How to Prepare a Medium-Term Sector Strategy: A Step-by-Step Guide

NIGERIA GOVERNORS' FORUM

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About the Nigeria Governors' Forum

The Nigeria Governors' Forum (NGF) is a coalition of the elected Governors of the country's 36 States. The NGF is a non-partisan association that seeks to promote unity, good governance, better understanding and cooperation among the States, and to ensure a healthy and beneficial relationship between the States and other tiers of government.

NGF was established in 1999 following a multi-party conference of all 36 democratically elected State Governors. The Forum is registered under Part C of the Companies and Allied Matters Act, (CAMA), 1990, and also draws its legality from Section 40 of the 1999 Constitution of the Federal Republic of Nigeria.

Contents

Foreword

As part of ongoing public financial management reform in Nigeria, States are of necessity required to produce a medium-term (usually three-year) expenditure framework that is informed by sector-specific, three-year, rolling medium-term sector strategies. A medium-term sector strategy presents policy priorities or strategic objectives, defines activities and proposes a budget to achieve these. Medium-term sector strategies help States to produce annual budgets that are strategic, realistic and forward looking. The medium-term sector strategy links to higher-level State Plans, and provides the basis for preparing annual budgets, work plans and cash flow projections.

Projects and programmes elaborated in detail and costed over several years in a medium-term sector strategy are more likely to be feasible and completed successfully than ad hoc projects and programmes.

The NGF, in producing this guide to preparing medium-term sector strategies, encourages States to adopt this approach to planning and budgeting. As well as having strategies that are more realistic with better outcomes, States will benefit from better governance and improved development performance.

How to Use this Step-by-Step Guide

How to Prepare a Medium-Term Sector Strategy is the second in the series of NGF *How to* guides. The series as a whole is designed to help executives, directors and managers in Nigerian Federal and State public services to build and operate services more strategically and more effectively.

How to Prepare a Medium-Term Sector Strategy is a step-by-step guide to developing and agreeing a medium-term sector strategy. It starts with explaining why medium-term sector strategies are important and then takes the reader through the three stages, step-by-step. Practical tools are provided to help senior officers to develop a medium-term sector strategy from scratch, or to review an existing strategy. The tools are of three types:

■ **Checklists** that help review where a sector is at the moment, identify strategic deficiencies and plan ways to prepare and put a medium-term sector strategy into practice

■ **Tips** to provide suggestions on tackling various tasks along the way

■ **Exercises** that can be used by individuals, working groups or decision makers in working through the process of preparing a medium-term sector strategy.

The *How to* guides are multi-purpose. Although they can be read from beginning to end, this may not be the best way to use them. Sectors may be at different stages in preparing medium-term sector strategies or may need to strengthen their work in certain areas. What is important is not to skip any steps, particularly in deciding priorities and getting buy-in from important parties. Time saved by cutting corners and not keeping those who need to know in the loop may lead to delays further down the track. If priorities have not been thought through or accepted by those with important roles to play in delivering the strategy the process may falter or stall.

How to guides are intentionally short and do not address the nuances of what are complex issues. They do not cover everything. The steps suggested are not exhaustive and there is scope to add further steps if needed.

This guide draws on the State Partnership for Accountability, Responsiveness and Capability (SPARC) report *Developing Medium-Term Sector Strategies: A Guide for Main Vote Controlling Ministries and their MDAs Final Report September 2012*. The sections *Further Reading* and *Useful Websites* refer readers to other sources where they may find further information and more detail on aspects of medium-term sector strategies.

About Medium-Term Sector Strategies

What is a Medium-Term Sector Strategy?

A medium-term sector strategy links policy, planning and budgets. Whereas State policies define the big picture and long-term goals, medium-term strategies set out specific inputs and activities to deliver specific outputs in the medium term. A medium-term sector strategy is thus a road map that combines ambition and realism, and clearly plots priorities, deliverables and costs. It shows the chain of results that will achieve policy goals (Figure 1).

A medium-term sector strategy sets out the projects and programmes that will be carried out in a sector over a three-year period, how much each programme and project will cost, where the money for them will come from and who will carry them out.

Medium-term sector strategies are part of the broader process of policy making, planning and implementation dealt with in the first in the series of NGF *How to* guides on policy and strategy.

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#### Definition of Medium-Term Sector Strategy

A document that describes how a particular vote head, or small cluster of vote heads, will deliver outputs that will contribute to cross-government outcomes. The document describes how this will be done in the medium-term – usually three years – and within the limitations of resource constraints, so that it is realistic.

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Why Prepare a Medium-Term Sector Strategy?

A compelling reason for preparing medium-term sector strategies is that they help government ministries, departments and agencies make the best use of State Government resources to deliver public services and improve the welfare of citizens. Medium-term sector strategies are important in translating State Government policies – the big picture and long-term goals – into road maps for actions that make a difference on the ground.

Another reason is to streamline planning and budgeting. In preparing medium-term sector strategies, officials

Figure 1: Medium-term sector strategies link policy and strategy in a results chain
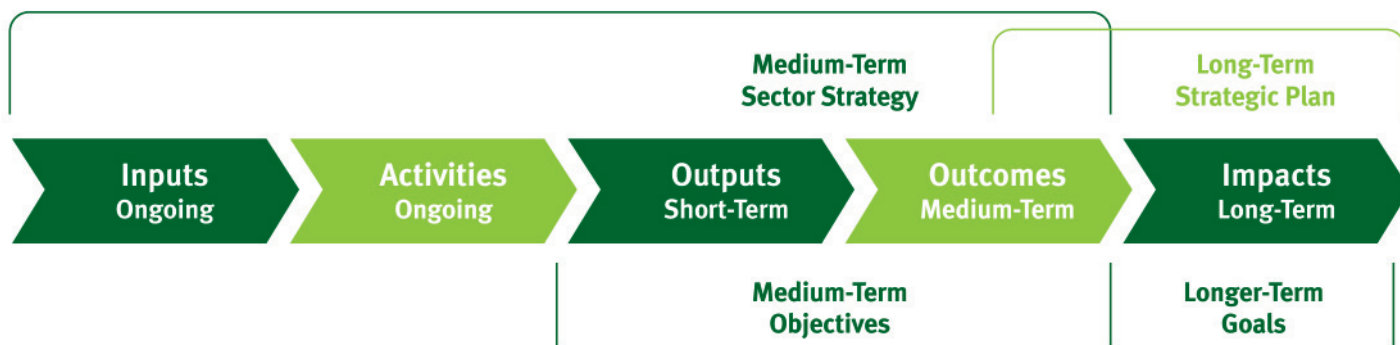
Example of a long-term impact: 'a well-educated population contributing to economic growth'

Example of a medium-term outcome: '50% of secondary school leavers are qualified to enter university by 20XX'

Example of a short-term output: '5% more qualified teachers recruited each year'

Example of an ongoing activity: 'XXXX teachers trained each year'

Example of an ongoing input: 'purchase and maintenance of computers for schools'

Figure 2: How vote heads work individually and collectively to prepare medium-term sector strategies to achieve long-term policy goals

Vote Heads
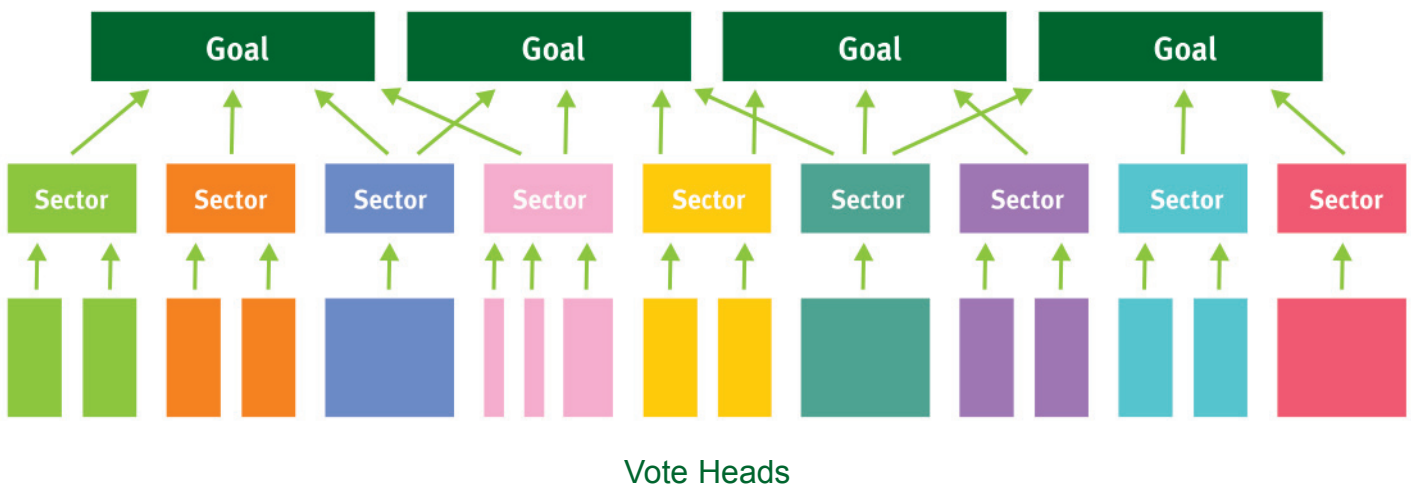
have to factor in ongoing costs, for example, of maintaining capital investments in future years. Medium-term sector strategies also allow officials to allocate the costs of capital investments over several years rather than one year. This is more realistic given that many capital projects take several years to complete. Medium-term sector strategies can take account of differences between sectors but, at the same time, provide decision makers with a consistent framework for allocating sector budgets from year to year.

Perhaps most important of all, medium-term sector strategies shift the emphasis from inputs to outputs, that is, they encourage 'results-based management', in other words, delivering results to achieve policy goals.

Who Should Prepare a Medium-Term Sector Strategy?

Preparing medium-term sector strategies involves a wide range of people at different stages, from political leaders to representatives of grassroots organisations. Usually, a sector committee leads the process, often backed up by a central planning agency and development partners.

In some sectors, a single vote head – the ministries, departments and agencies under a single accounts code – will mostly lead the preparation of the medium-term sector strategy for that sector. But sectors quite often cut across the organisational remits of vote heads. In these
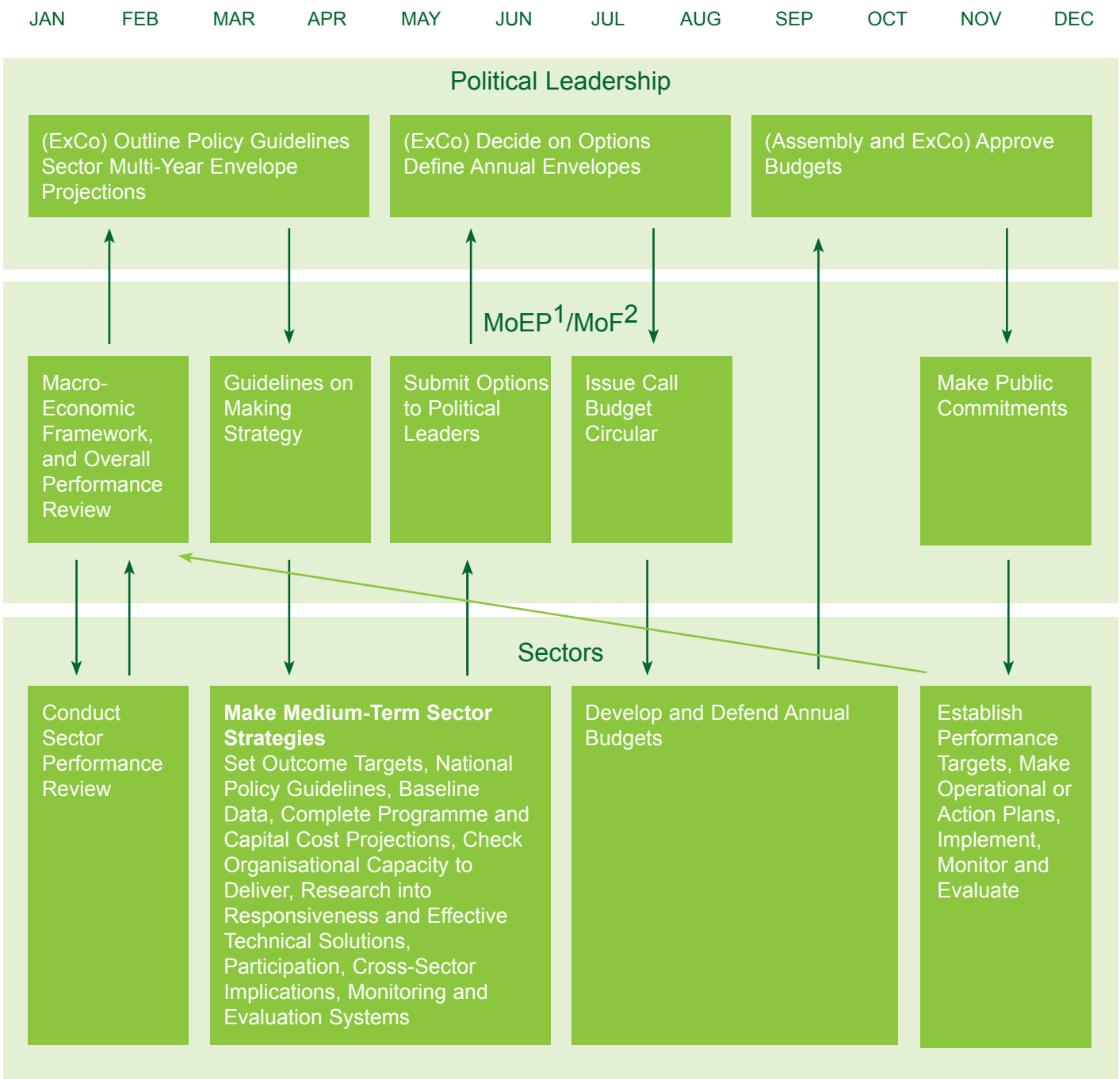
sectors, all the vote heads relevant to the sector will need to be involved. This means that in some cases a single vote head will prepare a medium-term sector strategy but, in other cases, several vote heads will work together (Figure 2).

When Should Medium-Term Sector Strategies Be Prepared?

Medium-term sector strategies are living documents that need to be revised annually (Figure 3). Each year, between January and March, performance in the previous year is assessed, lessons learned are evaluated and the strategy is adjusted for likely changes in the amount of money that will be allocated to the sector over the next three years.

The results of this review feed in to work between April and July when most of the preparation or revision of medium-term sector strategies takes place. Between August and the end of the year political leaders review medium-term sector strategies and approve sector budgets for the following year. This cycle repeats each year.

Figure 3: Annual cycle for preparing or revising medium-term sector strategies

| JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |

Political Leadership

| (ExCo) Outline Policy Guidelines Sector Multi-Year Envelope Projections | (ExCo) Decide on Options Define Annual Envelopes | (Assembly and ExCo) Approve Budgets |

MoEP[1]/MoF[2]

| Macro-Economic Framework, and Overall Performance Review | Guidelines on Making Strategy | Submit Options to Political Leaders | Issue Call Budget Circular | Make Public Commitments |

Sectors

| Conduct Sector Performance Review | **Make Medium-Term Sector Strategies** Set Outcome Targets, National Policy Guidelines, Baseline Data, Complete Programme and Capital Cost Projections, Check Organisational Capacity to Deliver, Research into Responsiveness and Effective Technical Solutions, Participation, Cross-Sector Implications, Monitoring and Evaluation Systems | Develop and Defend Annual Budgets | Establish Performance Targets, Make Operational or Action Plans, Implement, Monitor and Evaluate |

[1] Ministry of Economic Planning (MoEP)

[2] Ministry of Finance (MoF)

How Should Medium-Term Sector Strategies Be Prepared?

There is no hard and fast way of preparing a medium-term sector strategy. Ideally, however, preparing a medium-term sector strategy should cover the following:

1. Carrying out an annual performance review of the sector that includes monitoring public opinion

2. Obtaining estimates of likely budget allocations for the three years ahead from central planning

3. Reviewing State, national and international policies and adjusting sector priorities in line with these

4. Adjusting sector priorities taking into account baseline data and operational research

5. Developing strategy options to deliver sector priorities

6. Checking that proposed strategy options involving collaboration with partners, such as federal and local governments, the private sector and civil society, are feasible and that they comply with impending changes in laws and regulations

7. Checking the implications of proposed strategy options for other sectors

8. Developing programmes and specifying what they require in terms of personnel, administration, overheads and ongoing contracts

9. Fitting capital and recurrent costs for medium-term sector strategy programmes to projected budgets

10. Checking that programme options are technically feasible

11. Checking that programmes are organisationally feasible

12. Preparing annual budget submissions based on costed programmes

13. Setting up a system involving both government and public representatives to monitor how the strategy is being carried out.

Bear in mind that although, ideally, all these things should be done, circumstances in States differ widely. Sectors in different States may not be able to do all that is listed because the right conditions are not yet in place. Where conditions are not ideal, sectors can still take some of the steps towards preparing a medium-term sector strategy. Just beginning the process can streamline planning within a sector and perhaps even prompt changes to make conditions more conducive.

Getting Started

Before starting to prepare a medium-term sector strategy, it is useful to assess the circumstances you will be working with.

A medium-term sector strategy is as much political as it is technical. A technically sound medium-term sector strategy may have limited value if there is no political commitment. Political commitment takes place at two levels. The first level involves commissioners and permanent secretaries as leaders in sector planning. Since the medium-term sector strategy sets out goals, objectives and programmes, as well as the allocation of resources, commissioners are important in ensuring ownership at the highest levels in the sector. The second level of political commitment is the Governor's commitment to budget realism. If a Governor is committed to limiting planning and spending to the resources available to the State, it will augur well for the success of a medium-term sector strategy.

The following checklist will help to assess how favourable conditions are for developing a medium-term sector strategy.

Checklist: Getting Started

☐ Is your senior management committed to preparing a medium-term sector strategy?

☐ Is your senior management prepared to implement a medium-term sector strategy?

☐ Can you get help to develop a medium-term sector strategy?

☐ Will time be set aside to prepare a medium-term sector strategy?

☐ Will you have a budget?

Once you have an idea of the situation there are some important questions to think about.

- Gathering and analysing data on how your sector is performing
- Finding out approximately how much money will be allocated to the sector over the next three years
- Working out what expenditure the sector has already committed to over the next three years.

Step 1A: Set Up a Medium-Term Sector Strategy Committee

Step 1A involves setting up a medium-term sector strategy committee. The process of preparing a medium-term sector strategy needs a good driver. Usually this driver is a committee. Medium-term sector strategy committees need to be made up of senior officers who represent key areas in the sector. Committees generally work best when they are not too large – preferably around 10 members. Too many members often means that there are too many vested interests and this leads to protracted negotiations.

Exercise: Questions to Consider Before Preparing a Medium-Term Sector Strategy

Give some initial thought to these questions.

- Who will develop the medium-term sector strategy?
- What process will you use?
- How will you go about developing the strategy?
- What will be the key milestones?
- How will you keep people informed and involved?
- What help will you need?
- Who can provide this help?
- Over what timeframe will the strategy be developed?
- Who will sign off on the strategy?
- How much will preparing the strategy cost (for example, running workshops, meetings)?

There are no 'right' answers to these questions. The answers will depend on the State, the sector, the resources available and the challenges faced. But the questions apply to all sectors.

Stage 1. Prepare and Review

Stage 1 lays the foundations for developing a medium-term sector strategy – setting up a committee to oversee the process and gathering background information on the big picture and the government's long-term goals. In this stage a strong medium-term sector strategy committee will be formed. The committee is important for driving the development of the medium-term sector strategy. Information will also be gathered on government policies that affect the sector, what is actually happening in the sector and on likely financing for the sector in the next few years. This information is important for finding out what the government wants in the sector, the current situation, and deciding to what extent, how and when the sector might deliver government goals in the medium term given the resources available.

Stage 1 will involve:

- Setting up a medium-term sector strategy committee
- Reviewing policies relevant to your sector

Checklist: Medium-Term Sector Strategy Committee

- ☐ Have you set up a medium-term sector strategy planning committee for your sector?
- ☐ If there is a committee, do you need to modify the membership?
- ☐ Who are the members of the committee?

Position   Ministry, department or agency

1 _____
2 _____
3 _____
4 _____
5 _____
6 _____
7 _____
8 _____
9 _____
10 _____

- ☐ Are key areas in the sector represented?
- ☐ Do members of the committee have the skills to develop the medium-term sector strategy?
- ☐ Are there terms of reference for the committee covering the overall function, tasks, membership, appointments and responsibilities?

Among them, committee members should have the skills that will be necessary to develop the strategy. The committee will be responsible for planning and managing the process, and assigning specialised tasks, such as costing, to officers in ministries, departments and agencies who have the skills required.

Step 1B: Review Policies Relevant to the Sector

Step 1B is reviewing policies that affect the sector. Political leaders are responsible for developing policy. Sectors are responsible for translating policies into practice. This means that State visions, agendas, development strategies and other policy documents will need to be checked to seek guidance on directions for the sector.

Tip for Members of the Medium-Term Sector Strategy Committee

Collect all relevant policy documents and examine them for guidance on policy goals relevant to your sector.

In States where policies for a sector are limited or vague, this does not mean preparation of a medium-term sector strategy cannot be started. Knowledge of the sector can be drawn on to make suggestions as to what the long-term policy goals for the sector might be.

These ideas can then be put forward, ideally through a State Commissioner, to the State Executive. The response from the Executive will indicate whether the ideas align with theirs.

It is useful to draw out and list the main long-term policy goals relevant to the sector. Use the list as a constant reminder of what the contribution of the sector should be to achieving government goals.

Exercise: List Long-Term Policy Goals Relevant to Your Sector

From your review of policy documents list the main long-term policy goals relevant to your sector:

Note any likely State or national government changes in policy:

Exercise: List Policy Documents Providing Guidance Relating to Your Sector

Type of Document	Title of Document(s)	Year
■ 'Vision' for the State		
■ State Governor's 'agenda'		
■ State Plan		
■ State Economic and Empowerment Development Strategy (SEEDS)		
■ Sector plan for the State		
■ Relevant national policy for the sector		
■ Strategies or plans in the sector ministry		

Exercise: Data and Information on Sector Performance

Describe or Comment

■ What data are available to describe the current situation in the sector?

■ What data are available on the socially disadvantaged, for example, handicapped people, in the sector?

■ What sex-disaggregated data for the sector are available?

■ Are there any reports from monitoring systems in the sector?

■ What performance reviews of the sector are available?

■ Is there any information on the impact of previous programmes in the sector, what has been successful and what has not been successful?

■ Are there any gaps in the information about the sector?

■ Will it be possible to plug any information gaps as part of the process of developing the strategy?

■ Is there sufficient information to write a section in the medium-term strategy describing the current situation?

Step 1C: Gather and Analyse Data and Review Sector Performance

Step 1C involves gathering and analysing information on how the sector is performing. In this step, all available data and information on the sector need to be examined to obtain a clear picture of the current state of affairs. Each State and sector will have different sets of data and different kinds of information and so will tackle this step differently. What needs to be done is to describe the current situation in the sector as thoroughly as possible.

Tip for Members of the Medium-Term Sector Strategy Committee

Early on, quickly assess what data and information is available. Decide whether it will be possible to plug any gaps as part of the strategy-making process.

Analysing data and information about the sector can be done in several ways, for example by examining strengths, weaknesses, opportunities and threats – a SWOT analysis. This kind of analysis – often done as part of a strategy workshop – will help to describe where the sector is now and is important for developing strategy options to get the sector from where it is now to where it needs to be.

Step1D: Obtain Projections of Funds Available to the Sector

Step 1D will determine approximately how much money will be allocated to the sector over the next three years. Most money allocated to sectors will come from the State Government. However, some funds may come from other sources, for example from the Federal Universal Basic Education Commission, the Conditional Grants Scheme or international development assistance. All the funds that will come to the sector need to be included in projections of revenue.

Exercise: Analyse Strengths, Weaknesses, Opportunities and Threats

Fill in the matrix looking at strengths and weaknesses within the sector and opportunities and threats in the external environment for the planning period (three years). Discuss and come to a conclusion on strengths and weaknesses in the sector and the opportunities and threats.

SWOT Analysis

Sector Strengths	Opportunities for the Sector
Sector Weaknesses	Threats to the Sector

Exercise: Revenue Projections

Describe or Comment

- How realistic are sector budgets in the State?

- Are budget envelope projections provided by the central planning ministry by April each year?

- What funding has actually been received by the sector in the previous two or three years?

- Is the estimate of funds available to the sector realistic?

- Are there other sources of revenue tied to specific activities, such as programmes of development partners for training, drugs, buildings?

The amount of money the sector will have available (discretionary funds) to spend on projects and programmes can be calculated from the projections of the funds coming to the sector and the annual spending commitments (staff and overhead costs), as can be seen in the following example.

Example: Calculation of Discretionary Funds for a Medium-Term Sector Strategy
(Illustrative Amounts Only)

A	**Initial general revenue ceiling**		**5,000,000,000**
B1	Current personnel costs	2,000,000,000	
B2	*Less* planned retirements, etc.	150,000,000	
B3	*Plus* additional staff required to implement strategy	190,000,000	
B4	**Total personnel cost**	**2,040,000,000**	**2,040,000,000**
C	**Balance remaining**		**2,960,000,000**
D1	Current overhead costs	870,000,000	
D2	*Less* costs not operationally necessary	225,000,000	
D3	*Plus* extra costs determined by strategy	552,000,000	
D4	**Total overhead costs**	**1,197,000,000**	**1,197,000,000**
E	**Balance remaining**		**1,763,000,000**
F	*Less* existing capital commitments		1,133,000,000
G	**Balance remaining for new capital projects**		**630,000,000**
H	Cost of proposed new capital projects		620,000,000
I	**Balance remaining (discretionary funds available)**		**10,000,000**

Note that the calculation allocates funds to run or maintain infrastructure and new programmes. There may also be non-discretionary funds tied to specific lines of expenditure. Discretionary funds can be spent on any activity.

Step 1E: Calculate Existing Sector Contract and Budget Commitments
Step 1E works out what expenditure the sector has already committed to over the next three years. In preparing a medium-term sector strategy all existing commitments need to be listed to determine what discretionary funds will be available to spend on new programmes. Note that funds can be allocated for projects underway but not yet completed by spreading the cost over the remaining years they will take to complete.

Checklist: At the End of Stage 1
At the end of stage 1 check that there is:

- ☐ A committee to lead the process of developing a medium-term sector strategy
- ☐ A list of the main policy goals relating to the sector
- ☐ A description of the current state of the sector and how it is performing
- ☐ An estimate of the amount that will be allocated to the sector in the next three years
- ☐ The projected commitments for the sector in the next three years and the amount of discretionary funds that will be available.

Exercise: Calculate Discretionary Funds for Your Sector
(Use Best Estimate Amounts)

A	**Initial general revenue ceiling**
B1	Current personnel costs
B2	*Less* planned retirements, etc.
B3	*Plus* additional staff required to implement strategy
B4	**Total personnel cost**
C	**Balance remaining**
D1	Current overhead costs
D2	*Less* costs not operationally necessary
D3	*Plus* extra costs determined by strategy
D4	**Total overhead costs**
E	**Balance remaining**
F	*Less* existing capital commitments
G	**Balance remaining for new capital projects**
H	Cost of proposed new capital projects
I	**Balance remaining (discretionary funds available)**

Stage 2. Develop Strategic Priorities and Strategic Options

Once stage 1 has been completed and there is as good a picture of the current situation as possible, it is time to shortlist ways to address the major problems and grasp the opportunities that have been identified in stage 1.

Stage 2 involves:

- Arranging sector-wide sessions to decide strategic priorities
- Developing strategic options
- Assessing strategic options and their cost
- Preparing the presentation of strategic options for political assent.

In stage 2 it is useful to get a political 'nod' on options early in the process. Presenting a Governor with a list of options late in the game may not be advisable, especially if it is not an area in which there is much political interest, or which a Governor did not originate. It is also useful to involve civil society. This can be done by inviting representatives of groups relevant to the sector to take part in meetings and discussions. Arranging this participation may take time but the process of developing strategy cannot be hurried. It usually takes three to four months. Time taken to get buy-in is well spent.

Step 2A: Arrange Sessions to Decide Strategic Priorities
Step 2A involves arranging discussions to decide

strategic priorities. To kick off the process of developing a medium-term sector strategy, the committee needs to arrange a preliminary sector-wide session. This session will bring together a range of stakeholders and technical staff. The group will either revise the sector strategy if one already exists, or start developing one from scratch. If this is the first strategy for the sector, the first session usually takes the form of a five-day workshop.

Tip for Central Planning Agencies
Give responsibility for developing and running strategy sessions to planning departments in relevant sector ministries, departments and agencies.

At the preliminary session the group will assess the current situation and what is likely to happen in the future based on the information the committee gathered and analysed in step 1. The group will need to discuss sector policy goals, and consider strengths and weaknesses in the sector. The discussion can then move on to putting forward priorities for the sector and listing strategic options.

Checklist: Arranging a Kick-Off Strategy Session
- ☐ Permanent secretaries, commissioners and relevant members of State Houses of Assembly have been invited
- ☐ Directors of each department in sector ministries have been invited
- ☐ Directors or chairmen of each ministry, department or agency in the sector ministry have been invited
- ☐ Officers with relevant specialist technical knowledge have been included
- ☐ Representatives of relevant non-governmental organisations, professional and business associations, and women's groups, for example, have been invited
- ☐ The group is a manageable size – not too large
- ☐ A presentation covering the main points of the information gathered in stage 1 has been prepared
- ☐ Preliminary calculations of discretionary funds available for the strategy are ready so that discussions can be realistic.

Tips for Involving Civil Society in Developing Medium-Term Sector Strategies
- Explain the limitations of strategic plans such as medium-term sector strategies, for example financial constraints, so that civil society representatives have realistic expectations
- Invite civil society representatives to provide information on strategies that have worked and those that have not
- Invite civil society representatives to provide information about how non-governmental groups can help government deliver services
- Keep in mind the fact that civil society groups represent different interests and may not agree with each other on which strategies should be adopted.

When the group has agreed on the priorities for the sector and drawn up a list of strategic options (projects and programmes), ideally the options need to be put to politicians and a range of senior management, staff and high-level decision makers to get their initial reactions. If projects and programmes are to be adopted and plans made to deliver them, politicians in particular must be supportive, and senior management and high-level decision makers must agree that these are indeed the options to be considered to achieve policy goals.

The strategic options then need to be examined in detail. The committee may want to split the large sector-wide group into smaller sub-sector groups for detailed work on strategic options before bringing the whole group together again to review them.

Checklist: Strategic Priorities

☐ Sector-wide group has reviewed the current situation and what is likely to happen in the future based on the information the committee gathered and analysed

☐ Sector-wide group has agreed strategic priorities

☐ Sector-wide group has developed a draft list of strategic options

☐ Draft list has been discussed with a selection of senior management

☐ Draft list has been discussed with a selection of staff

☐ Draft list has been discussed with politicians and high-level decision makers

☐ Small sub-sector groups have been tasked with detailed work on strategic options.

Step 2B: Develop Strategic Options

By now, senior officers in the sector will have agreed priorities and the draft list of strategic options. In Step 2B these will be developed further. Now the committee needs to get the people who will be responsible for delivering projects and programmes involved in fleshing out the strategic options further. If projects and programmes that are unrealistic are imposed from above, the strategy is not likely to succeed. Sector sub-groups will be responsible for seeing that the strategic options are financially and organisationally feasible.

Fleshing out the strategic options means developing projects and programmes that will deliver medium-term sector outcomes that will contribute to achieving long-term sector policy goals. For each project or programme there will be:

■ A description of the outputs and outcomes in the medium term that will contribute to achieving a long-term policy goal

■ A description of the activities that will be undertaken in projects and programmes over three years

■ The cost of each activity

■ A statement of where the funds will come from to cover the costs.

A medium-term strategy usually has no more than six or eight key projects or programmes.

Tips for Developing Strategic Project or Programme Options

■ Analyse information on the sector and draw on expert knowledge

■ Build on experience rather than do exactly what has been done before

■ Think constructively about the balance between capital and recurrent expenditure over the term of the strategy

■ Think about how other players, such as the private sector, development partners and civil society, can contribute

■ Take technical and capacity limitations into account

■ Identify both new and current activities

■ Ensure strategy options are politically relevant.

Tips for Setting Objectives

■ Set objectives with the participation of those responsible for carrying out projects and programmes. Do not impose objectives from above

■ Set reasonably challenging objectives

■ Set objectives that are realistic and feasible

■ Clearly state objectives in writing

■ Set targets that are SMART: Specific, Measurable, Attainable, Relevant and Time-bound

■ Set objectives that relate to each other – short-term objectives to medium-term objectives and medium-term objectives, in turn, to long-term objectives.

Part of the process of developing strategic projects and programmes involves setting clear objectives and key performance indicators for each (see *How to* guide on monitoring and evaluation). Each project and programme must also be costed. A log frame is useful for recording this information.

Exercise: Complete a Programme Log Frame
(Examples for Completing the Various Boxes Are in Italics)

- **Sector 1.0:** *e.g. Education*

- **Programme:** *e.g. Secondary education*

- **Policy outcome:** *e.g. By 2020, 60% of secondary-age children in the State are equipped with skills that allow them to take up gainful employment or move on to higher education*

- **Medium-term output (SMART target):** *e.g. By 2014, 30% of secondary-age children, regardless of gender, faith, social background or special needs, complete secondary school, with at least a third of these obtaining results that allow them to proceed to tertiary education*

- **Sub-output 1.1:** *e.g. An adequate number of qualified teachers for achieving the medium-term output are in service and providing good quality education in public schools*

- **Target 2013:** *e.g. The number of qualified teachers increases by 5% a year*

Exercise: Complete a Programme Log Frame
(Examples for Completing the Various Boxes Are in Italics) **Continued...**

Activities			Cost '000 Naira			MTSS activity code	MDA responsible
2011	2012	2013	Year 1	Year 2	Year 3	1.1.1	*Ministry of Education*
e.g. Employ existing teachers	*Employ existing teachers including those taken on in 2011*	*Employ existing teachers including those taken on in 2012*	*641,000*	*673,000*	*708,000*		
e.g. Increase number of teachers by 5% over 2010 level in January 2011	*Increase number of teachers by 5% over 2011 level in January 2012*	*Increase number of teachers by 5% over 2012 level in January 2013*	*32,250*	*34,400*	*35,690*	*1.1.2*	*Ministry of Education*

The planning team can put together the strategic project and programme options and the objectives for each into an overall draft strategic log frame. If the total cost of projects and programmes exceeds the amount the sector is to be allocated, then the draft may need to be revisited to keep the total within the allocation for the sector. Revising the draft may mean:

- Postponing some programmes
- Dropping some proposed programmes or activities
- Preparing to make a very strong case to political leaders for additional (no more than 10% of the sector allocation) resources (bearing in mind that if they agree it will take away resources from other sectors).

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Checklist: Strategic Options

- ☐ Senior management has agreed a list of strategic options
- ☐ The number of strategic options is realistic
- ☐ Operational teams have turned options into costed projects and programmes with set objectives and targets
- ☐ All objectives are SMART
- ☐ A draft strategic log frame setting out programmes, objectives, targets and costs has been prepared
- ☐ The organisational implications of the strategy have been considered and there are proposed strategies to deal with them
- ☐ The budgetary implications of the plan have been considered and budgets are realistic.

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Step 2C: Assess and Cost the Draft Medium-Term Sector Strategy

In step 2C, the projects and programmes in the draft strategy are costed and assessed in detail. Budgeting, financial analysis and reporting are complex subjects that do not fall within the scope of this guide. It is however crucial that a proper financial assessment of the medium-term sector strategy is undertaken at this stage. The strategy must be realistically budgeted. This step is usually done by budget officers. It involves:

1. Estimating the cost of the activities in the draft strategic log frame
2. Working out how to put the costs into budget submissions
3. Ensuring that the total cost of the strategy is no more than the funding available.

Step 2D: Prepare to Present the Draft Medium-Term Sector Strategy for Political Assent

Step 2D is preparing to get political agreement to finalise the strategy. Steps 1A–1E and 2A–2C should give a realistic draft medium-term sector strategy that can be presented to political leaders for their assent. The strategy will explain the rationale for the programmes proposed for the sector and show that the strategy is doable within the funding available.

It will then be up to political leaders to give their assent. But remember, leaders can be influenced by high-level

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Exercise: Considering and Evaluating a Draft Strategy

Try answering the following questions about the draft strategic log frame:

- ■ In order to achieve medium-term outputs that will contribute to sector policy goals, what infrastructure and operational costs *(e.g. in the education sector, number of schools, classrooms, teachers, books)* do you need?
- ■ How does what you need compare with what you have now? What are the current infrastructure and operational costs?
- ■ What do you need to do each year to close the gap between what you have now and what you need by the target date?
- ■ What do you need to do to improve the standards required by sector policy goals *(e.g. to improve standards in nursing or teaching)*
- ■ How are you going to make these improvements *(e.g. through a training programme)*?
- ■ Can some of the improvements be achieved by changing regulations *(e.g. in the agricultural sector would changing regulations on market prices improve farmers' profits, be enforceable or affect incentives to expand production)*?
- ■ Does your sector really have the human and organisational capacity to carry out the programmes in the strategy?
- ■ Are there technical issues that would prevent programmes being successful?

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statesmen and public opinion. To smooth the path, at this stage the medium-term sector strategy committee may find it useful to approach Commissioners and Chairs of State House of Assembly Committees to brief them on the options that were considered, the implications of different options and why certain options were chosen. Bringing such influential people together in a high-level group can be particularly useful in getting assent from the executive and legislature. Convening a forum to consult the public may also influence leaders to go with options preferred by citizens.

Stage 3. Get Agreement and Finalise the Strategy

Stage 3 involves getting political assent for the strategy, finalising the strategy document and preparing a budget submission based on the strategy. The aims of stage 3 are to:

- Seek approval from the political leadership for the medium-term sector strategy
- Finalise the medium-term sector strategy
- Prepare the sector budget.

Step 3A: Seek Political Approval

Step 3A is about getting political assent. If Governors were consulted and commissioners or a high-level group were involved in strategy sessions, they may already be in favour of the strategy. In this case, politicians may approve the medium-term sector strategy without further ado.

If, however, political leaders are not ready to approve the strategy, there will need to be formal discussions to get their buy-in. Their backing is essential to secure the budget for the strategy.

Step 3B: Finalise the Medium-Term Sector Strategy

Step 3B involves finalising the strategy document once political leaders have given their approval. The document will:

- Describe the strategic planning process
- Describe the sector priorities and explain how these priorities were chosen
- Explain how projects and programmes will deliver outputs and outcomes that will contribute to achieving policy goals
- Set out the costs and resources required
- Explain how performance of the strategy will be monitored.

The outline table of contents for a medium-term sector strategy document given in the following example is generic. The content is not set in stone. The contents can be adapted to particular requirements.

Looking at medium-term sector strategies prepared in other sectors, or for the same sector in other States, may provide ideas about how best to organise the content of the document.

Step 3C: Prepare the Sector Budget

Step 3C is preparing a budget submission for the sector. Ideally, ministries, departments and agencies should base their budget submissions on medium-term sector strategies. If ministries, departments and agencies are involved in more than one sector, their budgets will have to take account of the medium-term sector strategies for each of those sectors.

Budgets based on medium-term sector strategies:

- Clearly link activities and programmes to policy goals
- Are realistic because they are based on the resources available.

The projected budget allocations given to the medium-term sector strategy committee when planning started may have changed while the strategy was being prepared, for example because of fluctuations in oil prices or changes in the revenue from value-added tax. Budgets may have to be adjusted – up or down – to take account of changes in allocations. Once a project is included in a medium-term sector strategy, it cannot be abandoned. If it is not completed it can be rolled over to the next period, unlike before when abandoned projects proliferated.

Example: Table of Contents for a Medium-Term Sector Strategy

Foreword
Table of contents
Acknowledgements
Abbreviations
Annexes

1   Introduction

1.1	Aims and objectives	A brief section explaining where the medium-term sector strategy fits among the planning documents for the State and the sector.
1.2	Summary of the process	A description of how the medium-term sector strategy was developed, and who was involved. This section highlights any weaknesses in the process and how these will be addressed in revising the strategy in subsequent years.
1.3	Summary of conclusions	A short, snappy summary of the key strategic directions for the sector, why these priorities were chosen and how they make best use of the budget available to the sector.
1.4	Outline of the structure of the document	A summary of what is in each chapter.

2   State sector policy

2.1	Brief introduction to the sector in the State	A brief introduction to issues that are particularly relevant to the sector in the State, for example, population growth and distribution, current demand for sector services in different parts of the State, potential growth in demand.
2.2	Current situation in the sector	An analysis of the current quality and levels of service based on the available data, surveys, research and performance reviews, setting out the key challenges. (Put data in annexes rather than making this section too long.)
2.3	Sector policy	A description of the main policy goals for your sector. Refer to relevant documents, such as State Plans and national policies relating to the sector.

3   Developing sector strategy

3.1	Strategic challenges	A description of the main challenges identified and discussed in strategy meetings.
3.2	Sector resources	A description of projected revenue for the sector, recurrent and capital commitments, amount available for discretionary spending and any resource constraints.
3.3	Contributions from partners	A description of partner activities in the sector (may include donor, NGO, federal and local government, private sector, public–private partnerships, religious and other organisations' projects and programmes).
3.4	Links within the sector and with other sectors	A description of: ■ Programmes which run across MDAs in the sector ■ How your programmes contribute to broader policy goals outside the sector ■ How programmes in other sectors contribute to goals in your sector.
3.5	Summary of key strategies	A description of the main medium-term strategies and main activities associated with them. (Attach the log frame as an annex.) Explain how the strategy builds momentum and growth (e.g. by building skills and putting in place processes rather than just buying things).
3.6	Justification	An explanation of how and why projects and programmes were chosen. State the criteria for choosing each (e.g. cost effectiveness, expected benefits, expected impact) and explain how each will contribute to a policy outcome. Give the reasons why certain options were discarded (e.g. too costly, lack of skills to carry through).
3.7	Results framework	A description of the targets the strategy has set.
3.8	Responsibilities and operational plan	A description of the organisations responsible for carrying out the different components of the medium-term sector strategy.

Example: Table of Contents for a Medium-Term Sector Strategy *Continued...*

Checklist: At the End of Stage 3

At the end of stage 3 check that you have:

☐ Political approval for the medium-term sector strategy

☐ A medium-term sector strategy document that you can share

☐ A sector budget ready for policymakers to approve.

Monitoring a Medium-Term Sector Strategy

Systematically reviewing progress is fundamental to the successful delivery of a medium-term sector strategy. Performance management falls outside the scope of this guide. However, performance management is an integral part of implementing medium-term sector strategies.

In a three-year period, circumstances will change – low priorities may become high priorities, governments may change, the national or global economy may falter or surge. The medium-term sector strategy must thus be regarded as a working document, not a blueprint set in stone. It provides a benchmark against which to review and revise priorities in view of changing needs and changing circumstances. The annual process of revising a medium-term plan provides ministries, departments and agencies with a systematic process for adapting to deal with changes. This means that they are not blown about like a leaf in the wind when conditions change, but can adjust course while keeping the ultimate goals in sight.

Medium-term sector strategies that record outputs in a log frame are a good starting point for monitoring performance and progress. Allocating costs against programme codes and using these codes in charts of accounts allows States to monitor what is spent to achieve outputs. If governments make this information freely available, the public can track whether or not governments do what they say they are going to do.

Another *How to* guide describes how to monitor and evaluate performance, including performance of medium-term sector strategies. Monitoring and evaluation (M and E) is thus not covered here.

Reviewing a Medium-Term Sector Strategy

Checklist: Measuring and Reviewing Progress

☐ There is a performance management system that reviews individual, team, departmental and organisational achievements against objectives at regular intervals

☐ There is a process to review the medium-term sector strategy on a regular basis.

A Final Word

The approach to preparing a medium-term sector strategy set out in this guide has been found to be suited to circumstances in Nigeria. This is not to say that other approaches are not equally appropriate. There are many ways to prepare a medium-term sector strategy. The steps described in the guide can be used as a planning tool, or other or additional tools can be used.

What is important is – one way or another – to make sure to cover the following.

Final Checklist: Preparing a Medium-Term Sector Strategy

Secure buy-in: Ensure that senior management is committed to the planning process and to implementing the strategy.

Committee
- ☐ Analyse current and recent trends in the sector
- ☐ Identify current and future external challenges
- ☐ Predict where business as usual will take the sector over the next three years

Senior management
- ☐ Commit to planning

Establish a planning process: Set key milestones and responsibilities in the strategic planning process.

Committee
- ☐ Decide who will develop the strategy
- ☐ Decide on the timeframe
- ☐ Outline the method
- ☐ Set deadlines for the key phases
- ☐ Set deadlines for making key decisions
- ☐ Decide what help will be needed
- ☐ Set a budget

Senior management
- ☐ Approve the process and budget

Agree strategic priorities: Review possible strategic alternatives, choose from the alternatives and set strategic priorities.

Committee
- ☐ Organise internal and external analysis
- ☐ Approve
- ☐ Develop list of possible strategic priorities
- ☐ Analyse alternatives
- ☐ Present suggested priorities to senior management for discussion
- ☐ Review draft priorities with staff
- ☐ Agree strategic priorities with senior staff

Senior management
- ☐ Discuss initial draft ideas
- ☐ Approve

Turn strategic priorities into objectives: Turn the agreed strategic priorities into a few SMART objectives.

Committee
- ☐ Develop SMART objectives for the agreed priorities
- ☐ Prepare an outline of the medium-term sector strategy to include strategic priorities and strategic objectives
- ☐ Seek senior management review and approval of the outline strategy
- ☐ Review outline strategy for organisational implications and decide how to tackle the changes needed
- ☐ Review the financial implications of the strategy and adjust to meet financial constraints
- ☐ Produce a costed medium-term sector strategy
- ☐ Present to senior management for approval

Senior management
- ☐ Review and approve the outline plan and then the final costed plan

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Final Checklist: Preparing a Medium-Term Sector Strategy *Continued...*

Turn objectives into budgets: Turn agreed strategic objectives into budgets.

Committee	Senior management
☐ Organise departmental and cross departmental teams to develop budgets to carry out agreed strategic objectives	☐ Approve all budgets

Measure and review progress: Ensure that there is a process to measure performance and review the medium-term sector strategy regularly.

Committee	Senior management
☐ Assimilate the medium-term sector strategy into normal performance and appraisal systems	☐ Ensure that there is a system for monitoring work plans
☐ Senior management to review strategic priorities and objectives every year	☐ Review strategic priorities and objectives each year

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Annex 1. Further Reading

Jones, H, Jones, N, Shaxson, L and Walker, D. 2012. *Knowledge, Policy and Power in International Development: A practical guide.* The Policy Press.

Kano State Government. 2011. *Ministry of Planning and Budget Medium-Term Sector Strategy (MTSS) Guide.* http://www.sparc-nigeria.com/RC/files/1.1.3_Ministry_of_Planning_and_Budget_MTSS_Guide_2011.pdf

Lagos State Government. 2010. *XXXX Sector Performance Evaluation Report 2009–2010.* This template for sector performance evaluation reports 2009–2010 was for Lagos State ministries, departments and agencies (MDAs) to document outcomes, methods, lessons learned and plans for improvement in 2010. It was designed to help MDAs communicate successes and challenges in programmes set out in medium-term sector strategies to policymakers, and internal and external stakeholders. The template is an aid to clear reporting for a wide range of readers. http://www.sparc-nigeria.com/RC/files/3.2.8_Report_LSG_PSM_Corporate_Planning_November_2010.pdf

Lagos State Government. 2010. *Work Plan for Policy and Strategy Development (Incorporating Monitoring & Evaluation).* http://www.sparc-nigeria.com/RC/files/3.1.9_LASG_change_plan_and_matrices_2010-2011_revised.pdf

Ministry of Economic Planning and Budget, Lagos State. 2010. *Appendix 27: Practical Implementation of MTSS Using PBB Approach Lagos State MTSS Program Classification & Costing Matrix.* http://www.sparc-nigeria.com/RC/files/2.1.2_Guidance_Notes_for_MTSS_PBB_Costing_June_2010.pdf

Ministry of Economic Planning, Kaduna State Government. 2011. *Sector Performance Review Guidelines.* http://www.sparc-nigeria.com/RC/files/1.3.6_KSG_Performance_Review_Presentation_7_April_2011.pdf

SPARC. *Results Leaflet Medium-term budgeting and planning: more realism drives improved performance.* http://www.sparc-nigeria.com/RC/files/5.3.8_Medium_term_budgeting.pdf

SPARC. 2011. *Checklist for Gender and Social Inclusion (G&SI) in MTSS and Planning.* This checklist for gender and social inclusion can be used by those involved in developing medium-term sector strategies. The list covers situational analysis, participation and decision making. Checking off items in the list will help ensure social inclusion issues are not neglected in medium-term sector strategies. http://www.sparc-nigeria.com/RC/files/1.4.9_Checklist_for_GandSI_in_MTSS_and_Planning.pdf

SPARC. 2011. *Defining, Measuring and Presenting Enugu MTSS KPIs.* This manual explains key performance indicators (KPIs) and describes how to: define KPIs for medium-term sector strategies, use data processing techniques, calculate baselines and values of KPIs, and present results and analyses in user-friendly ways. A worked example helps readers to understand and use KPIs. The manual is also a reference for defining and measuring KPIs in medium-term sector strategy monitoring and evaluation (MTSS M&E) frameworks. http://www.sparc-nigeria.com/RC/files/1.4.2_Enugu_KPI_Manual_April_2011.pdf

SPARC. 2011. *Draft Activity Report – LASG MEPB Training on the MTSS Process.* http://www.sparc-nigeria.com/RC/files/1.2.2_Draft_Activity_Report_for_Lagos_MTSS_training.pdf

SPARC. 2011. *State Self-Assessment Guidelines Working Draft – for Consultation.* These guidelines were produced by SPARC to support State Government self-assessments. The self-assessment process is divided into nine stages. Each section covers objectives, describes the process and suggests who should be involved. The appendices contain resources such as presentations, templates and useful links. http://www.sparc-nigeria.com/RC/files/5.1.1_State_Self_Assessment_Guidelines_v6_Mar11.pdf

SPARC. 2012. *Developing Medium-Term Sector Strategies: A Guide for Main Vote Controlling Ministries and their MDAs Final Report September 2012.* http://www.sparc-nigeria.com/RC/files/1.2.1_SPARC_Report_Developing_MTSS_Guide_September_2012.pdf

SPARC. 2012. *SEAT Performance Measurement Framework – Policy and Strategy/Monitoring and Evaluation Final Report.* This report introduces the self-evaluation assessment tool (SEAT). SEAT is based on the Public Expenditure and Financial Accountability–Public Financial Management (PEFA–PFM) approach now adopted by national and State Governments as an international standard for measuring financial management performance. Using the assessment framework, government stakeholders can self-assess policy and strategy, information systems, and monitoring and evaluation. Initial self-assessments provide a baseline against which to monitor subsequent performance. State partners and stakeholders can use self-assessments to develop a strategy and work plan to roll out a programme. http://www.sparc-nigeria.com/RC/files/1.3.10_SPARC_PS_and_ME_SEAT_Performance_Framework.pdf

SPARC. 2013. *SPARC Resource Centre Pocket Guide 2013 Edition. New ideas, new tools, new ways of doing government business: The SPARC pocket guide to resources on improving governance.* http://www.sparc-nigeria.com/RC

United Nations Development Group. 2011. *Results-Based Management Handbook 2011.* http://www.undg.org/docs/12316/UNDG-RBM%20Handbook-2012.pdf

Annex 2. Useful Websites

http://blog-pfm.imf.org/pfmblog/
The Public Financial Management Blog shares the experience of International Monetary Fund staff with public financial management practitioners in ministries of finance and other fiscal agencies, academia, students, non-governmental organisations, as well as with the general public. The blog also features news, resources and ideas about public financial management systems, their operation and improvement, and their contribution to economic growth and achieving national objectives, including economic and financial stability.

The blog also highlights new websites, articles and books that public finance practitioners and other readers might find useful, and provides informed comment on news and developments in public financial management.

http://www.fmf.gov.ng/
The website of the Nigerian Federal Ministry of Finance. The website provides information on the functions of the ministry and on budgets, revenues, policies and service charters.

http://internationalbudget.org
The International Budget Partnership collaborates with civil society around the world to analyse and influence public budgets in order to reduce poverty and improve the quality of governance.

http://ledna.org/
The Local Economic Development Network of Africa shares expertise for growth. The network encourages policymakers and practitioners in local economic development policy to work together and learn from each other. The hub gives access to free and impartial knowledge, resources and contacts in the North and South.

http://www.gaportal.org/
The Governance Assessment Portal lists resources produced by the United Nations Development Programme Governance Assessments Programme, including user guides, planning resources and toolkits, policy documents, discussion papers, presentations and reports.

http://www.mckinsey.com/client_service/public_sector/mckinsey_center_for_government
The McKinsey Center for Government (MCG) is a global hub for research, collaboration and innovation in government performance. Drawing on a network of external experts and McKinsey practitioners, the MCG

provides governments with both new and proven knowledge and tools to confront critical challenges in a context of limited resources, and creates opportunities for government leaders to learn from each other.

http://www.nigerianstat.gov.ng/
The website and data portal of the National Bureau of Statistics is the main statistical agency and custodian of official statistics in Nigeria. The website makes an extensive collection of data available online.

www.budgetoffice.gov.ng/guide.pdf
A guideline setting out instructions for preparing 2007–2009 medium-term sector strategies. Budget Office, Nigerian Federal Government.

www.budgetoffice.gov.ng/pub/training.ppt
A presentation on 2007–2009 medium-term sector strategies. Budget Office, Nigerian Federal Government.

www.nggovernorsforum.org/
The NGF is a coalition of the elected Governors of the country's 36 States. It is a non-partisan association that seeks to promote unity, good governance, better understanding and cooperation among the States and ensure a healthy and beneficial relationship between the States and other tiers of government.

www.pefa.org
The Public Expenditure and Financial Accountability (PEFA) website. PEFA improves the performance of country public financial management systems to strengthen economic growth and delivery of government services.

www.sparc-nigeria.com/
The State Partnership for Accountability, Responsiveness and Capability (SPARC) programme is an initiative of the Nigerian and UK Governments working for good governance and to reduce poverty in Nigeria.

Annex 3. Definitions of Terms

The definitions that follow are taken from the United Nations Development Group (UNDG) *Results-Based Management Handbook 2011.* The NGF has chosen to use these terms and definitions although there are others in use. Whereas the UNDG uses these terms and defines them in relation to 'development interventions', the NGF uses the terms in relation to government projects and programmes.

Activity
Actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources, are mobilised to produce specific outputs.

Baseline
Information gathered at the beginning of a project or programme against which variations that occur in the project or programme are measured.

Benchmark
Reference point or standard, including norms, against which progress or achievements can be assessed. A benchmark refers to the performance that has been achieved in the recent past by other comparable organisations, or what can be reasonably expected to have been achieved in similar circumstances.

Goal
A specific end result desired or expected to occur as a consequence, at least in part, of an intervention or activity. It is the higher-order objective that will assure national capacity building to which a development intervention is intended to contribute.

Impact
Impact implies changes in people's lives. This might include changes in knowledge, skill, behaviour, health or living conditions for children, adults, families or communities. Such changes are positive or negative long-term effects on identifiable population groups produced by a development intervention, directly or indirectly, intended or unintended. These effects can be economic, socio-cultural, institutional, environmental, technological or of other types. Positive impacts should have some relationship to the Millennium Development Goals (MDGs), internationally agreed development goals, national development goals (as well as human rights as enshrined in constitutions) and national commitments to international conventions and treaties.

Inputs
The financial, human, material, technological and information resources used for development interventions.

Outcome
Changes in the institutional and behavioural capacities for development conditions that occur between the completion of outputs and the achievement of goals.

Outputs
Changes in skills or abilities and capacities of individuals or institutions, or the availability of new products and services that result from the completion of activities within a development intervention within the control of the organisation. They are achieved with the resources provided and within the time period specified.

Performance
The degree to which a development intervention or a development partner operates according to specific criteria/standard/guidelines or achieves results in accordance with stated plans.

Performance indicator
Unit of measurement that specifies what is to be measured along a scale or dimension but does not indicate the direction or change. Performance indicators are a qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of a programme or investment.

Performance monitoring
A continuous process of collecting and analysing data for performance indicators, to compare how well a development intervention, partnership or policy reform is being implemented against expected results (achievement of outputs and progress toward outcomes).

Results
The changes in a state or condition that derive from a cause-and-effect relationship. There are three types of such changes – outputs, outcomes and impact – that can be set in motion by a development intervention. The changes can be intended or unintended, positive and/or negative.

Results-based management (RBM)
Management strategy by which all actors, contributing directly or indirectly to achieving a set of results, ensure that their processes, products and services contribute to the desired results (outputs, outcomes and higher level

goals or impact) and use information and evidence on actual results to inform decision making on the design, resourcing and delivery of programmes and activities, as well as for accountability and reporting.

Results chain
The causal sequence for a development intervention that stipulates the necessary sequence to achieve desired results – beginning with inputs, moving through activities and outputs, and culminating in individual outcomes and those that influence outcomes for the community, goal/impacts and feedback. It is based on a theory of change, including underlying assumptions.

Results framework or matrix
This explains how results are to be achieved, including causal relationships and underlying assumptions and risks. The results framework reflects strategic-level thinking across an entire organisation, a country programme, a programme component within a country programme, or a project.

Target
A particular value that an indicator should reach by a specific date in the future. For example, 'total literacy rate to reach 85% among groups X and Y by the year 2010'.

Annex 4. Checklist for Gender and Social Inclusion in Medium-Term Sector Strategies

Situational Analysis

	YES	NO
1. Policy context – social indicators		
■ Do the documents have data on key indicators of women's and men's status?		
■ Literacy rates (by sex)		
■ Primary enrolment (by sex)		
■ Secondary completion (by sex)		
■ Life expectancy (by sex)		
■ Birth rates		
■ Infant mortality rates (by sex)		
■ Maternal mortality rates		
■ Population by age, sex and location (urban/rural)		
■ Employment rates by sex		
2. Policy context – legal		
■ Does the policy/MTSS document reference and align with national and global instruments for promoting gender equality and social inclusion? (For example, National Gender Policy, Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), Child Rights Act, African Union (AU) Protocol on Women's Rights, MDGs, etc.)?		
■ Does it align with State-specific commitments (laws and policies) that promote gender equality and social inclusion?		

Participation and Decision Making

	YES	NO
3. Policy context – decision makers		
■ What percentage of elected officials are women/men?		
■ What percentage of women/men are in high-level government positions?		
■ What percentage of high government officials are members of disadvantaged groups (such as physically challenged, minorities and non-indigenes)?		
■ What institutional mechanisms have been created to advocate for women/men and/or protect their rights?		
■ Are there active civil society organisations (CSOs), women's movements/NGOs working on women's/human rights?		
■ Were vulnerable groups involved in the policy formulation process?		
4. Policy justification		
■ Is the gender dimension highlighted in background information to the intervention?		
■ Does the analysis include how the issues relate to men, women and socially excluded groups?		
■ Does the justification include convincing arguments for gender equality and social inclusion?		

	YES	NO

5. Policy goals and objectives

- Does the goal of the proposed intervention reflect the needs of both men and women?
- Does the goal flow logically from the issues raised by the content analysis?
- Does the goal seek to correct gender imbalances through addressing practical needs of men and women?
- Does the goal seek to transform the institutions (social and other) that perpetuate gender inequality and social exclusion?

6. Activities

- Do planned activities and interventions involve both and women?
- Were there any additional activities to ensure that a gender and social inclusion perspective is made explicit (e.g. training in gender issues, additional research, etc.)?

7. Indicators

- Does the policy document have indicators to measure progress towards the fulfilment of each objective?
- Do these indicators measure the gender aspects of each objective?
- Are indicators gender disaggregated?
- Are targets set to guarantee a sufficient level of gender balance in activities (e.g. quotas for male and female participation)?

8. Policy implementation

- Who is implementing the policy intervention?
- Have they received gender-mainstreaming training, so that a gender perspective can be sustained throughout implementation?
- Are women, men and vulnerable groups participating in implementation?

9. Monitoring and evaluation

- Does the monitoring and evaluation strategy include a gender and social inclusion perspective?
- Does it examine both substantive (content) and administrative (process) aspects of the intervention?

9. Risks

- Was the greater context of gender roles and relations within society considered as a potential risk (i.e. stereotypes or structural barriers that may prevent full participation of one or the other gender or group)?
- Was the potential negative impact of the intervention considered (e.g. potential increased burden on women or social isolation of men or other vulnerable groups)?

10. Budget

- Were financial inputs 'gender-proofed' to ensure that both men and women will benefit from the planned intervention?
- Was the need to provide gender sensitivity training or to engage short-term gender experts factored in to the budget?

Annex 5. Gender and Social Inclusion Mainstreaming Checklist for Programme and Policy Documents

Background and Justification

	YES	NO
■ Is the gender and social inclusion dimension highlighted in background information to the intervention?		
■ Does the justification include convincing arguments for gender and social inclusion mainstreaming and gender equality?		

Goals

■ Does the goal of the proposed intervention reflect the needs of women, men, boys, and other social groups?		
■ Does the goal seek to correct gender imbalances through addressing practical needs of men and women?		
■ Does the goal seek to transform the institutions (social and other) that perpetuate gender inequality?		

Target Beneficiaries

■ Except where interventions specifically target men or women as a corrective measure to enhance gender equality, is there gender balance within the target beneficiary group?		

Objectives

■ Do the intervention objectives address needs of women and men, boys and girls and other marginalised groups?		

Activities

■ Do planned activities involve both men and women and other relevant stakeholders?		
■ Are any additional activities needed to ensure that a gender and social inclusion perspective is made explicit (e.g. training in gender and social inclusion issues, additional research, etc.)?		

Indicators

■ Have indicators been developed to measure progress towards the fulfilment of each objective?		
■ Do these indicators measure the gender and social inclusion aspects of each objective?		
■ Are indicators gender disaggregated?		
■ Are targets set to guarantee a sufficient level of gender balance in activities (e.g. quotas for male and female participation)?		

Implementation

■ Who will implement the planned intervention?		
■ Have these partners received gender and social inclusion mainstreaming training to ensure that a gender and social inclusion perspective can be sustained throughout implementation?		
■ Will both women and men and other relevant stakeholders participate in implementation?		

	YES	NO
Monitoring and Evaluation		
■ Does the monitoring and evaluation strategy include a gender perspective?		
■ Will it examine both substantive (content) and administrative (process) aspects of the intervention?		
Risks		
■ Has the greater context of gender roles and relations within society been considered as a potential risk (i.e. stereotypes or structural barriers that may prevent full participation of one or the other gender)?		
■ Has the potential negative impact of the intervention been considered (e.g. potential increased burden on women or social isolation of men)?		
Budget		
■ Have financial inputs been 'gender-proofed' to ensure that both men and women will benefit from the planned intervention?		
■ Has the need to provide gender sensitivity training or to engage gender experts been factored in to the budget?		
Annexes		
■ Are any relevant research papers (or excerpts) included as annexes (particularly those that provide sound justification of your attention to gender)?		
Communication Strategy		
■ Has a communication strategy been developed for informing various publics about the existence, progress and results of the project from a gender and social inclusion perspective?		

Source: UNDP Gender Mainstreaming Manual