

# **Formative Evaluation of the Forum of Federations**

## **Final Report**

**Office of the Inspector General  
Evaluation Division**

**Foreign Affairs Canada**

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# Executive Summary

## *Background of the Forum*

The Forum of Federations is a non-profit, international organization based in Ottawa, Canada. The Forum engages in a wide range of programs of mutual cooperation designed to help develop best practices in countries with federal systems of government around the world. The Forum works with countries and organizations of the North and of the South, with both established federal countries as well as with newly emergent federations. In addition, the Forum works with countries that are exploring the possibilities of a federal political system.

The Forum's programs are focused on practitioners of federalism such as elected officials, civil servants, consultants, and others (including academics) who have a practical interest in challenges of governing in federal systems. The aim of the Forum is to build on existing expertise and not to duplicate the activities of academic centres for the study of federalism and other policy institutions.

## *Objectives of the Evaluation*

The purpose of the evaluation was:

- to determine the extent to which the Forum's programs and policies are congruent with its mission, meet the needs of its partners, and promote the understanding of federalism as a model of democratic governance;
- To assess the Forum's achievement in meeting its program objectives and expected results;
- To assess the effectiveness and efficiency of the management approach and program design for achieving the desired results; and
- To determine lessons learned from the implementation of the Forum's program and programs of a similar nature to inform future programming.

## *Evaluation Context*

The completion of an evaluation was a requirement of Treasury Board as a condition for the renewal of the Contribution Agreement between DFAIT and the Forum of Federations. The scope of the evaluation included the contributions made by PCO, DFAIT and CIDA since the inception of the Forum. The evaluation findings are based on a structured review of Forum files and documents, interviews with key stakeholders and four case studies of Forum programs and initiatives. This evaluation is considered to have met the requirements for an evaluation of the Grant Agreement.

### *Evaluation Methodology*

The evaluation approach utilized multiple lines of evidence. In completing the study, the evaluation team conducted an administrative and financial file review, document review, key stakeholder interviews and case study interviews. The evaluation research was conducted between November 2003 and February 2004.

The following conclusions are those reached through the analysis of evaluation findings.

### **Relevance**

The evaluation concluded that:

- The Forum was relevant to the missions and mandates of DFAIT and PCO, as well as to CIDA as a project delivery agent;
- The Forum has established itself domestically and internationally in a specialized niche - federalism for practitioners;
- The Forum has adapted to evolving circumstances, and is responsive to partners' needs; and
- The Forum's activities represented added value for its beneficiaries, partners and its federal government funding departments.

### **Success**

The evaluation concluded that the Forum has been successful in:

- Providing a neutral arena for discussions about federalism practices and policies;
- Improving communications and networking on federalism issues, bringing practitioners and academics together and as a result strengthening the network of professionals engaged in the study and the practice of federalism;
- Involving youth in its activities wherever possible, although budgetary and management resources restrict the impact of this program; and
- Assisting a number of country governments in improving their federalism practices and policies.

## **Management and Cost-Effectiveness**

In the examination of management and cost effectiveness, the evaluation found that:

- The Forum acts as an independent **arm's length** NGO, however, financial support is primarily provided by the Government of Canada;
- Overall the budgeting, financial and control systems put in place by the Forum are adequate;
- The Forum is accountable to its Board of Directors and to the Terms and Conditions of its Contribution Agreements;
- There are weaknesses in strategic and long-term planning;
- In addition, weaknesses were also found in the internal management structure;
- Efforts have been made to internationalize the Forum in terms of financing. To date these efforts have attracted some international financial support, with potential for more support to be forthcoming; and
- The Forum will face a long term solvency issue if either additional government, international resources or private funding do not become available.

## **Recommendations**

### **Recommendation 1**

It is recommended that the Forum develop a more coherent planning process by developing a strategic plan to provide long term vision and direction. A strategic plan would lay out the strategic framework for the organization, identifying for example its vision, mission, key strategic goals and priority sectors, its business model (i.e. the modalities the Forum will use to conduct its work and the strategies it will use to generate projects, activities, partnerships, etc.) and the key results i.e. what performance indicators does it expect to be measured against. The utilization of a plan will also keep the Forum on track in achieving long term results as it adapts to changing domestic and international contexts.

### **Recommendation 2**

It is recommended that the Forum develop a management and Board member succession plan. In the past it has proven difficult to easily fill top management positions in the organization, due to the high level international political access of the Forum activities and the level of federalism expertise required to maintain the credibility of the organization. A succession plan would contain a strategy for filling management and Board positions in both the short and the long term, providing a direction for continuous Board renewal. A plan of this nature would help to ensure that the Forum is not confronted with management gaps as has been the case in the past. It would also ensure that Board positions, which require a substantial degree of federalism expertise, can be filled expeditiously.

### **Recommendation 3**

It is recommended that the Forum develop a business plan. This plan should include a five year funding forecast which will indicate funding commitments received from Canadian government departments, other governments, foundations, IFIs, etc. This plan will guide the organization's financial and human resource utilization decisions, ensuring that proposed activities/initiatives are linked to core objectives. The business plan would build on the strategic plan, identifying for example the programs to be undertaken, planned expenditures, staffing expenditures, sources of funds and the application of these funds to achieving results. The business plan would be utilized by potential funders to support their funding decisions.

### **Recommendation 4**

It is recommended that the Forum review its internal management structure with the objective of strengthening efficiency and effectiveness through the development of clear internal management accountabilities. The Forum at this point in its evolution requires a more robust management structure to move the organization forward. The responsibilities of each management position should be clearly defined, and communicated to staff. It is recommended that the review result in changes to the current management configuration and position characteristics.

### **Overall Assessment**

The evaluators believe financial support for the Forum of Federations should be continued. Financial support from the Government of Canada will ensure that the Forum remains identified with Canada and Canadian based. Canada needs to be seen as a major core funding player to support internationalization efforts.

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## 1.0 Introduction

The Forum of Federations is a non-profit, international organization based in Ottawa, Canada. The Forum engages in a wide range of programs of mutual cooperation designed to help develop best practices in countries with federal systems of government around the world. The Forum works with countries and organizations of the North and of the South, with both established federal countries as well as with newly emergent federations. In addition, the Forum works with countries that are exploring the possibilities of a federal political system.

The Forum's programs are focused on practitioners of federalism such as elected officials, civil servants, consultants, and others (including academics) who have a practical interest in challenges of governing in federal systems. The aim of the Forum is to build on existing expertise and not to duplicate the activities of academic centres for the study of federalism and other policy institutions. The Forum works in partnership with these institutions, not in competition with them.

In its work, the Forum's focus is on education, networking and information-sharing. The Forum does not engage in advocacy for any political ideology. It provides a unique program focus that is both multilateral and comparative.

## 1.1 Evaluation Context

The objectives of this formative evaluation were:

- To determine the extent to which the Forum's programs and policies are congruent with its mission, meet the needs of its partners, and promote the understanding of federalism as a model of democratic governance;
- To assess the Forum's achievement in meeting its program objectives and expected results;
- To assess the effectiveness and efficiency of the management approach and program design for achieving the desired results; and
- To determine lessons learned from the implementation of the Forum's program and programs of a similar nature to inform future programming.

The completion of an evaluation was a requirement of Treasury Board as a condition for the renewal of the Contribution Agreement between DFAIT and the Forum of

Federations. The scope of the evaluation included the contributions made by PCO, DFAIT and CIDA since the inception of the Forum. The evaluation findings are based on a structured review of Forum files and documents, interviews with key stakeholders and four case studies of Forum programs and initiatives. This evaluation is considered to have met the requirements for an evaluation of the Grant Agreement.

## 1.2 Background and Programs of the Forum of Federations

In 1998, the Government of Canada began promoting the establishment of an "International Forum of Federations" where federal countries, interested international organizations, experts and practitioners could exchange ideas and information, compare their experiences and best practices and develop solutions to common problems. The precursor to the Forum at that time was comprised of a small Secretariat with a focus on federalism information clearing house activities and responsibilities for organizing the Mont-Tremblant International Conference on "Federalism in an Era of Globalization" in October 1999. The Forum was created after the Mont-Tremblant event as a non-governmental organization with a mandate to strengthen democratic governance by promoting dialogue and understanding of the values, practices, principles and possibilities of federalism.

The Forum's mission statement specifies that: "The Forum of Federations, an international network, seeks to strengthen democratic governance by promoting dialogue on and understanding of the values, practices, principles and possibilities of federalism."

The Forum of Federations focuses on three core functions which flow from its mission statement. These are:

- Acting as a "clearing house" for information and resources on the practice of federalism including sharing and networking among practitioners of federalism, academics and others with an interest in federalism. (*Objective One: Networking and General Clearing House*)
- Encouraging future practitioners of federalism - youth - to develop an interest and expertise in federalism. (*Objective 2: Expertise development in future practitioners - Youth*)
- Providing policy and program assistance to governments in established and emerging federations. (*Objective Three: Improve federal systems through provision of policy and governance assistance*)



Integrated into the overall program of the Forum are Country Specific Programs in:

1. Brazil
2. Mexico
3. India
4. Nigeria

Other regional activities have occurred in:

1. North America
2. Sri-Lanka
3. Other Emerging Federations such as Philippines, Ethiopia, Argentina, etc.

### ***Governance of the Forum***

The Forum of Federation's organizational structure corresponds to the Forum's Core Functions and activities, with a Board of Directors and subsidiary Committees directing its operation. Four committees support and advise the Board of Directors in its oversight of the Forum's policy decisions regarding management, programmes and activities. Each committee is chaired by a member of the Board. These four committees are:

- Program Committee
- Finance and Audit Committee
- Investment Committee
- Governance and Nominating Committee

The Forum's highest decision-making body is its Board of Directors. The Board determines the Forum's overall policy and strategic direction. The standard term of office for all Board members, including the chair, is four years. The Board's formal meetings occur twice a year.

Five seats on the 13-member Board are currently held by members from Canada. The remaining eight members come from other federations, taking into consideration the need for geographic representation, and balance between the North and South. One Board member represents the category of young practitioners. The present Board includes members from Nigeria, India, Germany, Mexico, Switzerland, Brazil, South Africa, Australia and Canada.

An Executive Committee is mandated by the Board of Directors to monitor and make decisions, on a day-to-day basis, regarding the implementation of the Forum's internal policies. This committee is composed of executive-level staff members.

The Forum is managed on a day to day basis by a President, who is the Forum's Chief Executive Officer and is responsible for the implementation of Board decisions, and for the overall planning and supervision of the Forum's work. A Vice President and Chief Operating Officer assists the President in these executive responsibilities. In addition there is a Vice President, Research and Governance Programs and a Vice President, Global Programs.

The Forum's President is responsible for providing an annual report and for reporting on the Forum's operations at each meeting. The Chair is chosen by the Board members. At the present time, the President and the Board Chair are held by the same person.

### **Financial Resources**

Since its founding in 1998, the Forum has received core funding contributions from PCO, DFAIT and CIDA. PCO provided the initial funding of \$500,000 in 1998-1999, with contributions totalling \$1.5 million provided to the Forum over the next 3 years. DFAIT core funding contributions to the Forum between 1999 and 2003 totalled \$6 million. CIDA's contribution totalled \$3 million between 1999 and 2003. In 1999-2000 the Forum received conference funds totalling \$2.6 million from DFAIT and CIDA. The Forum has also received project funds from DFAIT and CIDA - approximately \$287,000 from DFAIT (2000/01, 2002/03) and \$282,000 from CIDA (2002/03).

The Forum also received a grant in the amount of \$10 million in 2001 to establish a sinking fund for a period of ten years. The fund is meant to provide financial stability to the Forum while it seeks to diversify its external (and possibly international) funding resources. The Grant Agreement states that the Forum shall use the fund to further the purposes for which it was created, being the facilitation of exchanges between practitioners, academics, and researchers on governance from federal states, international organizations and non-governmental organizations, whose interest is in political relations within and among federal states.

A "Withdrawal Schedule" for the fund specifies that for each of the first seven fiscal years, up to \$1.295 million may be withdrawn and used. Any unused withdrawals remain in the fund earning interest. All funds are to have been withdrawn and used by the end of the tenth year.

While the predominant source of funding for the Forum comes from core funding grants and contributions provided by PCO, DFAIT and CIDA, the Forum does generate project funding from other sources.

### **Reach and Beneficiaries**

The Forum's primary target group is practitioners in federal countries. This group includes politicians, civil servants in both provincial and federal governments, academics, municipal government officials, staff of other governance organizations, etc. The Forum's focus on practitioners is a guiding principle of the organization. The Forum's target group also includes youth. Key beneficiaries of Forum activities are those who participate in these activities.

## 2.0 Evaluation Design

### 2.1 Evaluation Issues and Questions

The evaluation issues were derived from the Forum of Federations Terms of Reference for the evaluation. The evaluation research focussed on:

- Relevance
- Success
- Management and Cost Effectiveness

The evaluation team also incorporated a number of management and financing issues under the Cost Effectiveness theme. Questions relating to the issues formed the basis for the interview guides and case study analysis.

### 2.2 Evaluation Approach and Methodology

The evaluation approach utilized multiple lines of evidence. The evaluation team completed an administrative and financial file review, document review, key stakeholder interviews and case study interviews.

Documents reviewed included:

- Workplans,
- Quarterly Reports,
- Project Completion Reports,
- Country Program Action Plans,
- Partner Agreement Frameworks,
- Global Dialogue Strategy Proposal, Editorial Board Terms of Reference,
- Conference Participant Evaluations,
- Federations magazine client surveys,
- Selected issues of Federations;
- Handbook of Federal Countries;
- Other relevant documents

Forty-four key stakeholder interviews were conducted with:

- Thirteen Government of Canada representatives;
- One Canadian governance organization;
- One international federalism expert;
- Five current and past Forum Board Members;
- Two Forum Liaison Partners;
- Eleven current and former Forum staff members (including the four case study project managers); and
- Eleven case study participants.

Case Study interviews were completed for

- Sri Lanka (representing a conflict resolution example);
- Mexico (representing a country program);
- Global Dialogue (representing a Forum program); and
- the Youth Program (representing a cross cutting theme).

The evaluation was considered formative, with a limited focus on impacts. A formative evaluation is intended to generate information that can be used by initiative decision-makers themselves to refine and improve the initiative on an ongoing basis. A formative evaluation can assist to identify mid-course adjustments and corrections that can help to ensure initiative success, as well as identifying aspects of the initiative that are working well. The utilization of formative evaluation information has the potential to lead to improved use of resources as a result of better designed and more effective activities. Formative evaluations place emphasis on ways in which the initiative design and delivery can be improved. This is in contrast to summative evaluations, which assess program outcomes or impacts, generally after the program has been completely implemented and adequate time has passed to expect outcomes to occur. Some of the information collected during a formative evaluation can be used to provide comparison or baseline data for a subsequent summative evaluation.

The evaluation study design provided for a comprehensive sample of key informants, document reviews and case studies. Key informant interviews were with partners/participants who have worked closely with the Forum. The case study interviews are considered to be generally representative of partners' perspectives. The evaluation team integrated information gathered from the document review into the general findings of the evaluation. Therefore, we consider the study results representative of the Forum's accomplishments as well as its modalities of operation.

## 3.0 Key Findings

The section below presents the key findings according to the questions identified by the Evaluation Steering Committee. Additional questions concerning financial soundness and relationship of the Forum to the Government of Canada raised by Treasury Board are also addressed.

### 3.1 Evaluation Issue: Relevance

This issue examined:

- *Potential or actual overlap, complementarity of Forum programs with DFAIT, CIDA, PCO*
- *The effectiveness of Forum adaptation to evolving conditions*
- *The effectiveness of Forum's response to partners' needs*
- *Value added of the Forum's work*

### *Findings*

The issue of relevance was addressed through the review of documents and interviews with key informants. The evaluation found that:

- The Forum was relevant to the missions and mandates of DFAIT and PCO, as well as to CIDA as a project delivery agent;
- The activities of the Forum are considered complementary to other governance organizations;
- The Forum has established itself domestically and internationally in a specialized niche - federalism for practitioners;
- The Forum has adapted to evolving circumstances, and is responsive to partners' needs; and
- The Forum's activities represented added value for its beneficiaries, partners and its federal government funding departments.

### *Forum Activities and Funding Partners/Other Organizations*

The evaluation found that the Forum's activities are complementary to the DFAIT and PCO mission and mandate, supporting elements of the DFAIT Strategic Framework such as:

- "Promoting Canadian values and culture to the world". The Forum promotes the Canadian practice of federalism and what Canada represents abroad.

- The engagement of young Canadians through developing international opportunities and programs.
- The promotion of federalism inside Canada, enriching the experience of Canadians through international perspectives.
- Providing assistance to other countries by making available Canadian expertise and experience.
- Working in DFAIT priority countries i.e. Mexico, Brazil and India.

The evaluation determined that the Forum is viewed by PCO as a valuable resource for information on comparative government from an international perspective. Findings indicate that the Forum provides an important source of information as well as a useful service in the hosting of international delegations interested in Canada's system of governance.

On the other hand, the evaluation found that the fit between the Forum and CIDA as a core funder was more difficult due to Agency funding guidelines and reporting requirements. Our findings indicate that Forum management lacked understanding of CIDA's accountability requirements and procedures, as well as lacking knowledge about the broader interests and responsibilities of the Agency. The Forum's ability to meet CIDA reporting requirements for core funding support has improved somewhat over time, requiring concerted efforts from both the Agency and Forum staff.

However, the evaluation found that the Forum is considered to be an able partner in CIDA project delivery where accountability has been clearly defined through communication of expectations, pre-approval of budgets and specified project focus.

The evaluation included perspectives on the Forum from other Canadian organizations. The Parliamentary Centre was one such organization. It has been in existence since 1962 and currently receives multi-year project funding in its area of specialty - parliamentary systems. The evaluation determined that the activities of the Forum are considered to be complementary to the activities of the Centre.

#### *Adaptability of the Forum to Changing Contexts*

One of the results of the Quebec Referendum was a renewed interest in federalism issues. The Forum was originally established in 1998 as a small Secretariat focused on assisting Canadians better understand Canada and its system of federalism in an

international context, with a responsibility to play a prime role in organizing the Mont-Tremblant conference held in 1999.

The Mont-Tremblant conference was intended to allow discussion and “celebration” of the concept of federalism through presentation of non-Canadian models of federalism at work. Due to the success of the event, the Forum Secretariat was reorganized and made more permanent. The evaluation found that there was an expectation that the organization would engage in both domestic and international activities, with the international activities intended primarily to enhance the organization’s credibility in Canada.

*Evolving Circumstances - Outcomes of the Mont-Tremblant Conference*

The success of the Mont-Tremblant conference led to the redesign of the Forum Secretariat. The Secretariat had expected that through its clearing house and networking function its primary links would be with mature federations. Following the Mont-Tremblant conference, the Forum found itself engaged in discussions with emerging federations concerning support for federalism activities. The demand from emerging federations has continued to grow, with consequent growth of Forum programs and staff.

Another unexpected outcome of the Mont-Tremblant conference success was that the Forum received country specific requests for assistance from high level officials who had attended the conference. As a result, the activities of the Forum became more in line with Canadian foreign policy than had originally been envisioned. These outcomes of the first conference propelled the Forum from its start as a small Secretariat of three/four individuals into an organization responding to international demands in highly complex political environments.

Case study findings indicate that the Forum is seen by stakeholders as being very flexible and responsive. The wide range of activities undertaken by the Forum since its inception have been successful in promoting its specialized focus and establishing its niche. The evaluation found that over the past five years the Forum has established itself as an organization with the capacity to access specialized federalism expertise through deployment of its resources, material and guidance on federalism for practitioners. The expertise that the Forum provides is considered important and useful both domestically and internationally, and is currently unavailable from other organizations. The evaluation found that the Forum has continued to consolidate and increase its federalism experience and networks.



Evaluation findings indicate that in the past the organization has tried to be responsive to all reasonable requests from interested parties. Initially the Forum established activity themes to guide its work, but since 2003 the work has been based on geographic programs. Findings indicate that the Forum has gone through a protracted period of being overly responsive, which has led to insufficient “strategic focus”. While the lack of strategic focus has not been a major issue in the past, it could be a detriment in the future, spreading the limited resources of the Forum too thinly.

The evaluation findings suggest that the Forum would increase its effectiveness and benefit from developing a strategic plan in addition to a business plan. A strategic plan would lay out the strategic framework for the organization, identifying for example its vision, mission, key strategic goals and priority sectors, its business model (i.e. the modalities they will use to conduct their work and the strategies they will use to generate projects, activities, partnerships, etc.) and the key results i.e. what performance indicators do they want to be measured against. The business plan would build on the strategic plan, identifying for example the programs to be undertaken, planned expenditures, staffing expenditures, sources of funds and the application of these funds to achieving results. These two plans can be incorporated into one document, with the proviso that the characteristics of each are integrated.

The evaluation found that the present circumstance of the Forum is consistent with the evolution of the organization from a small Secretariat, growing and establishing initial credibility and contacts, to an organization that requires a stronger management structure.

### *Serving Partners' Needs*

Case study findings indicate that the Forum’s programs responded effectively to partners’ needs. The Forum’s approach to project implementation has been to establish partnerships with institutions in other countries. The evaluation found that this has been successful, increasing the Forum’s in-country support and international network.

An important focus of the Forum has been its relationship with mature federations (developed countries with federal forms of government). The evaluation found that although representatives of mature federations have been engaged in Forum activities such as conferences, workshops, round tables, the Forum has to date not been directly requested to provide expertise to discuss internal matters of federalism in these countries. Findings indicate that it is unlikely that a mature federation such as Germany

or Switzerland would request the Forum to become actively involved in what would be perceived as domestic federalism issues. However, the evaluation research indicates that the Forum has provided essential expertise in the organization of international conferences on federalism, such as the follow-on conference held in St. Gallen in 2002, as well as the one scheduled for Belgium in 2005.

The evaluation found that the Forum Board has tried to balance the demands on the organization, to maintain a focus on its clearing house function as well as its role with mature federations. The Forum does not see itself as a development agency, and has had to manage requests from developing federations within its mission, mandate and resources.

### **Summary**

The Forum was relevant to the missions and mandates of DFAIT and PCO, as well as to CIDA as a project delivery agent. The activities of the Forum are also considered complementary to other governance organizations. The Forum's activities represented added value for its beneficiaries, partners and its supporting federal government departments. Our study also indicated that the Forum has been responsive to partners' needs. Its practice of partnering with in-country institutions in the governance field has for the most part been successful.

The evaluation found the Forum has been adaptable and flexible in responding to changing circumstances. It has established specialized expertise domestically and internationally in providing resources, materials and guidance on federalism with a focus on practitioners. This expertise is currently unavailable from other organizations and is considered to be in high demand. However, the study noted a need for the Forum to focus more strategically. In this context, the Forum would benefit from the development of both a strategic plan and a business plan.

**3.2 Evaluation Issue: Success**

This issue assessed:

- *Results in strengthening democratic governance*
- *Results in improving communications and networking on federalism issues*
- *Results in enlarging and enhancing a new federalism knowledge base and best practices*
- *Results in improving federalism practices and policy decisions*
- *Results in increasing awareness of federalism issues in youth*
- *Unexpected results*
- *Forum Impact in Canada*

**Findings**

The issue of success was addressed through the review of documents and interviews with key informants. The evaluation concluded that the Forum has been successful in:

- Providing a neutral arena for discussions about federalism practices and policies;
- Improving communications and networking on federalism issues, bringing practitioners and academics together and as a result strengthening the network of professionals engaged in the study and the practice of federalism;
- Involving youth in its activities wherever possible, although budgetary and management resources restrict the impact of this program;
- There have been unexpected results from the Forum's activities, primarily in demand-driven requests for Forum support in:
  - ▶ conflict resolution
  - ▶ emerging federations
  - ▶ delivery of international federalism conferences;
- The Forum has acted as a catalyst for other donors, leveraging financial support for in-country governance initiatives; and
- Assisting a number of country governments in improving their federalism practices and policies.

*Strengthening Democratic Governance*

Document review indicates that the role of the Forum is to promote understanding of federalism practices. The evaluation found that the Forum supports the strengthening of democratic governance by providing a neutral arena to discuss federalism policies and

practices. The neutral arena allows open exchange of information, lessons learned and best federalism practices in an international context. The implication is that this exchange of ideas, as well as access to expertise, will in the long term lead to the strengthening of democratic governance policies and practices.

One of the issues related to the Forum mission and mandate core functions by the evaluation was the nature of the information flow between mature and developing federations. The evaluation found that the flow of information exchange between mature and developing federations was a multi-faceted two-way exchange. The value of this exchange was in the in-depth knowledge acquired about other federalism contexts, thereby permitting targeted federalism expertise to be provided by developed federations if requested. The two-way exchange of federalism perspectives and issues allowed continued comparative exposure to the ways that others have developed to address similar problems, and serves as a historical reminder to developed federations of issues in their federalism past.

#### *Improving communications and networking on federalism issues*

The Global Dialogue case study analysis concluded that the Forum's approach of bringing practitioners and policy makers together is essential to building a comprehensive federalism resource base and network. The Forum was found to have built good linkages with academics, who are considered to be an essential resource for the federalism knowledge base. The evaluation found that important networking between practitioners resulted from conference activities as well as from workshops, roundtables and implementation activities. These activities serve to acquaint practitioners on a personal and professional basis, with contact maintained in many cases after the event.

Findings indicate that the Forum is increasingly requested for federalism expertise referrals. To assist in identifying appropriate professionals, the Forum has developed a substantial database (20,000 references) of professionals interested/engaged in the practice of federalism. Improvements to make this database searchable and current are underway.

*Enlarging and enhancing a new federalism knowledge base and best practices*

*The Global Dialogue - An Example of Forum Knowledge Building*

The Global Dialogue program has been in existence for the last two years, and represents a large budget commitment for a series of roundtables and summary conferences. Linked to the International Association of Centers for Federal Studies (IACFS) at Lafayette University, one of the intended products has been a series of handbooks on various federalism themes.

The structure of the Global Dialogue has caused a great deal of angst within the organization. The concern was that this program would become an academic exercise, compromising its focus on practitioners. The program also appeared to respond to outside academic interests and was not integrated into other Forum core activities.

Very recent moves have been made to anchor the Global Dialogue program firmly into the mainstream of Forum activities. A redesign of the program strategic focus is underway to meld Global Dialogue research themes with Forum activities and to produce the handbooks as pre-reading for the international federalism conferences. A "Handbook Guide" in booklet form will be provided as a companion piece to allow easy access to specific information in the handbook.

Findings indicate that the Global Dialogue program is expected to be self-sustaining over the next two years through funds generated by Global Dialogue products and processes from outside agencies/foundations. No handbooks or booklets have yet been produced, so it is difficult to evaluate the redesign of the program at this point.

The evaluation found that the *Federations* magazine has been instrumental in adding to the knowledge base of practitioners with its accessible, plain language format. In Sri Lanka the Handbook of Federal Countries has been in high demand - partners in the peace process are using it as a reference text. The Website is reported to be particularly useful in mature federations and other federations where technological issues are not a constraint. However, the site is not easily accessible in areas where internet access is poor, necessitating continued "face to face" interaction to share information.

*Improving federalism practices and policy decisions*

In terms of organizational development, this evaluation was conducted early in the Forum's evolution. The evaluation was not designed to measure the specific results attained to improve federalism practices and policy decisions. The evaluation however did find that although the Forum is not set up for large scale interventions, over time it may contribute to long term improvements in federalism practices and policy decisions depending on country stability, as well as the political will of the country's leadership.

*Mexico - A Country Case Study*

The Forum was requested to provide advice and assistance during the transition period for the new government of Vincente Fox. Mr. Fox had been a delegate to the Mont-Tremblant conference and so was familiar with the Forum. The Forum was asked to assist the Fox transition team to gather perspectives on proposed changes to their federal structure. The staff of the Forum provided technical assistance and advice as well as identifying international federalism expertise as speakers at in-country workshops, conferences and seminars. These international experts from a variety of federal countries presented their experience and lessons learned on selected topics. Through this means, the new government had the opportunity to reflect on governmental design issues of importance to them. The Forum continues to work in Mexico on sector specific initiatives such as health and water resources.

*Increasing awareness of federalism issues in youth*

The evaluation found that increasing the awareness, interest and expertise of youth in federalism and federalism issues is a cross cutting theme for the Forum. As the next generation of practitioners, the central importance of youth involvement was highlighted by the majority of respondents during the evaluation research. The evaluation findings indicated that the imperative to involve youth in Forum activities and federalism concepts was strongly linked to the role of federalism in peaceful negotiations encompassing ethnic and religious diversities.

Case study analysis demonstrated that the Forum has endeavoured to incorporate youth in its activities. For example, in addition to targeted internship opportunities, youth have been involved as rapporteurs, as participants in conferences and as resources for Forum activities. As well, academics involved in Forum activities often make use of

their graduate students for research support, thereby increasing youth involvement. The Forum also has a Youth Member on its Board of Directors.

The current initiatives carried out under the youth program are considered to be useful and valuable. At the same time, the youth program has a limited budget and as a result has had a marginal impact.

### *Unexpected results*

The far-reaching impact of the format and content of the Mont-Tremblant conference and the resulting spin-offs (requests for support activities, increased Forum profile, etc.) had not been expected when the Forum Secretariat was formed in 1998. Examples of unexpected results include:

- Involvement in post conflict situations such as Sri Lanka, Sudan, Philippines.
- Involvement with developing as well as with developed federations.
- Increased demand for follow-on international federalism conferences, after the success of Mont-Tremblant

The Sri Lanka case study indicated that positive results have been achieved through the Forum involvement in the Sri Lanka conflict negotiation initiative. These included requests from the Norwegians for Forum involvement, acceptance of the Forum by the LTTE, the subsequent interest in and research on federalism at many levels in Sri Lanka and the engagement of the Sri Lankan diaspora community in Toronto.

The Mexico case study found that Forum activities were instrumental in networking donor agencies in Mexico. Interview participants involved in Forum activities in Mexico indicated that the Forum contribution has also been catalytic to other donors becoming involved in governance.

Another example of an unexpected outcome resulted from Forum involvement in conflict resolution in Sri Lanka. As a result of Forum involvement, the Canadian government has been asked to participate in the Peace conference, providing an opportunity to deliver the message about Human Rights abuse and child soldiers. The work of the Forum in Sri Lanka has also come to the attention of the Indian government regarding the conflict in Kashmir.

### *Forum Impact in Canada*

The evaluation found that the even though there was room for improvement in promoting Forum messages and its federalism expertise in Canada, Forum activities have resulted in domestic impacts in Canada. Canadians reported that their involvement with the Forum has had a significant impact on them and their work in Canada. The most significant impact has been exposure to comparative federalism models and the reflection on Canada's experience vis-a-vis the experience of others, both in mature as well as in developing federations. Canada in some fields, particularly aboriginal fiscal relations, is seen as a leader. In other cases exposure to other models, such as the role of municipalities within a federal system, has acted as a catalyst for Canadian practitioners to request the Forum to provide assistance in Canada. Evaluation findings in general indicated a high degree of personal impact of Forum activities on participants.

### *Achievement of Overall Objectives*

The Forum has a broad mandate. It has developed a reputation as an honest broker, providing neutral forums for federalism discussions. Positive opinions on the Forum's activities were provided by the large majority (93%) of those interviewed. The evaluation found no other organization as developed in its thinking within the federalism niche. There is a strong interest in the work and products of the Forum from other organizations which require federalism expertise.

On the other hand, the evaluation found that:

- The Forum has taken a long time to consolidate and focus its activities
- There is a need to balance gender on the Forum's Board.

### **Summary**

The Forum provides a neutral arena for discussions about federalism practices and policies. Forum activities support the strengthening of democratic governance and the Forum continues to build a network of professionals engaged in federalism practice and theory. Its approach of bringing practitioners and academics together strengthens this network.



Forum products and services contribute to the knowledge base on federalism by means of a bi-monthly magazine (Federations), reports and studies posted on the Forum website, individual consultations with Forum staff and other publications such as the Handbook of Federal Countries. The easily accessible format of Forum material is an important feature for practitioners, most of whom have limited time at their disposal. Engaging international experts in the federalism field for Forum events increases the utility of the exchange on federalism best practices.

The Forum has been engaged in country specific activities designed to have an impact on federalism practices. The organization has acted as a catalyst in leveraging both interest in governance initiatives and financial support from donor agencies. The impact of involvement in Forum activities for Canadian participants has been significant, refreshing their interest in federalism issues as they relate to the Canadian context as well as broadening their understanding of federal options through comparative examples. The Forum has involved youth in its activities wherever possible, although budgetary and management resources restrict the impact of this program.

The Forum has also made consistent efforts to achieve its overall objectives. It is too early to assess the actual impacts on federal systems with which the Forum has been active. However, the Forum has been successful in promoting Canadian values and global values of peace and security.

### **3.3 Evaluation Issue: Forum Management and Cost-Effectiveness**

This issue covers:

- *Budget and Financial Control Systems*
- *Governance Structure*
- *Systems for Planning*
- *Effectiveness of Resource Utilization and Partner Selection*
- *Financial and Human Resources*
- *Internationalization*
- *Best Practices, Insights and Lessons Learned*

## **Finding**

In our examination of management and cost effectiveness, we found that:

- The Forum acts as an independent arms-length NGO, however, financial support is primarily provided by the Government of Canada;

- Overall the budgeting, financial and control systems put in place by the Forum are adequate;
- The Forum is accountable to its Board of Directors and to the Terms and Conditions of its Contribution Agreements;
- There are weaknesses in strategic and long-term planning;
- In addition, weaknesses were also found in the internal management structure;
- The Forum internal financial and human resources are appropriate;
- Substantial in-kind contributions have been realized;
- Efforts have been made to internationalize the Forum in terms of financing. To date these efforts have attracted some international financial support, with potential for more support to be forthcoming; and
- The Forum will face a long term solvency issue if either additional government, international resources or private funding do not become available.

#### *Budget and Financial Control Systems*

A results-based management system has been established, but results based tracking requires the integration of all internal systems. Indicators and performance measures are still being developed and refined. The evaluation found that the Forum can build accountability into its structure, facilitating reporting of results and performance. Examples of the Forum addressing performance information questions include the Country Logical Frameworks established in January 2003. These frameworks include outcomes, impacts, and performance indicators.

The evaluation found that the Forum budget and financial management systems are well developed and effective. International in-kind contribution data is important and has been requested in the past in order to assess how partnerships with others are progressing. At the present time, notional in-kind contribution information provided by international project partners is indicated on Forum project/program results frameworks, but these amounts are not substantiated or audited so it is difficult to fix a firm international in-kind contribution amount. The Forum is currently reporting that it has been given approximately \$4.8 million in international in-kind contributions since 2000.

#### *Governance Structure*

The Board of Directors of the Forum is a widely diversified group consisting of experts on federalism as well as professionals with a great deal of experience, and with an

ability and a willingness to share knowledge. The evaluation found that the Board represents the Forum well, but may be too involved in management decisions that can be delegated to senior staff. The Board should focus on policy rather than operational issues. The management orientation of the Board may be due to the difficult management issues faced by the Forum in the recent past. The fact that the Forum was without a president for approximately one year created difficulties for the Board members as well as staff.

The current circumstance of the dual role of President and Chairperson being held by one person is considered to be transitional. The evaluation found that the organization needs a full time president located in Ottawa to provide on-going management expertise. This is particularly important given that the Forum now has three Vice-Presidents, all with equal authority.

The evaluation found that the ratio of six management staff to twenty non-management staff (including a President, three V.P.s and two Directors) is top-heavy for a small organization. The equal status of all V.P. positions can lead to difficulties in obtaining clear operational decisions and maintaining consistent lines of communication internally. The internal structuring of the organization should be reviewed for efficiency and effectiveness.

### *Systems for Planning*

During the period in which the evaluation was conducted, the Forum did not have a strategic plan or a business plan. Individual Workplans and Three Year Action Plans are developed for all projects and country programs, but there is no overall business plan. As identified previously, a strategic plan and a business plan would support the Forum by ensuring that its activities are directed towards a long term vision and that it engages the most appropriate qualified professionals to assist it to reach its long term goals.

### *Partner selection*

The evaluation found that partners for Forum activities are identified initially through its network, which include references from NGOs, academics, federalism experts, and Canadian embassies and high commissions. Partners also self-select through requests for Forum assistance, thereby making their interest in Forum activities known. Evaluation findings indicate that project partnerships are monitored throughout the

course of the project to identify implementation issues that might be detrimental. The results of realized partnerships has therefore been mixed, with some partners being replaced by others where the results have been considered unsatisfactory.

The primary beneficiaries of the Forum are those who participate in Forum activities. The Forum tries to ensure a balance of practitioners and academics at all of its events.

#### *Financial and Human Resources*

The programming scope of the Forum is limited by its human and financial resources. The financial and human resources currently available are generally in balance. No excess capacity exists to increase programming or in some case to undertake additional work in existing programs.

Issues concerning succession planning for top management and Board member positions were raised. There does not appear to be a comprehensive succession plan in place.

#### *Alternatives*

At the present time the organization can be characterized as a Canadian NGO receiving support from the Canadian government and from international partners. No other organization occupies the particular niche of the Forum of Federations - federalism focussed on practitioners - at this time.

#### *Long Term Solvency*

As stated in a previous section, since its founding, the Forum has received core funding contributions from PCO, DFAIT and CIDA. PCO provided the initial funding of \$500,000 in 1998-1999, with contributions totalling \$1.5 million provided to the Forum over the next 3 years. DFAIT core funding contributions to the Forum between 1999 and 2003 totalled \$6 million. CIDA's contribution totalled \$3 million between 1999 and 2003. In 1999-2000 the Forum received conference funds totalling \$2.6 million from DFAIT and CIDA. The Forum has also received project funds from DFAIT and CIDA - approximately \$287,000 from DFAIT (2000/01, 2002/03) and \$282,000 from CIDA (2002/03).

The Forum also received a grant in the amount of \$10 million in 2001 to establish a revolving fund for a period of ten years. The fund was created to "assist the Forum to achieve a more secure source of revenue by providing an additional support for its programs and activities" .

The Grant Agreement states that the Forum shall use the fund to further the purposes for which it was created, being the facilitation of exchanges between practitioners, academics, and researchers on governance from federal states, international organizations and non-governmental organizations, whose interest is in political relations within and among federal states. The fund is meant to provide financial stability to the Forum while it seeks to diversify its external (and possibly international) funding resources.

While the Forum has attracted project-related funding from a number of sources, its core funding up to now has come entirely from the Government of Canada. At the time the Forum was created, it was understood by the supporting agencies/departments that once it was fully established it would seek to diversify its sources of funding.

#### *Internationalization of the Forum*

The internationalization issue is intimately connected with the funding issue when "internationalization" is defined as financial contributions received from other country partners to maintain the core operations of the Forum. The evaluation found that it had been more important for the Forum to establish its credibility prior to seeking international financial support.

The funding partners and the Forum had expected at this point to have garnered more financial support from other countries for core funding. This process has taken longer and been more difficult than expected.

The apparent lack of movement on internationalization efforts for core funding support seems based on some confusion and lack of clarity of roles to achieve this objective. The evaluation findings indicated the Forum had understood government representatives would be handling financial negotiations with other potential funders. The internationalization activities were said to confuse potential partners as they were uncertain as to the extent of Canadian control that was intended over the long term, and hence the role that would be played by an international funder.

The questions of the international focus of the Forum seem to have been resolved. The Forum has built credibility as an NGO as well as a level of trust within the international community. The linkage of Forum activities to Canadian foreign policy demonstrated that the organization was international in scope. The evaluation found that the Canadian support for the Forum was important, and that the Forum should remain a Canadian organization, with head offices in Ottawa.

The evaluation identified various opinions about the internationalization efforts in terms of seeking core funding support for the Forum from other countries. Those who were in favour stated that involving other countries as core funding partners would be an easier way to encourage the exchange of ideas and that international support will sustain interest in the Forum's operations without concerns that the Forum is following a domestic Canadian agenda. From this perspective, with others supporting the Forum financially, there would also be less dependence on the Government of Canada for funding. Canada as the initiator of the Forum concept would gain support from others, creating a stronger and more effective organization .

The evaluation also found reservations about the internationalization efforts. The argument was made that with additional funding partners sitting at the table, the Forum would lose its decision-making flexibility and responsive agility. Decision-making will be much more complex if other national perspectives must be taken into account. From this perspective, the Forum is Canada's initiative and represents a specific niche for Canada. Internationalization will dilute the Forum's Canadian identity.

#### *Internationalization Efforts*

The Canadian federal government funding partners require the Forum to demonstrate that it has done its best to address the issue of diversifying its funding base. The evaluation found that the Forum has made concrete efforts to "internationalize" through a series of meetings. In February 2003 a meeting between Swiss, Belgian and Canadian representatives was held, resulting in the contribution to the Forum office of a Swiss professional to head the Global Dialogue program. Following this, a meeting of 12 countries was held in Brussels in July 2003 to discuss international support for the Forum. Findings indicated that there was strong interest in the Forum initiative on the part of participants, but hesitancy to provide funding.

A meeting to firm up financial arrangements with potential international interests will be held in May 2004 as a follow up to these initial meetings. At present Switzerland

has indicated that it believes that the Forum is worthy of support. There is an expectation that other international supporters will join the Swiss. Discussions have also centred on decision making processes recommending that the Forum be a self-directed NGO with the powers to make independent financial and management decisions.

#### *Internationalization and Non-financial Support*

The evaluation found that progress towards the internationalization of the Forum can be looked at in two ways: financial and non-financial. When internationalization is defined as the addition of international perspectives to the workings of the Forum, the Forum can be considered to be successfully achieving this objective. As mentioned above, the Forum has been given a resource from the Swiss government to lead the Global Dialogue activities. Other non-financial internationalization efforts which have been successful include:

- Governance of the Forum by an international Board of Directors; and
- A primary focus of Forum resources on international projects/initiatives

#### *The Arms-length Relationship with the Canadian Government*

Based on analysis of document review, cases study and key informant information, the Forum is considered to be an independent NGO receiving financial support from the Canadian government. The evaluation found that the status of the organization as an NGO is essential to its effectiveness. If it is perceived as an arm of the Canadian government, its core value - neutrality - will be compromised.

The evaluation also found that, due to the positive perceptions of Canada on the international stage, the Forum should remain linked to a Canadian base and Canadian government support. The support from the Canadian government is a positive feature of this organization. The evaluation also found that strong Canadian support is central to the Forum accessing additional resources, whether these be core financial support or additional in-kind contributions.

#### *Best Practices, Insights and Lessons Learned*

The implementation of the Forum's program illustrates the demand that exists for information on federalism both domestically within Canada and internationally. The Forum's focus on practitioners is perceived to be important, creating a venue in which federalism experiences and best practices can be shared. The lesson learned is that an

organization such as the Forum is a good mechanism for sharing Canadian expertise and experience in federalism issues with other federations.

### **Summary**

The evaluation found that organization is an independent NGO with financial support from the Canadian government. Although it is an independent entity, the work of the Forum has been in consonance with Canadian foreign policy goals, thereby supporting DFAIT's mission of promoting Canadian values. As a result of its independent status, the Forum is able to provide a Canadian presence in situations where the government is not capable of doing so (e.g. delicate peace negotiations).

The financial planning, budgeting and control systems are in place and functioning well. Results based management systems have been put in place with the expectation that these will become increasingly effective as indicators and data collection activities are refined. The financial systems allow managers to effectively track financial information and present reports as required by the Forum's Board as well as the funding partners. Currently the financial and human resources managed by the Forum are in balance.

The Forum is currently dependent on Canadian government sources for the major portion of its core operating budget. Contributions in-kind have been received from project partners as well as from the government of Switzerland. Over the past year additional focus has been placed on obtaining core funding support from other governments with federal systems. The Forum has also begun to seek other project funding from sources such as foundations and international financial institutions. If the Forum is not funded by government, it will not be solvent in the short term without radical change to its business model.



## 4.0 Summary of Conclusions

The following section summarizes the conclusions reached through the analysis of information collected on each evaluation issue.

### **Relevance:**

The evaluation concluded that the Forum was relevant to the missions and mandates of DFAIT and PCO, as well as to CIDA as a project delivery agent. The activities of the Forum are also considered complementary to other governance organizations. In addition, the Forum's activities represented added value for its beneficiaries, partners and its supporting federal government departments. The evaluation indicated that the Forum has been responsive to partners' needs. Its practice of partnering with in-country institutions in the governance field has for the most part been successful.

The evaluation found that the Forum has been adaptable and flexible in responding to changing circumstances. It has established specialized expertise domestically and internationally in providing resources, materials and guidance on federalism with a focus on practitioners. This expertise is currently unavailable from other organizations and is considered to be in high demand. However, the evaluation noted a need for the Forum to focus more strategically. In this context, the Forum would benefit from the development of a strategic plan and a business plan.

### **Success:**

The evaluation concluded that the Forum provides a neutral arena for discussions about federalism practices and policies. Forum activities support the strengthening of democratic governance and the Forum continues to build a network of professionals engaged in federalism practice and theory. Its approach of bringing practitioners and academics together strengthens this network.

Forum products and services contribute to the knowledge base on federalism by means of a bi-monthly magazine (Federations), reports and studies posted on the Forum website, individual consultations with Forum staff and other publications such as the Handbook of Federal Countries. The easily accessible format of Forum material is an important feature for practitioners, most of whom have limited time at their disposal.

Engaging international experts in the federalism field for Forum events increases the utility of the exchange on federalism best practices.

The Forum has been engaged in country specific activities designed to have an impact on federalism practices. The organization has acted as a catalyst in leveraging both interest in governance initiatives and financial support from donor agencies. The impact of involvement in Forum activities for Canadian participants has been significant, refreshing their interest in federalism issues as they relate to the Canadian context as well as broadening their understanding of federal options through comparative examples. The Forum has involved youth in its activities wherever possible, although budgetary and management resources restrict the impact of this program.

The Forum has also made consistent efforts to achieve its overall objectives. It is too early to assess the actual impacts on federal systems with which the Forum has been active. However, the Forum has been successful in promoting Canadian values and global values of peace and security.

### **Management and Cost-Effectiveness:**

The evaluation found that organization is an independent NGO with support from the Canadian government. Although it is an independent entity, the work of the Forum has been in consonance with Canadian foreign policy goals, thereby supporting DFAIT's mission of promoting Canadian values. As a result of its independent status, the Forum is able to provide a Canadian presence in situations where the government is not capable of doing so (e.g. delicate peace negotiations).

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past year additional focus has been placed on obtaining core funding support from other governments with federal systems. The Forum has also begun to seek other project funding from sources such as foundations and international financial institutions. If the Forum is not funded by government, it will not be solvent in the short term without radical change to its business model.

## 5.0 Recommendations

The following recommendations are based on our evaluation findings, and are presented for the consideration of the management and Board of the Forum.

### **Recommendation 1**

It is recommended that the Forum develop a more coherent planning process by developing a strategic plan to provide long term vision and direction. A strategic plan would lay out the strategic framework for the organization, identifying for example its vision, mission, key strategic goals and priority sectors, its business model (i.e. the modalities the Forum will use to conduct its work and the strategies it will use to generate projects, activities, partnerships, etc.) and the key results i.e. what performance indicators does it expect to be measured against. The utilization of a plan will also keep the Forum on track in achieving long term results as it adapts to changing domestic and international contexts.

### **Forum of Federations Response and Action Plan**

Forum agrees with this recommendation. Two years after its inception, Forum took a strategic decision to focus its specific governance assistance programming in four key federations on four continents. Other focus areas are mature federations and youth. Internationalization and the plan by which it is intended to be achieved is the most recently adopted focus. These strategies are in place, but need to be explicitly combined in a comprehensive strategic plan. Forum has determined that the construction of a detailed strategic plan will be completed by July 31, 2004.

### **FAC and PCO Response and Action Plan**

The Forum was requested to provide a strategic plan that takes into account specific foreign policy objectives.

### **Recommendation 2**

It is recommended that the Forum develop a management and Board member succession plan. In the past it has proven difficult to easily fill top management positions in the organization, due to the high level international political access of the Forum activities and the level of federalism expertise required to maintain the credibility of the organization. A succession plan would contain a strategy for filling management and Board positions in both the short and the long term, providing a direction for continuous Board renewal. A plan of this nature would help to ensure that

the Forum is not confronted with management gaps as has been the case in the past. It would also ensure that Board positions, which require a substantial degree of federalism expertise, can be filled expeditiously.

#### **Forum of Federations Response and Action Plan**

Forum agrees with this recommendation and the Board of Directors has taken measures accordingly. A Governance and Nominating Committee of the Board has been established, and that committee will specifically address the recruitment of Board Members, subject to the proposal of Members by partner countries under the internationalization strategy. Further, the Board of Directors is revising the terms of reference of the Chairman and President to clearly address the Chairman's responsibility to oversee the performance and effectiveness of the Board and the President's responsibility to ensure the presence of an effective management team. With regards to succession in the management team, Forum recognizes that the present structure, while transitional, was put in place with specific objectives in mind relative to the internationalization process. Once this issue and the renewal of Canadian funding is resolved, Forum plans to request that the Board of Directors implement a succession plan for management.

#### **Recommendation 3**

It is recommended that the Forum develop a business plan. This plan should include a five year funding forecast which will indicate funding commitments received from Canadian government departments, other governments, foundations, IFIs, etc. This plan will guide the organization's financial and human resource utilization decisions, ensuring that proposed activities/initiatives are linked to core objectives. The business plan would build on the strategic plan, identifying for example the programs to be undertaken, planned expenditures, staffing expenditures, sources of funds and the application of these funds to achieving results. The business plan would be utilized by potential funders to support their funding decisions.

#### **Forum of Federations Response and Action Plan**

Forum agrees with this recommendation, and a Business Plan addressing funding forecasts based on Canadian and other national government contributions, and on anticipated program support from foundations and other non-governmental sources will be completed by September 2004.

### **FAC and PCO Response and Action Plan**

It should be noted that the FAC and PCO supported the Forum's efforts in the internationalization of its sources of financing with the collaboration of other federations, notably Belgium and Switzerland.

### **Recommendation 4**

It is recommended that the Forum review its internal management structure with the objective of strengthening efficiency and effectiveness through the development of clear internal management accountabilities. The Forum at this point in its evolution requires a more robust management structure to move the organization forward. The responsibilities of each management position should be clearly defined, and communicated to staff. It is recommended that the review result in changes to the current management configuration and position characteristics.

### **Forum of Federations Response and Action Plan**

Forum agrees that its internal management structure should ensure efficient and effective management of the organization. The Forum's management structure was put in place after extensive national and international discussion about the role and structure of the Forum, and responds to current needs. As funding and international participation further evolve, the Board will want to give consideration to changes, but not at the expense of flexibility.

### **Overall Assessment**

The evaluators believe financial support for the Forum of Federations should be continued. Financial support from the Government of Canada will ensure that the Forum remains identified with Canada and Canadian based. Canada needs to be seen as a major core funding player to support internationalization efforts.