostering democratic Governance, supporting crisis prevention & recovery

⁷¹ See the DFID India and DFID Ethiopia case studies for evidence of this.

comment here on the adequacy of DFID finance to civil society activity on exclusion compared to the total development need; but this stocktake has found that, according to the proxy measures here, DFID is directing a **substantial proportion** of these particular resource streams to addressing exclusion issues.

3.84. **a) Programme Partnership Agreements (PPAs):**⁷² Over half (62%) of DFID's 2005-8 PPA agreements feature exclusion implicitly or explicitly.

Table 3.12. Exclusion within PPA expenditure 2005-8

Targeting	% of agreements	Spend	% spend
Principal	33%	£122.09m	47.4%
Significant	29%	£102.6m	39.8%
Not targeted	38%	£33.02m	12.8%
Totals	100%	£257.71m	100%

3.85. **Total PPA expenditure** is significantly increasing, to £410.8m in 2008-2011. While the exclusion focus of resources does seem at first glance to be declining into 2008-2011 agreements (from 87% in 2005-8 to 63% in 2008-2011 – a total of £259.6m) this data is skewed by two large PPA agreements⁷³ which do not feature exclusion within their agreement or results frameworks. Disregarding these, the proportion is fairly static, at 88.7%.

3.86. **b) CSCF**⁷⁴ funding criteria include three exclusion-focused criteria around advocacy and lobbying.⁷⁵ A condition of grant approval is a focus on exclusion issues such as gender, HIV-AIDS, youth, the elderly and disability. Unsurprisingly, therefore, 92% of sample 2005-2008 CSCF grants surveyed addressed exclusion issues.

Table 3.13. Exclusion within CSCF expenditure 2005-2008

Targeting	% of agreements	Expenditure	% of expenditure
Principal	23%	£3.2m	20.1%
Significant	69.3%	£11.6	73.0%
Not targeted	7.7%	£1.1m	6.9%
Totals	100%	£15.9m	100%

3.87. CSCF grants are relatively small scale in nature; they complement e.g. PPA arrangements by serving potentially as demonstration sites for innovation and good practice around exclusion.

3.88. **c) Country level:** Engagement in exclusion-focused activity using civil society channels is shaped by the political aspects of the operating environment, as examples from India and Ethiopia show.

⁷² PPAs were established in 2000 to improve funding arrangements. They currently provide unrestricted funding to 27 civil society organisations (CSOs). Total PPA funding amounts to some £90m a year in 2009.

⁷³ Skillshare International (£75m) and International Planned Parenthood Federation (£43m),

⁷⁴ CSCF is a right-based funding stream, offering grants to civil society organisations of up to £500,000 over five years. 132 CSCF agreements are currently operational

⁷⁵ DFID CSCF Guidelines (2009)

Box 9. Civil Society Partnership at the country level

India: A large DFID-funded exclusion-focused programme is due to come onstream shortly, but has been delayed by agreement difficulties with the Government of India – reflecting some of the sensitivities of bilateral agencies applying the discourse of ‘exclusion’ within even a policy context which technically provides explicit entry points for engagement. However, there is a clear shared framework of understanding.

Ethiopia: DFID-E has recently devoted much effort and energy (around 50% of SDA time in the previous 6 months) to both challenging new legislation threatening to constrain the activities of CSOs, and to supporting CSOs in preparing for it. While all CSO partners interviewed felt that the heavily government-aligned nature of DFID-E programming risked limited challenging of government on the issue, new forms of engagement include an intensified focus on accountability promotion through a redesigned Civil Society Support Programme, the extension of an NGO partnership programme; and the design of a monitoring system to track implementation of the new legislation.

In conclusion

3.89. There is a sharp contrast between the status of DFID’s work on exclusion with multilateral and civil society partners respectively. Coherence between the Social Exclusion Policy and civil society definitions of exclusion provide a platform for increased levels of activity both centrally and at country level. The greater awareness levels of the Policy met within civil society reflect this.

3.90. With the four sample multilateral partners, the lack of any apparent corporate drive to push the exclusion agenda, or to generate a shared or more strategic discourse, means that engagement on the issue is extremely limited. Given the scale of resource invested, the strategic significance of multilateral partnerships, and the presence of an explicit Policy commitment, this is surprising.

3.91. However, an emerging discourse within some agencies engagement offers a rationale for engagement. Clear forthcoming entry points include:

- The WB are conducting a ‘Mid-cycle Implementation Progress Report’ over the next 6 months around the Social Development Strategy. This will report on the Inclusive Societies pillar and whether inclusion is adequately integrated into the Results Framework.
- UNDP feature exclusion very explicitly within their strategy and reporting systems, and constitute a major partner for engagement.
- The EC-DFID ISP features exclusion very prominently, but the opportunity does not appear yet to have been taken up in engagement.

3.92. DFID will need to respond more coherently on the multilateral agenda if it is to successfully address this Policy commitment.

3.93. **Theme 4 implications for future evaluation:** While data is available for civil society assessment, given the scale of DFID resources flowing to MLAs, any future evaluation would need a strong focus on MLA activity as part of its research design. A methodology involving proxy indicators for activity / human and financial resources would be required. Such an evaluation might prove a useful tool for starting to develop a shared discourse with development partners.

Section 4 Conclusions

4.1. Summary narrative

- There has been **very poor take-up and traction** of the Policy. Awareness levels of the Policy and its commitments are low.
- **The implementation architecture has not been taken up or deployed.** This has severely constrained Policy implementation, resulting in a weak basis for assessment and difficulty in monitoring and reporting on exclusion activity.
- Notwithstanding this, **there appears to be a growing body of quality activity on exclusion within DFID.** This is reflected in:
 - A significantly increasing amount of exclusion –focused analysis;
 - Exclusion’s prevalence within DFID’s new central research agenda;
 - Proportionately strong deployment of civil society funding streams towards addressing exclusion;
 - An increased focus on exclusion issues within sample country planning and accountability frameworks; and
 - An emerging discourse on exclusion within new policy areas such as conflict, fragile states and growth.
- However, this groundswell of activity is arising **iteratively in response to the reality of development contexts and discourses**, rather than being generated by, or attributable to, the corporate Policy process. The Policy and the development activity appear to be **functioning in separate and parallel universes**, without the points of intersection required to inform and influence each other.
- Activity appears to be constrained by a lack of both impetus and effort to develop a common and strategic discourse of exclusion, within DFID and with external partners. Alongside a poor corporate Policy profile, this is restricting external dialogue.
- While growing in significance and scale, the current body of exclusion-related activity currently appears **neither comprehensive nor (in aggregate) strategic.**

4.1. We conclude that: to date, **corporate systems and incentives have performed inadequately** to enable a systematic addressing of the Policy Commitments. This is resulting in a **fragmented institutional response to generating the comprehensive body of exclusion-focused activity** required to meet these Commitments. **Insufficient energy is being devoted to developing a strategic discourse of exclusion**, both within the organisation and externally.

4.2. Progress towards the Policy commitments

4.2. Using the traffic light system outlined in Section 2.3, progress is summarised against the Policy commitments below. These assignments reflect coherence of activity with Policy commitments, rather than volume or scale, and attribution of activity to the Policy is, as noted, extremely limited.

Table 4.1. Summary progress against Policy commitments

Policy Commitment	Progress
1. Analysis	Amber to green
2. Exchange of best practice	Amber to red
3. Conflict	Amber
4. Fragile States	Amber
5. Statistics	Amber
6. Engagement with multilaterals	Red
7. Diversity	Green (but not linked to the Policy)
8. Research	Amber with promise of green
9. Engagement with civil society	Green
10. Accountability	Red

4.3. **In terms of public accountability** therefore, we must conclude that, at this interim stage, DFID are currently **at significant risk of a breach on Policy commitments**.

4.3. Lines of attribution

4.4. We identify the following limited lines of attribution of activity to the Policy – and the following gaps:

Table 4.2. Lines of attribution and absence of attribution

Attribution	Absence
GSEA – instigated as a result of the Policy	No longer mandatory within country planning except for South Asia (but adopted as a tool in some countries in Africa)
Research strategy – explicit mention	Not referred to in strategic documents e.g. Gender Manual
Conflict strategy – explicit mention	No other policy areas indicated attribution to the Policy
Those involved in Policy development familiar	Proportionately few staff aware of or familiar with the Policy

4.4. OECD-DAC Principles

4.5. In terms of the **OECD-DAC principles of efficiency and relevance**, we find as follows:

Table 4.3. OECD-DAC principles: summary of assessment

Efficiency	Highly inefficient – significant costs of developing Policy (advisory time, production etc) plus costs of developing Evaluation Framework / baseline etc (advisory time, consultancy time). High turnover of staff has contributed to inefficiency of implementation
Relevance	Coherent and consistent but the issue is around volume and scale. Many missed opportunities.

4.5. Paris Principles

4.6. In terms of the Paris Commitments to development effectiveness, we find as follows:

Table 4.4. Paris principles: summary of assessment

Alignment	Case study country level (Ethiopia, India and the five tracer countries) indicates strong alignment, and incremental attempts to progress the agenda where national policy frameworks constrain activity (Ethiopia).
Ownership	Ethiopia – DFID adopting an incremental approach, building consensus to generate ownership among partners and evidence to impact on political economy concerns. India – much effort to support GoI / state government ownership around exclusion.
Harmonisation	No harmonised discourse on exclusion amongst development partners. Some examples from the case study countries, particularly Ethiopia, of joint analyses, and evidence of wider studies such as the joint donor study on Aid Effectiveness, gender, human rights and social exclusion to feed into Accra – but overall a long way to go before harmonisation is achieved.
Accountability	Little focus on mutual accountability and on accountability to citizens at central Policy level – but evidence from both country case studies e.g. through civil society engagement.
Results	Focus on planning and managing for results on exclusion. Exclusion is not adequately reflected in accountability frameworks (though better at country than corporate level) and capacity / support to statistics for MfDR is limited – needs a more concerted effort.

4.6. Key lessons learned

Corporate commitment

- A DFID Policy document – even where accompanied by a full implementation architecture – is not necessarily a driver of activity unless accompanied by institutional commitment reflected in accountability frameworks and human and financial resources.
- A Policy and a development issue can operate within the DFID system in separate and parallel universes – without necessarily finding the points of intersection required to inform one another.
- The discourse of ‘social’ exclusion is a constraint within DFID, locating it within the workfield of social development advisers. The broader term ‘exclusion’ appears to have more currency both within and beyond DFID.
- Tracking corporate commitment to an issue as dispersed as exclusion within DFID is very challenging, and any future evaluation will need an advance strategy to develop and monitor proxy tracking measures.

Building the evidence base

- There is a strong perceived value, and increasing emphasis being placed upon, analysis which explores the role, nature and prevalence of exclusion as a development issue. Such analysis offers a useful evidence basis to impact upon e.g. national political economy considerations.
- A GSEA alone may not be critical for an analysis of exclusion factors – a political economy analysis or SCA which considers exclusion factors may provide an appropriate vehicle.
- There are instances where the GSEA appears to have demonstrably contributed to enhanced programming – but a mechanism needs to be established between the

GSEA and country programming processes (such as the accountability architecture of DFID India).

- There are powerful intersections between exclusion, socio-political and political economy concerns – these cannot be separated at country context level, and their understanding needs to be shared between partners.
- Accountability frameworks – reflecting e.g. disaggregation to monitor exclusion-related impacts – are a key driver in embedding exclusion into corporate activity.

Thematic policy areas

- The Social Exclusion Policy can provide an aggregate narrative for addressing exclusion in policy areas where awareness of its role as a development issue exists.
- Without a strong corporate process around Policy implementation, exclusion issues may well start to emerge as a significant feature of the discourse – but on an ad-hoc basis, largely dependent on individual effort, rather than as a more holistic / strategic approach.
- Resources (human and financial) are very constrained, but can be more strategically used to maximum effect to enable a comprehensive response to exclusion issues.

Partnerships

- The lack of a common discourse around exclusion with multilateral partners in particular constrains dialogue. Explicit effort needs to be made to generate a more coherent, strategic and high level dialogue.
- With civil society partners, there is far greater common understanding. This provides a platform for increased levels of activity.

4.7. Conditions for facilitating exclusion activity:

4.7. Factors which appear to constrain or facilitate exclusion activity within DFID country offices include:

- Understanding of the operating environment – the extent and range of harmonised activity, national and partner policy frameworks, status and nature of exclusion discourse.
- Good analysis (GSEA, CGA, political economy analysis).
- Accountability / incentivisation – DPF, CRF, programme monitoring and evaluation.
- Champions / leads (not necessarily the SDA).
- Partner engagement.

4.8. Key areas of opportunity:

- **Analysis** (especially that which includes recognition of socio-political dimensions of development such as the CGA and GSEA) – the growing demand for which indicates both emerging recognition of exclusion as a key feature of the development discourse, and its role and prevalence within poverty contexts. As the evidence base underscoring DFID strategy, policy and programming engagement, analysis also brings together the DFID response, across country offices and advisory cadres.

- **Discourse** – Entry points such as the World Bank’s Social Development Strategy, UNDP’s current Strategic Plan, the DFID-EC ISP and the emerging narrative on inclusive growth provide opportunities to generate a **more coherent and strategic discourse** with partners.
- **White Paper 4** – which offers significant entry points for exclusion within e.g. conflict (inclusive political settlements), growth and trade (protecting the poorest from the economic downturn) and working with multilaterals (ensuring that their work focuses more on the poorest peoples and countries).
- The **Gender Equity and Women’s Equality** policy process, which offers a good example of what can be achieved where corporate effort and resources are applied.

4.9. Risks to DFID

4.8. This report finds that a number of corporate risks may arise to DFID if the current trajectory continues:

- **Corporate reputational risks** – by failing to realise / deliver on public Policy commitments.
- **Efficiency risks** – around developing a Policy and implementation architecture at significant cost to public finance, and then failing to implement it.
- **Accountability risks** – by implicitly colluding in development policies or programming that fail to recognise or address exclusionary factors, despite an explicit Policy to the contrary.

4.9. These findings validate and necessitate DFID adopting a **clearer position and a more comprehensive approach** to addressing exclusion within its activity. DFID will need to change its approach going forward in order to mitigate these risks.

Section 5 Ways forward for the Policy: Options and recommendations

5.1. We conclude that, to respond to public accountability requirements, DFID **urgently needs to make a decision** on its position vis-à-vis both the Policy and the commitments set out within it. This will involve considering the Policy against the wider question of policy status within DFID; are such policies intended as drivers of change, as guidance for action, as a statement of position and / or as a set of principles and standards for activity?

5.1. Options and directions

5.2. To translate the rhetoric of the Policy into reality of delivery, we identify two potential directions of travel for DFID:

1. **Either:** Scale up activity on exclusion to achieve the Policy commitments;
2. **Or:** Demonstrate a clear and robust alternative position to the Policy and its commitments.

5.3. These directions, and their potential implications for the Social Exclusion Policy were debated at a meeting of this Stocktake's internal Advisory Committee in London on 14 May 2009. Four options for continuance – below – were placed before members of senior management with the recommendation that either Option 2 (continuance in force of the Policy with a revised implementation architecture) or Option 3 (revision of the Policy to a Position Paper) be adopted.

5.4. While no formal decision has yet been made on the status of the Policy, management present at the Advisory Group meeting indicated that they would **prefer to retain the Policy** and its commitments. Arguments in support of this position would include:

- **'No traction' is not a good argument for 'No Policy'** – especially when the issue is emerging as a significant one in development terms / DFID activity.
- **The existing body of activity** presents an opportunity to generate a more coherent discourse, and a more comprehensive approach to the body of work.
- **The emerging discourse** presents an opportunity to use the Policy as a platform for engagement internally and with partners, and to stress the importance of analysis.

5.5. At a similar meeting, members of the Civil Society Advisory Group favoured retention of the policy and indicated that this is more influential and useful than a position paper or guidance alone.

5.6. Options for continuance, along with their respective challenges and opportunities, are listed below:

Table 5.1. Options for continuance:

Options	Challenges	Opportunities	Potential results
<p>1. Policy re-launch using the existing Policy and implementation architecture</p> <p>Requires corporate effort and resources e.g. Senior Management leadership & ownership across organisation</p>	<p>Architecture not proven a driver</p> <p>Poor corporate appetite – competing agendas</p> <p>Data constraints – the multidimensional and cross-sectoral nature of social exclusion makes it difficult to create tracking or reporting systems corporately</p> <p>No high level prioritisation /champions or incentives</p>	<p>Classic approach to accountability; to improve corporate performance and demonstrate attribution/contribution</p> <p>Existing basis in place, also preliminary baseline</p> <p>Increase disaggregation in existing reporting frameworks</p> <p>Opportunity to increase senior management ownership & create champions / incentives through accountability frameworks</p>	<p>Robust accountability framework within which to measure policy commitments and performance</p> <p>Internal clarity on requirements – raising the profile of exclusion as a development issue</p>
<p>2. Policy re-launch / re-fresh & alternative accountability framework</p>	<p>Need for additional resources, human and financial</p> <p>SE policy now almost 4 years old – will a new framework have traction?</p> <p>No common discourse around exclusion with development partners / partner governments</p>	<p>Accountability if commitments remain in place</p> <p>Could be designed to fit with new policy implementation process and linked to new priorities</p> <p>Opportunity to learn from the GEWE process</p> <p>Offers a platform to generate a common discourse around exclusion internally and externally, using emerging policy areas– conflict, inclusive growth.</p>	<p>As above</p>
<p>3. Downgrade the Policy into guidance</p>	<p>Reduced accountability – does not fully capture exclusion’s emerging prevalence as an issue</p> <p>Reduced priority as a corporate priority –risk of crowding out / dependence on champions</p> <p>Makes reporting against activity more difficult</p>	<p>Emphasis on providing more explicit guidance: GSEA</p> <p>Increases opportunity for adaptability/tailoring of guidance etc</p> <p>Responsibility more to country needs and development practice</p>	<p>Shift from accountability to guidance</p>
<p>4. No policy, no guidance</p>	<p>Would require robust analysis and evidence in order to justify work on exclusion</p> <p>Decreased visibility / heavy dependence on individual initiative</p> <p>May mean disparate and unsystematic approaches</p> <p>Difficulty in reporting upon activity</p>	<p>Possibility to link to GEAP framework</p> <p>Maximum flexibility</p> <p>Removes ‘top-down’ requirements</p> <p>Allows the issue to create its own demand/rationale</p>	<p>Exclusion probably continues being addressed, but less tangibly and without guidance</p>

5.2. Recommendations

- 5.7. In the light of this stocktake's findings that DFID requires a **clearer position and more comprehensive approach** to realise the rhetoric of its public commitments to exclusion, we make the following recommendations. Dialogue around these will continue between the stocktake's Internal Advisory Committee and Evaluation Department⁷⁶ in order to ensure their strategic relevance, their appropriate grounding within the DFID policy context and their practicality.
1. The GSEA provides a powerful tool for generating a coherent framework of discourse around exclusion, and for building the evidence base to inform programming and dialogue. It can work across the sectors and cadres, exposing difference and joining up understanding. We recommend that the **GSEA become mandatory (again) for country planning:**
 - a) The GSEA should be quality assured in the same way as the CGA currently.
 - b) Guidance should be explicit around the political aspects of the analysis (making reference e.g. to political economy analysis) and the role of accountability frameworks (citing e.g. DFID-India's example).
 2. We recommend that **ERT place effort into developing a clear internal position and discourse around exclusion**, using the GSEA as a tool and possibly shifting towards a discourse of 'inclusion'. This presents an opportunity to politicise exclusion more explicitly as a development issue, to seize the momentum of e.g. emerging narratives on 'inclusive growth', and to employ the rationale of development contexts and operating environments rather than a focus on specific groups.
 3. There are significant entry points for exclusion within the **emerging narrative for White Paper 4** (conflict / growth and trade). These should be seized and acted upon. Emphasis should be placed on the fundamental role of exclusion within DFID core priorities i.e. reaching the poorest and achieving the MDGs.
 4. We recommend effort to **generate a shared discourse / priorities around exclusion with OECD DAC and / or G20 partners**. This is essential for achieving efficiency & effectiveness, and could enable future MLA assessment e.g. via a joint evaluation. Potential entry points include:
 - a) the World Bank (whose forthcoming Social Development strategic review provides a very explicit opening around the discourse of exclusion/inclusion).
 - b) UNDP, where clear strategic entry points / partnerships exist.
 - c) The EC-DFID ISP, which features exclusion very prominently, but where the opportunity does not appear to have been taken up.
 - d) Brazil, where the discourse around exclusion is very explicit and where much experience and expertise is located within government.
 5. We also recommend that ERT staff **review and document the GEWE policy implementation process**, to identify learning and points of intersection / synergy between the GEWE and the Social Exclusion policy processes.

⁷⁶ Meeting in London 14th May 2009

6. Given the evidence that the Policy and the activity are currently **functioning in separate spheres**, there is a case for a **more dynamic Policy review and refresh cycle**. This will generate greater points of intersection between DFID's Policy and development activity. A future evaluation may form part of this cycle.
7. The decision around any final evaluation of the Policy rests with Evaluation Department and its associated institutional structures (IACDI). Annex 7 sets out the potential challenges and opportunities, though we note that any future evaluation could usefully contribute to a more dynamic Policy cycle. The specific focus of any study will depend upon whether the Policy commitments remain in force. However, we recommend that any future study should address:
 1. **Policy effectiveness** – rather than implementation, and
 2. **Opportunities to generate a common discourse** around exclusion with development partners – e.g. by conducting any future evaluation jointly, and including a focus on one or more MLAs.

DFID STATEMENT OF PURPOSE

DFID, the Department for International Development: leading the British Government's fight against world poverty. One in six people in the world today, around 1 billion people, live in poverty on less than one dollar a day. In an increasingly interdependent world, many problems – like conflict, crime, pollution and diseases such as HIV and AIDS – are caused or made worse by poverty.

DFID supports long-term programmes to help tackle the underlying causes of poverty. DFID also responds to emergencies, both natural and man-made.

DFID's work forms part of a global promise to:

- halve the number of people living in extreme poverty and hunger
- ensure that all children receive primary education
- promote sexual equality and give women a stronger voice
- reduce child death rates
- improve the health of mothers
- combat HIV and AIDS, malaria and other diseases
- make sure the environment is protected
- build a global partnership for those working in development.

Together, these form the United Nations' eight 'Millennium Development Goals', with a 2015 deadline. Each of these Goals has its own, measurable, targets.

DFID works in partnership with governments, civil society, the private sector and others. It also works with multilateral institutions, including the World Bank, United Nations agencies and the European Commission.

DFID works directly in over 150 countries worldwide, with a budget of some £5.3 billion in 2006/07. Its headquarters are in London and East Kilbride, near Glasgow.

LONDON
1 Palace Street
London
SW1E 5HE
UK

GLASGOW
Abercrombie House
Eaglesham Road
East Kilbride
Glasgow
G75 8EA
UK

Tel: +44 (0) 20 7023 0000 Fax: +44 (0) 20 7023 0016
Website: www.dfid.gov.uk
E-mail: enquiry@dfid.gov.uk
Public Enquiry Point: 0845 300 4100
If calling from abroad: +44 1355 84 3132