

**Terms of Reference (ToR) for the Midterm Review (MTR) of
the Strategic Partnership programme 2022-26 between VNG International¹ and the Netherlands Ministry
of Foreign Affairs (MFA)**

I Nominal information

Activity name and number	Sustainable Development through improved Local Governance (SDLG) Activity numbers as registered with the relevant agencies: - MFA (donor): 4000005029 - VNG International (implementing partner): 11448
Partner organisation(s) when applicable	VNG International is the main implementer in close collaboration with Local Governments and Local Government Associations
Geographical coverage (national/regional/global)	Mainly on national level with a small global component. See section V for more information.
Programme lifespan under the assignment	The period covered under the assignment is 1 January 2022 until 31 March 2024
Programme budget	Overall budget for the programme is set at 46.200.000 Euro for the period 2022-2026. For the period under review, the (estimated) programme expenditure is 12.926.223 Euro.
Budget for the midterm review	The maximum budget is set on 90,000 Euro which is exclusive of VAT and logistic expenses (travel, board and lodging)
Annexes to this Terms of Reference	Annex 1: Theory of Change of the SDLG programme Annex 2: Lay out of report

II Context and background of the SDLG programme

The Sustainable Development through improved Local Governance programme (2022-2026), aims to empower local governments and their representative bodies to shape a more sustainable future for their communities. The programme is financed by the Netherlands Ministry of Foreign Affairs and implemented by VNG International.

The programme is focused on 4 thematic priorities: Security & Rule of Law (SRoL)², Migration, Local Revenue Mobilisation (LRM), and Integrated Water Management (IWM). Its implementation started in 8 countries, being Burundi, Iraq, Mali, Mozambique, occupied Palestinian territory, Somalia, South Sudan and Uganda. At the same time support is extended to global activities of VNG International, its international policy work in particular. The partnership allows for more projects to be included in the course of its implementation and since the start 6 projects have been added to the portfolio with both additional countries – Benin (IWM), Kenya, Lebanon (both

¹ VNG International is the International Cooperation Agency of the Association of Netherlands Municipalities (VNG). For more information, please visit the website <https://www.vng-international.nl/>

² In project/programme documentation and discussions with MFA, the term “fragility” is also used as a synonym for SRoL. In some countries this term is not favored and alternative phrases are used (for example ‘good governance’).

migration), Ukraine (Flexfund)-, as well additional thematic projects in the same countries – OPT (LRM) and South Sudan (IWM).³

In annex 1, an overall description and visualisation of the programmatic SDLG Theory of Change (ToC) including the major assumptions made is presented. It serves as a guiding framework for the country specific projects under the SDLG programme. Yet, the country projects have drafted their own contextualised Theory of Change, set of assumptions and indicators; countries were not obliged to follow all the pathways as outlined in the programmatic ToC and could integrate/ignore/add pathways when deemed relevant. The resulting country specific result frameworks form the base for our monitoring, evaluation and learning approach. The country specific indicators are furthermore aligned to a set of thematic basket indicators which are used for consolidated reporting on programme level.

III Aims of the midterm review

The aims of this review are threefold being:

- a) to take stock of the accomplishments in the SDLG programme (validating progress towards outcomes) over the last two plus years (2022-beginnings 2024);
- b) to facilitate the related learning process The results of the review and its lessons learned are to be used for possible adaptations of interventions/approaches in the remaining implementation period until 2026 as to improve the relevance and effectiveness of the programme;
- c) to inform the dialogue between VNG International and MFA on the results of the programme against the envisioned outcomes and to distill major learnings. The findings and recommendations made in relation to the functioning of the SDLG partnership may be used by MFA as input for a broader review regarding its policy processes.

The midterm review report is to serve the following stakeholders:

- MFA -and related embassies- for making a formal appraisal of the progress made on the outcomes of the programme, its relevance and sustainability. Equally important is to arrive at learnings which can be used for its broader policy processes;
- Partners of VNG International -local governments and their related associations- for reflecting on their partnership with VNG International.
- VNG International for accounting to the above mentioned partners on progress made, distilling learnings and decision making on both programme adaptation & how to optimize the relationship with MFA within the SDLG programme.

Below, one can find a further elaboration and operationalisation of the midterm review which is inspired by and derived from IOB and OECD criteria for evaluation.⁴

³ Next to these projects, it is to be noted that Mozambique has another project (SASB) under the SDLG umbrella, but this is directly managed by the Netherlands embassy in Mozambique. Moreover, in 2022 SDLG supported an one year extension of a LRM project in Ghana as to support a number of closing down activities. These will not be included in the Midterm Review or Final evaluation of the SDLG programme.

⁴ Please be referred to <https://english.iob-evaluatie.nl/publications/guidelines/2022/04/22/evaluation-quality-criteria> and <https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm>. This midterm will address the criteria relevancy, effectiveness, efficiency, coherency and sustainability; the one impact is not included for this moment (difficult to arrive at causal inference).

IV Main and specific questions for this Mid Term Review

In accordance to the objectives of the programme and the aims of the review, the main evaluation question is drafted as:

In the context of the strategic partnership with MFA, how has the SDLG programme contributed in a coherent and sustainable manner to strengthening local governments in their capacity to design and implement policies & initiatives for service delivery as to shape a more sustainable development for their communities?

The main evaluation question as stated above is further refined in the next sub-questions:

1. *To what extent is the Theory of change of the SDLG programme -and the country specific ones in particular - relevant in addressing the challenges and opportunities for strengthening the capacity of local governments provided the (changing) contexts they are working in?*
The ToC has the next four pathways in which VNG International aims to strengthen the capacity of local governments (see also annex 1):
 - a) Improved mandate (autonomy, decentralisation) of the local government in the intergovernmental relationship.
 - b) Improved local governance (decision-making process, policies and services)
 - c) Improved leadership within local government
 - d) Empowered social groups, inclusive of refugee communities
2. *To what extent has the SDLG programme -and its interventions- directly or indirectly contributed to the accomplishment of outcomes (intended/unintended) with different stakeholders?*
Attention is to be paid to the thematic areas of the programme, being Security & Rule of Law, Migration, Local Revenue Mobilisation and Integrated Water Management.
3. *How is the SDLG programme complementary to other interventions (in its broadest sense of the word) of stakeholders in relation to strengthening local governments (e.g. development partners, national governments, private sector, NGO's) other VNG International interventions)?*
4. *What can be said about the operational efficiency of the SDLG programme and its interventions?*
5. *How does the SDLG programme & its interventions ensure its sustainability in relation to the outcomes set?*
6. *How is the SDLG strategic partnership between the MFA and VNG International functioning in relation to its objectives defined ?⁵*
7. *Which possible adaptations and recommendations are to be considered and follow from answering the above questions in relation to:*
 - the Theory of Change (programme and country level)
 - interventions to be planned- approach to Monitoring, Evaluation and Learning

⁵ In the proposal three objectives are defined for the strategic partnership eg a) continued contributions by VNG International to the Ministry's international development priorities; b) increased flexibility and operational efficiencies; c) enhanced dialogue and collaboration.

- the further operationalization of the strategic partnership between VNG International and MFA.

Note: The evaluators responsible for delivering the review report, could suggest further refinement of these evaluation questions in the inception phase.

V Scope of the midterm review

a) *Period to be covered*: The period under review for the midterm is 1 January 2022 until 31 March 2024.

b) *Thematic coverage*: The midterm review will have to cover the four thematic priorities, being Security & Rule of Law (or Fragility), Migration, Local Revenue Mobilisation and Integrated Water Management.

Note that the different country projects cover one or more themes.

c) *Geographic coverage*: In December 2023, 14 country projects are running or in the inception phase as covered under the SDLG programme.

The resulting matrix as presented below presents the scope of the Midterm Review.

	Security and Rule of Law (SRoL)	Migration	Local Revenue Mobilisation (LRM)	Integrated Water Management
Benin				X
Burundi	X			
Iraq		X		
Kenya		X		
Lebanon		X		
Mali	X			
Mozambique			X	
occupied Palestinian territory	X		X	
Somalia	X			
South Sudan	X			X
Uganda	X	X	X	
Ukraine	Flex fund			

VI Notes on methodological approach

First, the data collection and analysis of the Midterm Review should be based on and complementary to the existing tools and ways of working within the SDLG programme in relation to Monitoring, Evaluation and Learning (MEL). Therefore, the evaluator is specifically requested to prioritise the review and analysis of available data and information and thereafter suggest collection of (new or repeated) primary data for triangulation and validation, when necessary. The most important features of the MEL are provided below:

- The country specific result frameworks are the major reference point for conducting the midterm review. From there the MTR may attempt to consolidate the findings of different country projects into a more overarching analysis and appraisal.

- b) Outcome Harvesting is the main monitoring tool in the programme for observing and analysing progress made. A database is set up to collect the outcome statements on country level over time and will be made available to the evaluators.
- c) Learning agenda: since the start-up of the programme, four Communities of Practices (COPs) -with VNG International staff as members- have been established to dive into programmatic learning questions. These questions are centered around the themes digitalization, fragility, migration and local resource mobilization - possibly a fifth CoP on water will be added.
- d) Other documentation: the SDLG programme produces annual reports (2022, 2023 will be in the process of drafting) and the majority of countries have a (qualitative) baseline conducted.

Second, and in line with the main evaluation and sub-questions, the Midterm review is to provide more insights in and appraise the effectiveness, validity & relevance of the Theory of Change in different contextual settings. It is therefore proposed to select a number of case studies (projects) for in-depth research and analysis together with a more generic appraisal of the overall programme inclusive the country projects not being selected as a case study. In the inception phase, the evaluators will come up with a proposal which country projects are to be selected as case studies. The number of case studies is dependent upon the budget available.

Important criteria for case selection to be considered when drafting the proposal are:

- balancing the themes and geographic coverage in the selection of cases.
- considering country projects which are likely to yield results in terms of changes with stakeholders which can be analysed against the contribution made by SDLG.

VII Provisional planning and implementation

a) Phases in the Midterm Review

The implementation of the Midterm review is to be divided in four phases, starting when the contracting of the external evaluators is concluded based on the approved Terms of Reference:

Phase one - Inception:

During this phase, the external evaluators conducts a review of available data and information and interacts with key stakeholders involved in the programme, based on which they will submit an inception report, eg:

- Suggest a (refined) appropriate evaluation methodology, sampling criteria, and possible modifications/refinements of the evaluation questions;
- Develop an evaluation/analysis framework, based on which the projects will be informed about additional data/information required for the evaluators to answer the research questions;
- Optional: for the purpose of drafting a robust evaluation framework, the evaluator(s) may propose to further refine the existing ToC in consultation with internal stakeholders
- This phase is concluded when the inception report is approved by VNG International and MFA.

Phase two – Data collection and analysis.

This phase mainly concerns actual data collection and analysis, based on the inception report. For the case studies, the evaluators will conduct an in-country validation workshop with partners and VNG International.

Phase three - Feedback and Validation.

The findings of the data collection will be tabled for sense making and validation to a group of VNG International key staff during a workshop. The design (methodology) of this workshop is the responsibility of the evaluators. Based on the results of the workshop, the evaluators draft a first version of the report to be presented for feedback after which this phase will be concluded.

Phase four: Final reporting

Based on the feedback received on the first draft, the evaluators prepare a second draft of the mid-term review report.

In this phase, the evaluators will be requested to present their findings to relevant staff of the Netherland Ministry of Foreign Affairs.

The second draft report is once more circulated among VNG International and MFA for a last round of feedback. Based on the final comments received, the evaluators will produce a final version of the midterm review and present this for sign off.

VNG International will issue a management response. The evaluator will not be expected to participate in the drafting of the management response.

b) Time Schedule for the Midterm Review

See below table for the planning in time of the different phases in the Midterm Review. It is to be noted that this concerns a tentative schedule and will be reviewed and adjusted during the different phases. The evaluators will propose in the inception report a final planning for data collection, feedback & validation and reporting

Phase	Key activity/Deliverable	Tentative dates
Tender	Recruitment of External evaluators and contracting	January-February 2024
Inception	First round of data collection (desk review and interviewing key stakeholders)	March -April 2024
	Inception report approved	
Data collection	Data collection based on the analysis framework	To be decided with approval inception report
Feedback and validation	Analysis, sense making and validation workshop 1st draft report available for feedback	To be decided with approval inception report
Final reporting	2 nd draft report based on feedback Final report ready based on feedback 2 nd draft.	To be decided with approval inception report

In annex 2, one can find the lay out of the MTR report

VIII Responsibilities and management arrangements for the midterm review

In order to ensure an efficient process and a qualitative good yet independent midterm review of the SDLG programme, the next responsibilities and management arrangements are in place.

In short, there is i) the commissioning manager for *organising*; ii) a mechanism for joint *decision making* between VNG International and MFA; iii) (to be confirmed) internal/external advisory groups within VNG International for providing a critical and independent *advice* during the midterm review.

Below a short description is provided to the roles and tasks.

a) A *joint decision making mechanism* will take decisions regarding approving the Terms of Reference, deciding on the evaluators/agency to be selected for the assignment, approving the inception report, reviewing the draft report and approving the final report.

Members on behalf of SDLG are *at least* the SDLG programme director and MEL expert cum commissioning manager) and the MFA/DSH focal person for the strategic partnership. More members may be added when relevant upon mutually agreement.

Note that the evaluators are accountable to VNG International for the quality of the deliverables as produced under this assignment. VNG International will have the ultimate mandate to make a decision on any matter related to the midterm review in the unlikely event of the joint decision making mechanism failing to reach consensus on the content and/or quality of the deliverables,

VNG International will issue a management response to the final report of the midterm review.

b) There will be *advisory bodies* within VNG International which provide advise during the process of conducting the midterm review. The exact set up and tasks are yet to be confirmed.

c) The *commissioning manager* well be responsible for the organisation of the Midterm Review.

IX Evaluation bids, award criteria and selection procedure

Bid documents

An open procedure requesting for competitive quotations will be implemented and the bid submitted should include the following documents:

- a) An approach paper (max 10 pages) with:
 - the evaluators understanding and interpretation of the Terms or Reference;
 - A first outline of approach, methodology and tools suggested which resonates with how the evaluator has understood the assignment
 - A summary of the team composition and expertise which is capable to implement the approach proposed under ad b.⁶
- b) Roles and responsibilities of the team members, including summary of qualifications and CVs detailing relevant skills and experience.

⁶ It is assumed that the midterm is to be conducted by a team of evaluators in which one member serves as team leader.

- c) A total budget (In Euro, excluding VAT) with a cost breakdown in days or hours planned and the related fees for the tasks (making the distinction for each evaluator). Costs for travel, board and lodging shall be an estimate.

Award criteria

The evaluation of the bids will be based on the best value for money covering the technical quality (the approach paper and the CV of the evaluator(s) and the price of the quotation).

a) Assessment of approach paper

Concerns the qualitative assessment of the understanding of the assignment, its translation to the methodological approach and the suitability of the evaluators team proposed to implement this approach. For the latter, this will also be judged by the assessment of the CVs.

b) Assessment of CVs

The assessment of the CVs will be based on appropriateness of the proposed team of evaluators based on the criteria below. The best fitting set of CVs for the assignment will be given the most points. The following competencies should be made clear in the set of CVs provided:

Required:

- experience in evaluating the content, intervention strategies and efficiency relevant to the SDLG programme (local governance, capacity strengthening) and in one or more thematic spearheads (SRoL, Migration, local resource mobilization, IWM).
- proven experience in conducting major evaluations (above euro 10 million) programs in multi-country setting and with a diversity of stakeholders.
- previous experience - at least two assignments - comparable in content, time, scope and money;
- experience in facilitating online, offline, hybrid co-creation and validation workshops and sessions;
- proven abilities in working across geographies, languages, contexts and cultures;
- ability to organise and deliver products on time against a tight deadline;
- strong networking and problem-solving skills;
- strong analytical and synthesis skills;
- strong writing and communicative skills (including intercultural communication);
- excellent command of English and French.

Preferred:

- Knowledge of the quality criteria of OECD DAC and the Dutch Policy and Operations Evaluation Department (IOB) for executing of evaluations;

Bids including team members based in the countries/regions of the SDLG programme will receive bonus points in the appraisal.

c) Assessment of prices

The maximum budget for this assignment is 90,000 Euro (exclusive VAT). This is also exclusive operational costs related to (inter)national travel, board and lodging. Evaluators are requested to include a provisional budget of the operational and logistical cost expected in the bid.

Note: In the inception phase, the evaluators will draft a final budget proposal (for both fees and operational costs) for conducting the Midterm Review, subject to approval.

The evaluator(s) will have to make provisions for covering all costs associated with the assignment. This includes, but is not limited to, the following:

- Desk review of provided documents, writing and editing of written inputs.
- Office-related costs which may include communications (phone, mail, photocopying, etc). No costs of this nature may be charged in addition.

Procedure for submission, selection and awarding

- Any question, remarks or requests for clarification can be sent to Robert van der Wolff, robert.vanderwolff@vng.nl until 1 February 2024.
- Bids should be titled "MTR SDLG 2024" and sent to the commissioning manager Robert van der Wolff, Robert.vanderwolff@vng.nl no later than Thursday 8 February 2024, 23.59 CEST.
- The bids received will be subject to an administrative assessment based on the so-called 'knock-out' criteria (see below) and is performed by the commissioning manager. Bids not meeting these criteria will be excluded from further appraisal
- Those bids passing the administrative check will be assessed against the award criteria. These criteria are displayed below.
- The assessment of the bids and decision making on awarding the assignment will be a jointly done by VNG International and MFA.
- Only bids with a score above 65 points (exclusive bonus points) against the award criteria qualify for the assignment.
- Interviews will be organized in the week of 15 to 22 February with (at maximum) three bidders having the highest scores. The aim of the interviews is to seek further clarification on the bids submitted and to learn more about the background and experience of the evaluators to obtain deeper insight in their suitability to conduct the assignment. After the interviews, the total points on the award criteria may be reassessed.
- Based on the interviews and possible reassessment, a final decision is made by the joint decision mechanism who is awarded the assignment. Note that VNG International reserves the right to suspend the tender procedure completely or partly, temporarily or permanently until the moment of contract signing.
- Contracting; the commissioning manager will conclude the contractual agreement with the winning bidder taking along the recommendations/conditions provided by VNG International and MFA in the final decision. The contract will be signed with one legal entity/representative of the bidder.

Overview of scores

Please find below a summary of the scorings matrix for assessing bids.

Overview of criteria for selecting the evaluators		Maximum points
<i>1) Knock out criteria</i>		
Quotation received within deadline – 8 February, 23.59 CEST		
An approach paper (max 10 pages) as per guidelines in section		
CVs of the proposed team of evaluators, outlining relevant experience and educational background		
Demonstrates sound communication skills in English and French (written, verbal)		
Within budget as set forward		
<i>2) Award criteria</i>		
1) Approach paper		30
2) CVs		40
3) Price		30
TOTAL		100 (threshold 65)
Bonus: inclusion evaluators in the regions/countries of the SDLG programme		10
TOTAL MAXIMUM POINTS		110

Annex 1: Intervention Logic and Theory of Change (ToC) of the SDLG programme

Despite commendable progress at the global scale in fighting poverty and improving the lives of people, huge social, economic, environmental and political challenges remain. The world is facing multiple, interrelated crises in the areas of conflict and fragility, stark and growing inequality, climate change and biodiversity loss. The current refugee and migration crisis illustrates the urgency of these challenges. Millions of people face threats to their security and livelihoods, be it as a result of state collapse, violence, conflict over natural resources, water crises, food insecurity, unemployment, natural catastrophes, social and economic exclusion, racism and tribal conflicts or any combination of these.

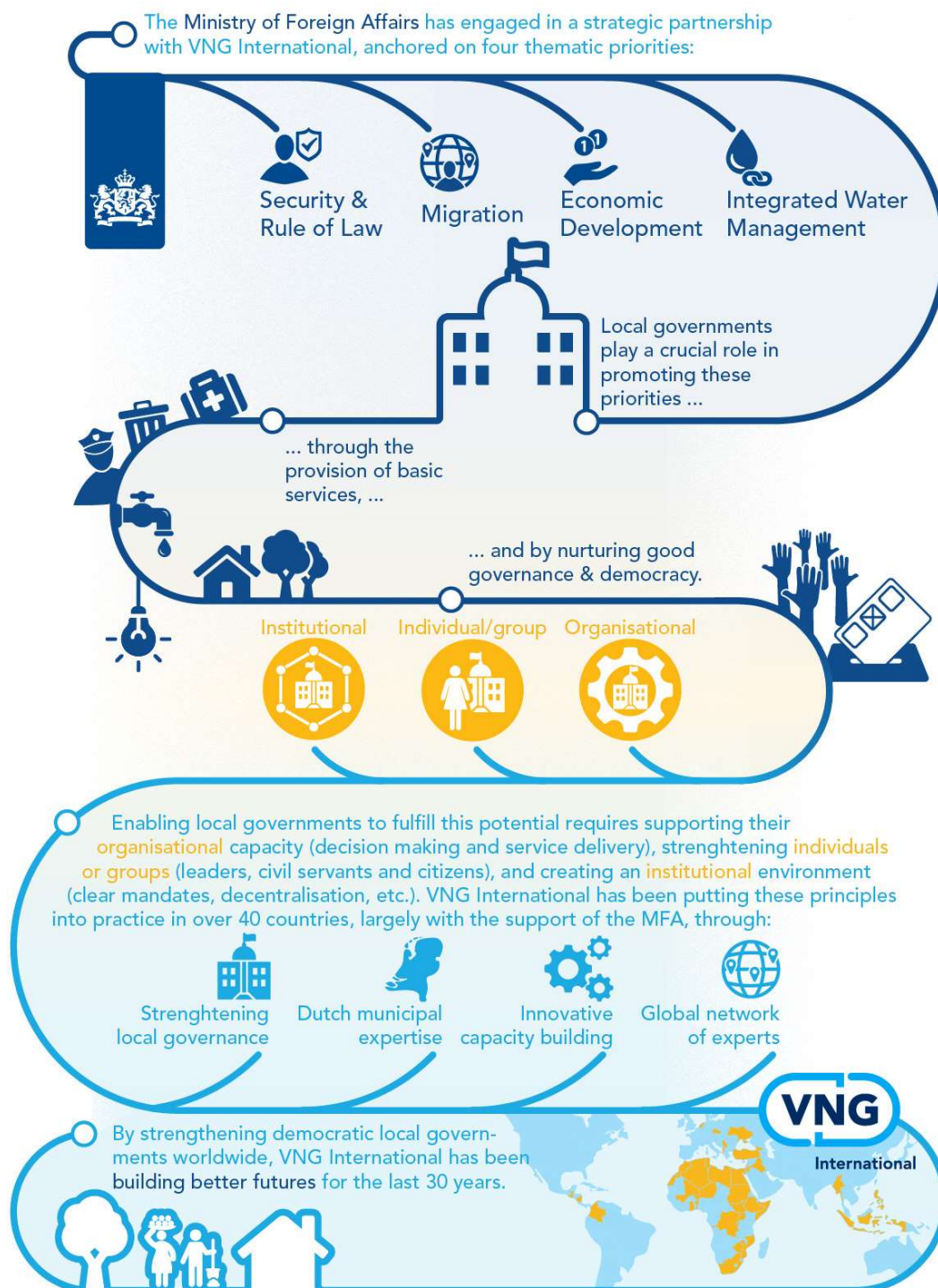
There is wide and increasing global recognition that local governments, as a sphere of government with a public role in society - and the tier that is closest to citizens - have a significant role in implementing the agreed agendas, jointly with other state and non-state actors. It is also acknowledged that local governments frequently lack appropriate means and skills to perform that role. Yet, relatively few development actors specifically target local governments in their support programmes. In addition, there is also recognition for the fact that humanitarian and development aid are becoming unaffordable. Despite progress on nexus/resilience (in which VNG International has been one of the pioneers), crisis-affected areas remain dependent on aid for way too long. This is a problem with many aspects to it, but it would help if local governments could regain some of their position as service providers of first resort. This is one of the things we aim to achieve with this programme. This is the added value that VNG International, with its access to Dutch municipal expertise, brings to the development challenges our target countries are faced with today.

The exact responsibilities and mandate of local governments varies between countries and also varies with time within countries. But, generally speaking, local governments have got more responsibilities over the past decades, with decentralisation processes in many countries.

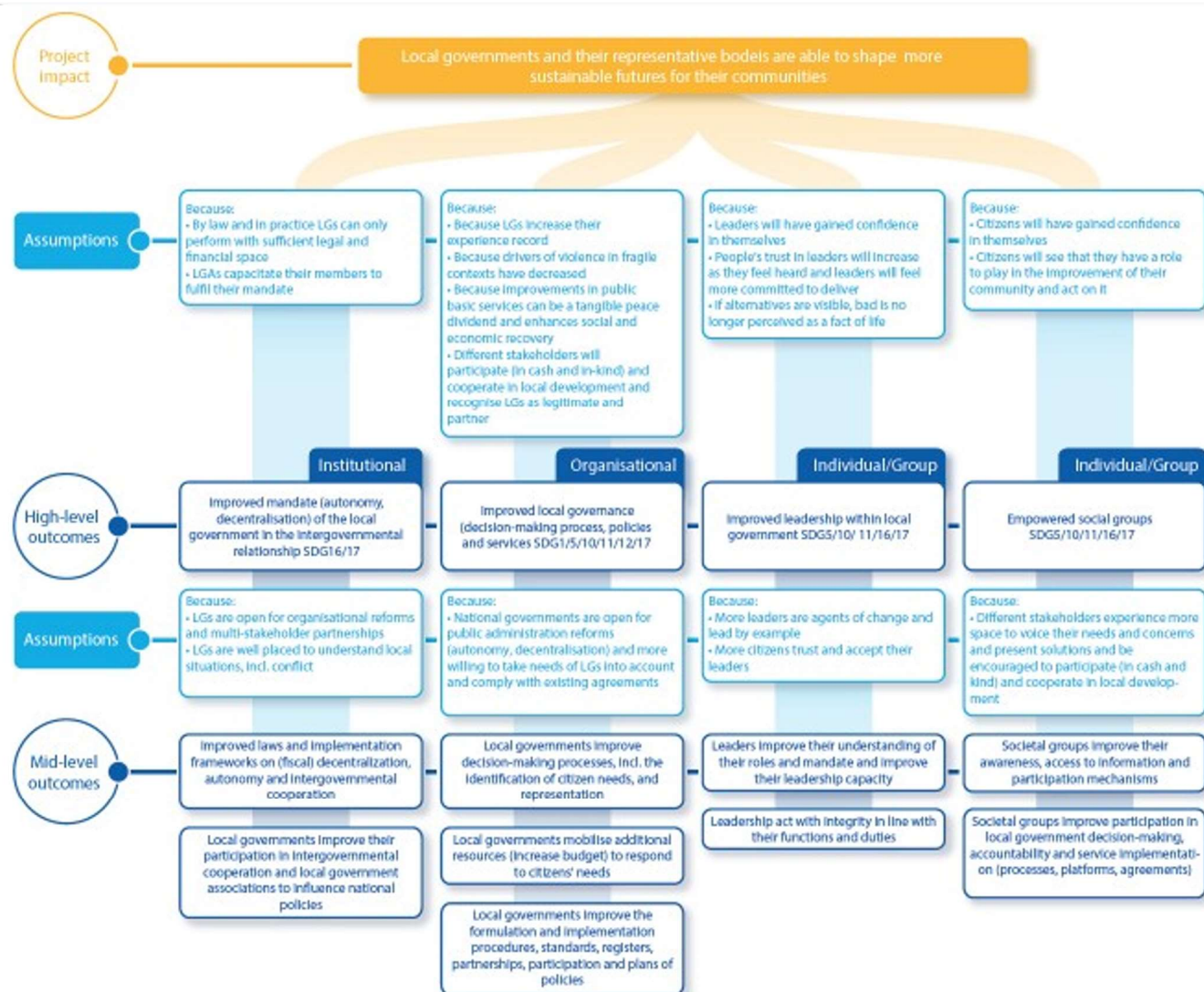
One common element is the responsibility for the provision of basic services, such as waste collection, clean drinking water and sanitation. These are crucial from a health point of view in the first place and for the -wider- quality of life of their citizens. The provision of basic services is also influenced by, and influencing, the effects of climate change, food production, biodiversity, etc. Another important role for local governments is to promote stability and social cohesion. Local political leaders can help bridge differences or opposing interests between various groups within their community. They can promote dialogue if there are tensions or open conflicts. Security and stability in turn are important preconditions for local economic development. Local governments have other instruments as well to create an enabling environment for local economic development, varying from developing the infrastructure, through making the city or town more attractive, to promoting cooperation between local entrepreneurs.

Together with the recognition of the clear own role for local governments in promoting local social and economic development, comes the observation that next to local government successful performance, also failure or at least underperformance is a fact. This relates to local government responsibilities in the physical (basic services), the social and the economic policy domains, as well as in their functioning as a democratic governance entity. The reasons for bad performance or failure are manifold, and include everything from 'not having the political space', 'not having the political will', and 'not having the capabilities'. Often the mandate is not clearly defined, or the mandate is broad in theory, but the (financial) resources to act are not in line with the mandate. In other cases local politicians lack the political will or commitment to bring about development, or they are simply an obstacle for positive change due to specific interests. And in other cases again, the political space and the political will are there, but the capacity of the staff is too limited to really make progress. The forthcoming intervention logic and ToC of the SDLG programme is presented in the figures below.

The intervention logic:



And the Theory of Change (see next page):



Annex 2: Format suggested for the Midterm Review

Below, one can find the suggested format for the Midterm Review report. It is based on the 2022 IOB criteria. Revisions to this format should be done in consultation with the Steering Committee.

1. Cover page identifying the report as an evaluation and stating:

- a. Evaluation title
- b. Program/project title /affiliate identification code
- c. Geographical coverage (global; region; countries)
- d. Date that midterm review report is finalised
- e. Evaluator name(s) and logos; VNG International logo
- f. Appropriate recognition of donor support; Clear statement in case report can NOT be used externally

2. Table of Contents

3. Glossary

4. List of abbreviations

5. Executive summary that can be used as a stand-alone document (maximum 4 pages)

6. Introduction

- a. Background of the programme
- b. Objectives of the MTR and evaluation questions

7. Methodology

- a. Methodology and approach
- b. Challenges, bias and limitations

8. Presentation of findings and analysis aligned with the research questions

9. Conclusions

10. Learning and Recommendations

11. Appendices

- a. Terms of reference
- b. Evaluation program (main features of data and activities carried out)
- c. List of interviewees based on stakeholder mapping (name, function and working environment) and places visited
- d. List of documents and bibliography used
- e. Details on evaluation team/composition (names, nationality, expertise, working environment)
- f. Link to Methodological appendices including:
 - i. Evaluation proposal
 - ii. Evaluation instruments such as questionnaires and interview guides
 - iii. Data collected (if appropriate)