

Learning about Success and Failure in Development Programming using a Thinking and Working Politically Approach: Lessons from the Facility for Oil Sector Transparency (FOSTER) in Nigeria

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What is FOSTER?

- FOSTER is a £13 million programme funded by DFID in Nigeria. It ran from 2011 to 2016 and used a **multi-stakeholder approach to improve the governance of the Nigerian oil sector**. A mostly **Nigerian team** based in Abuja and chosen by DFID's service provider, Oxford Policy Management (OPM), was running the programme.
- FOSTER consisted of a myriad of small interventions including (e.g. technical assistance to government agencies and support to CSOs). Each of these **small interventions belonged to a larger cluster of related interventions** that aimed to collectively push forwards reform in an area of the Nigerian oil sector.
- Designed with a Thinking and Working Politically (TWP) approach in mind, FOSTER **did not have pre-defined interventions** and allowed for **flexible funding** to respond to reform opportunities.
- This paper is a **reflective study** that aimed to support learning about FOSTER's **successes and failures**.

The Nigerian environment

The administration of President Johnathan (2010-2015) was particularly uncompromising to reforms in the oil sector. It was claimed that any reform processes was hindered by the Minister of Petroleum Resources who was accused of blocking any initiatives and has been involved in various corruption scandals.

The five case studies

Case Study 1: Nigerian Extractive Industries Transparency Initiative (NEITI).

- NEITI is the Nigerian organisation implementing the Extractive Industries Transparency Initiative (EITI), a global Standard to promote open and accountable management of natural resources. NEITI produces regular audit reports that assess, review and reconcile all revenue and investment flows to and from Government in the oil and gas sector.
- FOSTER's support included: capacity building, technical support, training and dissemination of information.

Case Study 2: Engagement with Demand-Side Actors

- Throughout its life time, FOSTER was increasingly working with demand-side actors as a response to President Jonathan's administration's lack of appetite for institutional reforms.
- FOSTER's support included: commissioning and disseminating research and media, CSOs and private sector actors support through capacity building, technical training and grants.

Case Study 3: Petroleum Industry Bill (PIB)

- The proposed PIB is a piece of legislation that aims to provide an overarching framework for the reform of the Nigerian petroleum industry. FOSTER tried to improve the Bill's provisions and support its passage.
- FOSTER's support included: engaging and supporting all stakeholders (institutional actors, civil society and private sector actors) through the dissemination of research and information on the PIB, training, technical support, capacity building and grants.

Case Study 4: Social Media Oil Spill Map

- Oil spills are a major economic and environmental challenge in Nigeria, where there are over 1500 oil spills a year. No effective national mechanisms are in place to deal with them.
- FOSTER aimed to remedy the evidence deficit through the launch of a community-based oil spill map.

Case Study 5: Department of Petroleum Resources (DPR)

- DPR is the regulator of the petroleum industry. It supervises all petroleum industry operations being carried out under licenses and leases, updates records on petroleum industry operations, etc.
- In 2012, a new Director of DPR was nominated. His pro-reform stance convinced FOSTER to provide support to improve DPR's transparency, accountability and efficiency through capacity-building, training, advice and research.

Lessons: successes

- FOSTER's Nigerian team was **well connected and politically well-informed**. This was an important factor that allowed the team to identify the right people to work with in this difficult environment.
- FOSTER's flexibility enabled the team to work with a range of actors **both on the demand and on the supply-side**, to **seize opportunities for reform** or **re-orient interventions** in the rapidly changing political economy of Nigeria.
- A factor of success was that, for the most part, FOSTER programming was **demand-driven and interventions were locally-owned**. When this was not the case, the intervention led to a failure (e.g. DPR).
- Key to FOSTER's successes was its emphasis on **connecting stakeholders** and **supporting coalitions for reforms**. This was enabled by FOSTER 'orchestrating role' behind the scene (no documents were branded FOSTER and often FOSTER did not disclose interventions were funded by DFID).
- FOSTER **commissioned an important number of pieces of research** around oil sector issues, **simplified information** already available and **disseminated it to stakeholders**. As these pieces were not branded, FOSTER became a sort of **neutral repository of knowledge** that actors came to see in search of reliable information which enabled FOSTER to **shape public debates on oil**.

Lessons: failures and challenges

- The **balance between promoting the flexibility and adaptability of the programme and good management** was hard to maintain. FOSTER lacked more defined management processes that would have allowed for better recruitment of consultant, better coordination between interventions within the same cluster and stronger monitoring and evaluation procedures which were particularly weak.
- Formal and wide **Political Economy Analyses (PEAs)** were elaborated by external consultants and thus tended to be **disconnected from the actual programming**. The FOSTER team's way of doing PEA was iterative and informal ('you put your ears to the ground'). It was relatively successful but showed its limits as the FOSTER team was often able to identify potential change makers but not to analyse the political context in which they operated.
- The **absence of cluster-specific Theory of Change (ToC) hindered FOSTER's capacity to be strategic** and reflect on the 'big picture' in each cluster. Even though relatively diminishing flexibility, a not too constraining and regularly revised ToC would have been useful, together with cluster-specific PEAs, to provide a more strategic dimension to the clusters.
- **DFID's political considerations** and keenness to work with government agencies seem to have **hindered FOSTER's responsiveness to the political economy** (e.g. the DPR and PIB).
- Over the course of the programme, **DFID became more risk averse, less willing to accept failures and started micromanaging FOSTER**. This was partly a response to FOSTER's initial launching of a multitude of interventions without proper strategic direction. However, it became a problem for FOSTER's management, its flexibility and its ability to take risks and decision.

Conclusion

The case studies show that FOSTER took advantage of its experimental design along the lines of a 'TWP approach'. It enabled FOSTER to be, to some extent, flexible and adaptive to its political environment, and launch innovative interventions. FOSTER's work was more impactful on the demand-side than its work with government actors which, given the Nigerian socio-political environment from 2011-2015, is not surprising as the space for institutional reform was very small. The most significant results concern the improvement of the public debate and of the knowledge of stakeholders around oil sector issues which was significant. FOSTER's support to develop the capacity and/or the advocacy initiatives of CSOs and the media, and its focus on commissioning and disseminating research and information were key to this improvement. Through this pathway FOSTER managed to put pressure on government agencies which, to some extent, responded to the issues raised by CSOs and the media. The most significant challenges for FOSTER was the Nigerian political environment, as well as other challenges linked to the difficulties of implementing an TWP programme such as: finding the right balance between flexibility and informality on the one side, and good management procedures on the other side; how to use Political Economy Analyses (PEAs) appropriately; and how to deal with donors' incentives and their aversion to risk.