

Evaluation of the Peace and Stabilisation Fund (PSF)

Summary, management response & follow up note

*** 2022 ***

Preamble

This note summarises the main findings and conclusions of an evaluation of the Danish Peace and Stabilisation Fund (PSF) undertaken from July 2021 to April 2022. The note includes the management response and follow up proposals drafted by the Interministerial Steering Committee (IMSC). The MFA's department for Evaluation, Learning and Quality (ELK) commissioned and managed the evaluation, carried out by an independent team of international consultants working with a consortium of Nordic Consulting Group (DK) and Ecorys (NL).

Introduction

The Evaluation of the Peace and Stabilisation Fund (PSF) encompasses the period 2014-2020, covering the full portfolio of programmes and engagements during the period. Since the PSF was established in 2010, a range of peace and stabilisation programmes have been implemented in some of the world's hotspots – from Afghanistan, the Horn of Africa and the Middle East, to the Sahel region and Eastern Europe. Over the past decade, financial resources for stabilisation programmes funded under the framework of the PSF have increased from DKK 155 million in 2010 to approximately DKK 500 million in 2020. The PSF takes a whole of government (WOG) approach, which brings relevant actors, policies and tools together in an integrated and holistic manner and has gained traction among bilateral donors engaged in fragile and conflict affected contexts. The Fund includes four partners: the Prime Minister's Office (PMO), the Ministry of Foreign Affairs (MFA), the Ministry of Defence (MoD) and the Ministry of Justice (MoJ). The Governance of the PSF includes the Inter-ministerial Steering Committee (IMSC), which serves as the main decision-making body. The MFA and the MoD provide the funding and are the main members of the IMSC, the MoJ has in practice delegated its engagement in the field and its presence in the steering committee to the Police. The Steering Committee is supported by the WOG Secretariat (referred to as SAMSEK) with staff from the MFA and MoD.

The evaluation asked four main questions (EQs): 1) What have been the achievements both through **results** "on the ground" and in terms of Danish policies and inter-ministerial collaboration? 2) Use of the PSF in a sufficiently **strategic** manner, i.e., in terms of relevance of PSF funded programmes in relation to the given contexts; relevance to and alignment with Danish policies and priorities; coherence with and added value in comparison to other Danish and international efforts? 3) To what extent have programmes been **designed, implemented, and monitored** in a conducive manner to ensure effective interventions with maximum impact? 4) Have the arrangements for PSF **governance and management** been appropriate and adequate to facilitate the optimal and strategic use of the PSF, stronger inter-ministerial collaboration, appropriate leadership and guidance in implementation, knowledge exchange and learning?

The evaluation is based on a portfolio analysis and three case studies: in (i) the Horn of Africa (Ethiopia, Kenya, Somalia), (ii) Syria and Iraq; and (iii) the Sahel (Mali, Burkina Faso, and

Niger), and a light touch desk analysis in the Gulf of Guinea and Ukraine; and benchmark analysis of the UK's Conflict Stabilisation and Security Fund (CSSF).

Overall conclusion and specific findings

The PSF has been a relevant instrument for Denmark's engagement in fragile and conflict affected contexts, both at policy and programme level, in the period covered by the Evaluation. The programmes have provided openings to engage together with partners in protracted crisis situations, and seek to stabilise conflict situations, address root causes and conflict drivers whilst supporting peace efforts. Such engagement signals Denmark's values towards democracy, peacebuilding, support security and the rights of conflict affected populations even when overall contexts have deteriorated.

Evaluation Question 1: Results

There are short-term and medium-term results of PSF programmes. Short-term results include direct stabilisation efforts such as life-saving support, initiation of institutional reform steps, capacity building accomplishments, knowledge generation, documentation of human rights abuses, promotion of democratic processes, establishment of peace committees, creating spaces for public participation in policy making and delivery of equipment and training. Regarding medium-term results, the picture is more mixed, but some results were achieved, such as the return of Internally Displaced Populations (IDPs) in Iraq, reduced piracy threat and greater readiness of the East Africa Standby Force in the Horn of Africa and strengthened local conflict resolution practices in Liptako-Gourma region in the Sahel.

The crises situations in which Denmark has engaged through the PSF have, in most cases, deteriorated despite Danish and international efforts. The degree to which PSF programmes have been able to contribute to long-term peace and stability have remained modest. The Sahel crisis and the Danish military departure from Mali, the expanded territorial position of Al Shabaab in Somalia and the takeover by Taliban in Afghanistan, and not least the acute conflict in Ukraine bear witness to the complexity of contributing to peace and stabilisation. Denmark, with its likeminded allies and partners have had high, and at times unrealistic expectations, which have been challenging to meet.

The PSF has provided an institutional platform for a WOG approach, which is a key value addition in the Danish toolbox for engaging in international peace and stabilisation. The value of the WOG approach has been demonstrated in the regional programmes, not least because of the doors it opens to security mandated institutions. A major strength of the PSF is its regional dimension and coverage, although it has not yet been systematically capitalised on. Nevertheless, the understanding of *regional* often seems to host different interpretations among the stakeholders involved which weakens the clarity of objectives and the potential achievements.

The collaboration between the MFA and MoD has been consistent at governance level, and there are good examples where they have worked together. However, most work has been done separately, and the opportunities for complementarities have not been fully exploited. The MoJ has been a missing actor, despite its potential value addition. The presence of police advisers has strengthened the WOG approach in the programmes. However, the range of criminal activities and the need for capacity building of the security services, research and investigations of criminal network activities, strengthening of rule of law etc., have allowed for strategic gaps in the WOG approach of the PSF, due to the absence of the MoJ and its institutions.

Evaluation Question 2: Strategic use, prioritisation and alignment

The PSF has been used in a strategic manner. The PSF regional programmes as well as other one-off engagements have been aligned with Danish development policies and foreign and security policies and interests. The programmes have been prepared in line with Danish interests while also being relevant in terms of addressing the needs and priorities in the targeted contexts. Over time, PSF programmes have paid greater attention to cross-cutting priorities on human rights, gender, and more recently the Women, Peace, and Security (WPS) agenda. In line with Denmark's multilateral ambitions, Denmark has been well placed in coalitions and alliances and has thereby contributed to international efforts. The PSF has demonstrated its value as a flexible instrument that can quickly respond to emerging issues and address Danish interests. Yet, responses have at times been ad-hoc without consideration for longer-term strategic priorities and focus.

The absence of clearly defined terminology has allowed for flexibility and context-specific programming, but also reduced the precision of the Fund's purpose. Some further clarification of key concepts and terminologies could strengthen a shared understanding of what the PSF does and does not do.

The regional programmes and engagements have been coherent and aligned with those of international like-minded actors. There are good examples where Denmark, through the PSF, has been able to provide added value compared to the efforts of others. While broadly coherent with- and complementary to other Danish efforts and programmes, the synergies among PSF and other Danish assistance programmes across the Humanitarian, Development and Peace (HDP) nexus have remained limited. The opportunities for synergies and mutual reinforcement between PSF programmes and policy dialogue have been recognised, but not always utilised.

The WPS agenda (and the body of UN Security Council Resolutions underpinning it) has only recently become a priority for the PSF and cannot be traced as a priority in implementation in the period covered by the Evaluation.

There are some examples where complementarities between WOG partners reinforced results, demonstrating the real value addition of the PSF as an instrument. The approach enables analysis of different drivers of complex crises and opens for a broad palette of experience and interventions.

Evaluation Question 3: Design and implementation

The PSF programmes have been designed based political economy descriptions that remained quite broad, which did not always pay sufficient to security aspects, and interlinkages between different conflict drivers. Across the board, analyses could have been deeper. The work of researchers has not systematically been shared at senior management level (IMSC) and been used strategically to inform programmes. It is also unclear to what extent the analyses (conducted in connection with programming) have been shared and discussed by the WOG partners prior to making programme decisions.

The Theories of Change (ToC) have mainly focused on contextual and programmatic pre-conditions for the programmes, which has limited their usefulness. Some of the implicit, untested causal assumptions in the ToCs were unrealistic and overoptimistic. They revolved around the ability of capacity building interventions to generate behaviour change and the assumptions of linear progression from military liberation of areas. This was through the (re)-introduction of the state to regulate or deliver basic services, to be able to keep an area stable,

and for development programmes to “take over” and start a peaceful trajectory of long-term positive development actions.

The choice of implementing partners was appropriate considering resource constraints, the continuation of existing relations and contextual dynamics. In all programmes, there was relatively limited choice in terms of potential implementing partners with the right expertise. The direct implementation by MoD and the Police gave Denmark valuable entry points into national government institutions and access to decision-makers in the security sector.

The outcomes of programmes were not captured adequately, and the M&E put more emphasis on activities and processes.

Evaluation Question 4: Governance and management

The Inter-Ministerial Steering Committee did not sufficiently take up its role in terms of providing strategic direction and was not sufficiently used as a forward-looking strategic steering platform. In particular, the need to adjust approaches and reassess risks of engagement, has not been addressed sufficiently.

The human resources available for the monitoring and management of PSF, considering its regional coverage and involvement in a substantial number of programmes (as well as one off engagements) seem insufficient.

The PSF programmes by and large demonstrated a high in-built risk tolerance capacity. PSF procedures have allowed for a sufficiently flexible and adaptive implementation with significant room to revise, discontinue, or expand engagements throughout the programming cycle to reflect emerging challenges and opportunities.

There has been limited facilitation of learning across all programmes. A feedback loop has not been established, and reporting goes towards central level, with sporadic horizontal exchanges. There has been little visibility of the Fund and its programmes due to lack of a developed external communication strategy.

Evaluation recommendations and management response including follow up

Overall recommendation

The scale and complexity of crises and Denmark’s priorities of engaging in fragile and conflict affected settings (both in low- and middle-income contexts) calls for the PSF to be a central instrument in Danish foreign policy and security engagements. For the PSF to strengthen its relevance, effectiveness, complementarity and coherence, the WOG partners should urgently prioritise deep-dive strategic-level discussions among senior level representatives in the PSF, and key stakeholders on the objectives, scope, and priority areas for a PSF 2.0, in order to sharpen focus, priorities and delivery of results while taking note of the following recommendations.

The Inter-Ministerial Steering Group (IMSC) of the Peace and Stabilisation Fund welcomes this evaluation and its constructive recommendations. The findings from this evaluation will be used, inter alia, in a process of re-thinking the Peace and Stabilisation Fund aimed at making the Fund more fit-for-purpose in light of contextual and strategic developments since the Fund’s establishment. This work will be conducted in an inter-ministerial working group throughout

2022, and will include consideration of the recommendations made in the evaluation. External stakeholders will be invited to contribute to the process. The rethinking will include questions around the Fund's objectives, scope, and priority areas among others. As part of the rethinking process, issues related to striking an appropriate balance between the Fund's ambition on one hand and realistic assessment of the allocated resources on the other, will have to be considered.

Specific recommendations

Achievement of results

- 1. Conduct independent, in-depth context and stakeholder analyses that precede programming, and are updated at regular intervals. The purpose is to set realistic objectives which draw on Denmark's added value, deliver engagements that focus on key conflict drivers, and major opportunities for peacebuilding. This will also enable the PSF to draw on the most relevant and the best possible expertise, and to continuously re-assess risks, the need for adaptation, and potential exit points. Action: IMSC/SAMSEK/Implementing Units.*

The IMSC shares the view that context and stakeholder analyses, not least thorough analysis of conflict dynamics, are central to the success of projects and programmes funded by the PSF. New guidance for the Ministry of Foreign Affairs' development assistance related to peacebuilding and stabilisation – broader than but including the PSF - is being drafted, and will aim to include a strengthened focus on continuing context analysis, conflict responsive programming, and preparation of engagements with a view to future exit points built in from the outset.

Moreover, the Ministry of Foreign Affairs has recently adopted an approach of formulating country strategic frameworks, which exactly includes analyses that precede programming. This will be relevant for all Danish programming in the countries covered, including for future programming in the PSF, and will support implementation of the recommendation.

- 2. Strengthen the PSF's WOG approach between MFA and MoD and engage the MoJ—both at strategic level and in implementation in order to draw on MoJ institutions' expertise. The active role of MoJ calls for a budget for international engagement or a close cooperation with MFA on priorities and financing support. Action: MFA/MoD/MoJ/PMO.*

The IMSC agrees on the value of the WOG approach and shares the ambition to keep improving it. The MoJ is a part of the IMSC and thus a part of the whole-of-government (WOG) approach. The MoJ, like the MFA and MOD, will engage constructively as relevant. When considering the role of the IMSC and its WOG approach as part of the re-thinking process, the IMSC will look into how each Ministry best adds value to the PSF both at IMSC level and programmatically. The WOG partners, and their involved agencies, will participate as relevant in the working group on rethinking the PSF.

Strategic use, prioritisation and alignment

- 3. Strengthen a shared understanding of the scope, aims and boundaries of the PSF, and revise the PSF guidelines to place greater emphasis on conflict prevention and sustaining peace. Reflect on how peace and stabilisation are understood in the Fund, and the*

spectrum of interventions that they encompass, noting that peacebuilding and stabilisation are not opposing terms. New and different challenges, such as climate change related conflicts also call for a consideration of current and future issues to be addressed. Action: SAMSEK with approval by IMSC.

The IMSC agrees that there is room for a more explicitly shared understanding of the role of the PSF, including among external stakeholders. The process of rethinking the PSF has been initiated, and will include considerations about the scope, aims, thematic priorities, and boundaries of the Fund. The result will be made public and may serve to increase understanding of the PSF. Inclusion of climate change and conflict prevention as priorities will be considered.

The forthcoming internal MFA guidance on peacebuilding and stabilisation includes definitions of the terms, highlighting that they are not opposed, but rather that stabilisation is meant to create space for peacebuilding.

- 4. Continue to balance long-term programming and emergency response, while keeping emphasis on the long-term programming in regions and enhance the strategic use and complementarity of ODA and non-ODA funding at programme level. Ensure that any one-off engagements are aligned with the Fund's strategic objectives. Action: Embassies and IMSC.*

The IMSC agrees with the importance of continuing to align funding with strategic objectives. The share of funding for long-term programming and more immediate crisis and conflict prevention support respectively will be discussed in the rethinking process. So far the long-term programming has been the main bulk of the Fund's activities, which is likely to continue to be the case.

More emphasis will be given on ensuring that the use of ODA and non-ODA funds is strategically informed to create synergies and open opportunities for Danish support to peacebuilding and stabilisation. Non-ODA funds have so far been used to support efforts that were found in context analyses to be important, but not ODA-eligible. This has mainly been related to security and justice related issues. The rethinking process will identify if there are additional strategic uses for non-ODA funding, and if the current approach can be improved.

- 5. Ensure that Women, Peace, and Security (WPS) is mainstreamed into PSF programmes. One option would be to establish that a certain proportion of engagements must have a WPS focus at the level of overall or thematic objectives. Ensure that WPS engagement is more clearly integrated into monitoring and results frameworks. Action: Embassies and IMSC.*

The IMSC fully agrees and has focus on the mainstreaming of WPS into PSF programmes. Renewed focus on WPS has been part of the formulation processes of recently initiated programmes, which have become increasingly strong on the WPS agenda. All programmes have been reviewed in light of their contribution to WPS and adjustments have been made as necessary. The MFA has a Guidance Note on WPS from 2021, which has informed the programming processes and will continue to do so in the future with the expectation that this will lead to systematic mainstreaming and high quality of WPS inclusion in projects and programmes, in the most relevant form given the context. SAMSEK and the 1325 Inter-Ministerial Working Group follow a dedicated action plan for the Fund in the implementation of

UN Security Council Resolution 1325 (2000), which aligns with Danish priorities within the WPS agenda.

6. *Continuously improve complementarity with country programmes and other Danish and international programmes and modalities, and, in particular, see the PSF through the lens of its contribution in nexus approaches. Action: Embassies and SAMSEK.*

The IMSC agrees with the importance of continuously improving complementarity with both Danish and international modalities. As mentioned in the response to recommendation 1, the Country Strategic Frameworks will provide a foundation for programmatic work aimed at strengthening complementarity between the PSF and other Danish modalities. Consideration will be given to how SAMSEK may engage more actively in relevant country/regional/thematic task forces with due consideration of prioritization of resources. Attention will be on strengthening complementarity between civilian, police, and military instruments when these are employed. Moreover, PSF programmes will – like other modalities formulated for fragile contexts - strive to adopt a humanitarian-development-peace (HDP) nexus approach. This means, among other things, that context analyses will aim to cover issues across the HDP nexus. To assist improved nexus thinking, the MFA is developing internal guidance on operationalisation of the HDP nexus, which programme coordinators on PSF programmes and other relevant staff will be able to use. In addition, Denmark is increasingly working to strengthen HDP nexus approaches internationally, and the PSF provides good examples which feed into policy development in the nexus.

Design, implementation and monitoring

7. *Develop realistic ToCs, taking a more comprehensive range of assumptions and risks into account and see interventions as a non-linear progression towards positive outcomes. Use ToC analysis in the course of implementation to assess changes and adjustments. Action: Embassies and SAMSEK.*
8. *Enhance the focus on outcome level monitoring and evaluation in close collaboration with partners. This includes more strategic use of external knowledge/research capacities and strategic level annual reviews with a greater focus on opportunities and barriers; Action: Embassies and SAMSEK.*

The IMSC sees these as constructive recommendations to increase focus on theories of change in the design stage and to regularly re-visit them in order to assess how the assumptions on which PSF programmes are based have changed during implementation. This will include consideration of a broad spectrum of assumptions and risks, such as those relating to human rights, interlinkages between different drivers of conflict, and the choice of partners and engagements in challenging and volatile contexts. Context and stakeholder analyses are important tools in this respect. The aim will be to maximize the relevance and effectiveness of programmes and activities, and to minimize the risk of unintended negative outcomes. We also take note of the finding that some ToCs have been over-ambitious, and will emphasise realism in the definition of impact and outcomes in future programming. Future formulation processes will be advised to prioritise the realism of ToCs and results frameworks. Already formulated programmes, which are currently being implemented, will be invited to reflect on their ToCs as part of their regular reporting to the IMSC. Where relevant, adjustments may be sought in line with PSF Guidelines. Improvements to ToCs are also expected to contribute to the Fund's ability to monitor at outcome level. Moreover, a renewed focus on outcome level reporting will align

well with efforts to give the IMSC a more strategic role, and the interplay between the two issues will be explored in the re-thinking process

Governance and management

9. *Strengthen the strategic and interactive role of IMSC, both vis-a-vis political decision makers and other staff of the ministries involved. This includes:*

- *playing a role at the conceptualisation of programmes and communicate the overall strategic value of the PSF to external stakeholders;*
- *engaging in policy dialogue in the Danish context and ensuring this is reflected at programme level;*
- *drawing on research and implementation experiences in strategic discussions at the IMSC level to ensure these inform decision-making.*

Action: IMSC and SAMSEK.

The IMSC has included its governance structure and meeting formats in the rethinking of the PSF with a view to enabling more strategic discussion. The role of IMSC in the conceptualisation of new programmes has already been strengthened by the introduction of a discussion of identification notes early in the formulation process. This provides an opportunity for the IMSC to steer the direction and frame for new programmes. A communication plan – aiming at clarifying the role of the PSF in policy dialogue and its relations with external stakeholders – will be considered by the IMSC.

10. *Restructure the role of SAMSEK vis-à-vis the IMSC, to allow room for the latter to engage at a more strategic level in line with Recommendation 9. This entails reducing the reporting approval related tasks that the IMSC currently undertakes, if and when these can be carried out by SAMSEK instead. In the same vein, reassess the review and monitoring tasks of SAMSEK and the representations in the field with a view to reducing the time spent at each level, e.g., on partner administrative monitoring. Action: IMSC and SAMSEK.*

The IMSC agrees on the need for allowing room for strategic discussion. The IMSC and SAMSEK will therefore aim to ensure that programme monitoring and reporting are as streamlined and efficient as possible. Reporting obligations and formats will be assessed as part of the rethinking process of the PSF. Consideration will also be given to improving meeting formats and additional ways of improving the governance of the PSF.

11. *Increase sharing and management of knowledge among programmes (horizontally) and between field and Denmark (HQ). In addition, ensure that there are platforms or mechanisms for applied research to be shared and integrated into strategic discussions and planning. Action: SAMSEK, embassies and IMSC. Disseminate knowledge and experiences to the public through events, written/video material to-increase the visibility of PSF activities and results. Action: SAMSEK, embassies and IMSC.*

The IMSC agrees, and has already tasked SAMSEK to prioritise sharing and management of knowledge across programmes, between HQ and the field, and between the WOG partners and external experts and stakeholders. A seminar on re-thinking stabilisation was held on 29 March 2022 with public participation and expert speakers, and relevant units and agencies from the whole-of-government partners have attended a gathering on peace and stabilisation on 7-8 June

2022. Consideration of further learning opportunities and platforms or mechanisms will be included in the terms of reference for the working group for the re-thinking of the PSF.

In the longer term, considerations are being made to the effect of potentially including a budget line at Fund level for knowledge production and sharing. This would allow additional resources to e.g. make cross-cutting analyses drawing on lessons from several programmes in a more systematic manner. Human resources within SAMSEK is however not likely to increase, and all of the above will be implemented as possible within existing resources.

12. Increase human resources (both at HQ and in the field) and ensure the workload of staff goes beyond processing and allows time for proper analysis of programmes and learning across programmes. Action: MFA, MoD and MoJ.

The IMSC takes note of the evaluation's recommendation to increase human resources to manage PSF programmes at HQ and in the field. The IMSC agrees with the positive mentions of the work of stabilisation advisors for the effective implementation of programmes. The advisory set-up and staffing is being changed at the time of writing, and due attention will be given to ensure adequate follow-up.