



The Integrity Approach to
Political Economy Analysis
Context, Audience, Timeframe - **CAT**

2018



What is Political Economy Analysis (PEA) and why is it important?

Development, stabilisation and humanitarian programmes do not exist in a political vacuum. In order to succeed, **programmes must account for the context within which they operate** and, most crucially, how this context may evolve or be affected by an intervention. Failing to do so could even cause more harm than good.

‘Thinking and working politically’ is an essential approach that programmes must take in order to adapt to their political environment. For example, training police on the importance of human rights will have minimal impact if it fails to account for the **incentives and constraints** that underpin police behaviour. Livelihoods grants that neglect tribal dynamics could result in conflict or exacerbate existing inequalities.

PEA and its related tools, including **context, stakeholder and power analysis**, are essential to thinking and working politically. While PEA has several definitions, its main focus is on understanding the **‘rules of the game’** in a given context (**structural diagnostic**) and the **‘game in the rules’** shaped by the actors who drive the game forward (**agency diagnostic**). These levels of analysis consider the formal and informal institutions and norms that shape power relations, as well as the incentives and constraints faced by different actors (e.g. individuals or groups).

PEA informs development programming by making these often-hidden interactions and dynamics more transparent. By examining core questions of **‘who gains and who loses?’**, PEA reveals overlapping lines of influence and interest, and identifies viable policy responses and programme strategies.

About Integrity

Integrity is an ethical consulting firm working in development and conflict-affected contexts around the globe. We deliver seven key services: Research, Evidence and Analysis; Monitoring, Evaluation and Learning; Project Management and Implementation; Stakeholder Engagement; Capacity Development; Risk Management; and Data and Knowledge Management.

Headquartered in London, UK and Virginia, USA, Integrity operates regional offices in Jordan, Lebanon, Turkey and Kenya, and has representatives in Pakistan. Our multi-national team of over 40 specialists has extensive experience of delivering over 200 projects and programmes in fragile and complex contexts globally.

Our PEA track record, approach and services

We recognise the importance of PEA, understand the theory that underpins it and have an extensive track record of PEA delivery across the globe.



Diverse Sectors

We have applied PEA approaches across diverse sectors, including governance, trade and economic development, health, education and security and justice.



Complex Contexts

We have delivered PEA assignments in a range of complex and challenging environments, including Somalia, the Democratic Republic of the Congo (DRC), Syria, the Occupied Palestinian Territories, Pakistan and Myanmar.



Variety of Uses

We have provided PEA services to inform or directly support: programme design; programme implementation and adaptive management; monitoring, evaluation and learning; and overarching policy.



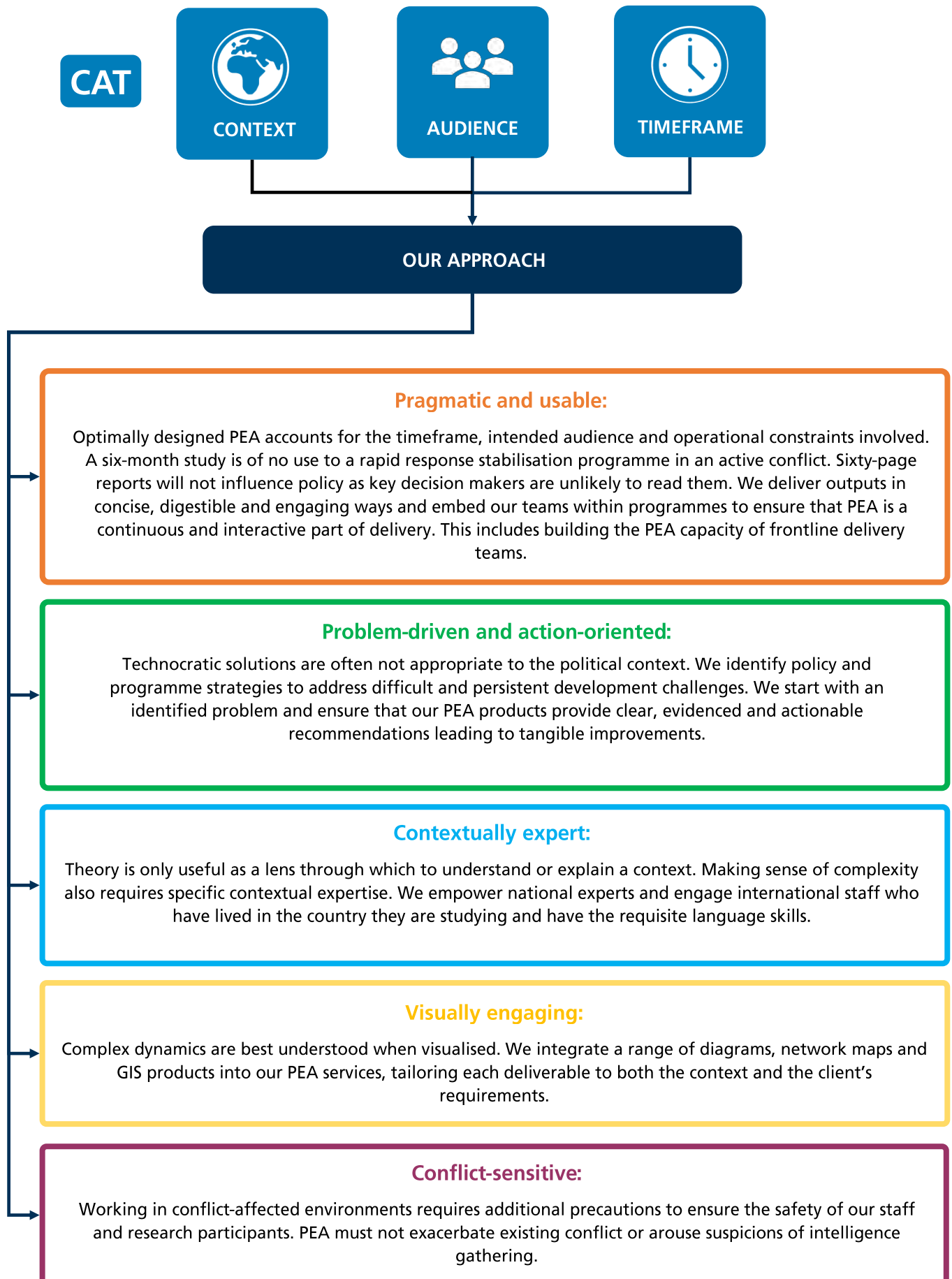
Diverse Clients

We have delivered PEA services for a wide array of clients, including the UK Department for International Development, USAID, the Foreign and Commonwealth Office, the UK Cabinet Office, the US Department of State, the German Federal Foreign Office, the Netherlands Ministry of Foreign Affairs, the Danish Ministry of Foreign Affairs, Global Affairs Canada, and the Business Innovation Facility.

Our tailored approach

We know that a one-size-fits-all approach to PEA services does not work. As such, we work closely with our clients at an early stage to understand their objectives and knowledge requirements in order to situate them within the wider context. We can then develop bespoke methodologies that deliver the evidence our clients need to inform their decision making.

Context, Audience, Timeframe (CAT) Approach



Our PEA services

We offer a range of PEA services to support design and delivery of policy and programmes. We have a breadth of experience conducting PEA for separate but sometimes interrelated purposes, including:

- Informing policy and programme design.
- Supporting programme implementation and adaptive management.
- Augmenting or informing monitoring, evaluation and learning.

PEA to support overarching policy and contextual understanding

We deliver flexible Research Evidence and Analysis services to inform donors' understanding of some of the world's most complex and challenging contexts.

In **Syria**, we supported conflict-affected communities outside of government control by restoring essential services, re-building livelihoods and strengthening governance institutions. Our quarterly PEA reports have enabled USAID and the US Department of State to remain adaptive and flexible whilst understanding the ever-changing context in Syria. In supporting the UK's response to the Syria crisis, our PEA reports have been used by DFID and the UK Syria Conflict Pool to better target their resources and improve results on the ground through informed engagement strategies. In the **DRC** we produced over 20 PEA studies on a range of thematic topics for DFID. These studies informed DFID's evolving policies on health, natural resource management, security and justice, elections and economic development.

Case Study: Providing an Evidence and Analysis Facility for DFID DRC (2014-2017)

We delivered the Evidence Analysis and Coordination Programme (EACP) for DFID in the DRC. This programme produced a number of PEA studies on different provinces and sectors that informed DFID's programming across the country. The team regularly presented study findings both to the DFID team in Kinshasa and to key stakeholders. The studies of sectors, including urban water provision, health sector pay reform, tax systems and industrial mining, enhanced the understanding of the DRC's political economy and made recommendations to directly contribute to policy and programme decision making.



PEA to support programme design

We provide PEA services that inform specific programme and project designs across a range of sectors and fragile and conflict-affected contexts.

In **Pakistan**, Integrity is leading a PEA-driven trade scoping study for DFID to inform an upcoming economic growth programme that seeks to reduce the country's substantial trade deficit. In **Myanmar**, we conducted a PEA of the bamboo sector for the Business Innovation Facility, which enabled it to target efforts to make the sector's growth more inclusive. In **Syria**, we carried out PEA-driven research on the justice sector in northern Syria to assess the feasibility of initiatives to support the rule of law.

Case Study: Conducting PEA to support DFID's programme design in the Occupied Palestinian Territories

We are currently providing a rapid PEA study for the UK Government's Bridging Support to the Palestinian Security Sector programme. Our study will help design an evidence-based, flexible and accountable programme to strengthen the capability of the Palestinian Ministry of Interior to oversee and reform the Palestinian Authority Security Forces (PASF). We are implementing a detailed political economy analysis of the current context, including an understanding of power dynamics between state and non-state security sector and civil-society stakeholders, their objectives and incentives to identify viable entry points for UK government support. Our PEA work feeds into the design of a holistic, context-specific and adaptive Theory of Change to inform future Security Sector Reform programming.



PEA to support programme implementation and adaptive management

We provide the PEA expertise required to enable adaptive management and programme implementation in complex environments. In the **DRC**, we informed programmatic decision making for the DFID-funded ACCELERE programme, building an evidence base through in-depth research and PEA. The studies helped DFID plan for the implementation of improved governance and accountability in the education sector. We also conducted a PEA needs assessment as part of USAID's Integrated Governance Activity in the DRC, a \$30-40m programme aimed at strengthening key governance institutions. Our analysis helped the programme to identify relevant political economy issues at both the national and local levels. It also measured the capacity of the implementing team to adjust programming in response to the dynamic political situation throughout the project cycle. In **Syria**, our PEA analysis informed USAID programmes' engagement with local councils in southern Syria and with Arab tribes in Raqqa, while identifying the political blockages preventing successful agricultural programmes.

Case Study: Recommendations from Integrity PEA on Syria Essential Services II

In Syria, we apply PEA methods to ensure that the USAID Syria Essential Services II programme can operate effectively within the dynamic and volatile Syrian conflict. Our war economy analysis helped the programme target renewable energy interventions to mitigate the reliance on diesel smuggling for generators. Our PEA analysis of Arab tribes in Raqqa and Deir-Ez-Zor informed the programme's engagement with emerging local governance structures in areas liberated from ISIS. Our monthly atmospheric reporting helped the programme to manage risk, maintain relevance and react to new trends.



PEA to support Monitoring, Evaluation and Learning

We integrate PEA into our wider service offering, particularly MEL. We adapt PEA tools to track, measure and assess changes in the political economy of the communities within which we work. This allows us to better understand programme progress, as well as contextual factors that facilitate or act as barriers to successful implementation. We also utilise PEA-related approaches, such as stakeholder and power analysis, to understand and cater to the diverse sets of stakeholders involved in MEL activities, including donors, implementers, programme participants and their communities. This drives the impact of MEL activities on overall policy and programme objectives.

In **northern Syria**, we conduct Third-Party Monitoring of a multi-donor security and justice stabilisation programme whilst providing strategic analysis to five donor governments. This support enables the programme to remain relevant in the rapidly changing conflict. The integration of PEA into our MEL services enables us to provide greater assurance of the programme's results and informs improved programme design and learning.

Case Study: Stakeholder and Power Mapping to inform the design of UK Prosperity Fund Evaluation and Learning

As part of the consortium delivering evaluation and learning services to the £1.2 billion cross-governmental UK Prosperity Fund, Integrity led the stakeholder and power analysis focusing on mapping and assessing the interests, levels and types of influence of different evaluation and learning stakeholder groups. Given our user- and learning-focused approach to evaluation, this analysis directly informed our wider approach to our evaluation and learning services. It particularly focused on the primary users of the evaluations, specifically considering:

- **Their interest in evaluation and learning:** We asked each stakeholder about their evaluation and learning needs and expectations. We also assessed their appetite for engagement with evaluation and learning activities.
- **Their influence over evaluation and learning:** Our stakeholder analysis also sought to understand who wields influence over evaluation and learning activities at both the strategic and operational levels. It identified those with wider influence over the Prosperity Fund who could ensure that the information from evaluation and learning informs and improves programming across the Fund through adaptive management.

Get in Touch

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