

Development aid: quality of products and services

A dramatic improvement of quality of products and services was driven by a simple mechanism of ideal markets: consumers tend to pick the best product and supplier. An important contributing factor to quality improvements has been the creation of standards for thousands of products and services, and reliable certification.

Clients in less than perfect markets –for example, where products are (almost) free-consumers simply consume whatever is offered to them. Such a market appears to be the reality of development aid. The major “client” (extremely poor people) cannot contribute to improve the quality of products and services by picking the best or refusing the worst. In addition, this client cannot rely upon internationally accepted standard overlooking quality of development aid.

In the absence of a mechanism which drives towards improved quality, financiers of development aid invest considerable effort in quality of their products, for example by selecting competent project implementers, through frequent and thorough project evaluations, and other quality assurance mechanisms.

Also NEN, the Netherlands Standardization Institute, has looked into this matter and has raised the following question: Can globally accepted standards for Development Aid contribute to improve quality of this “service industry”?

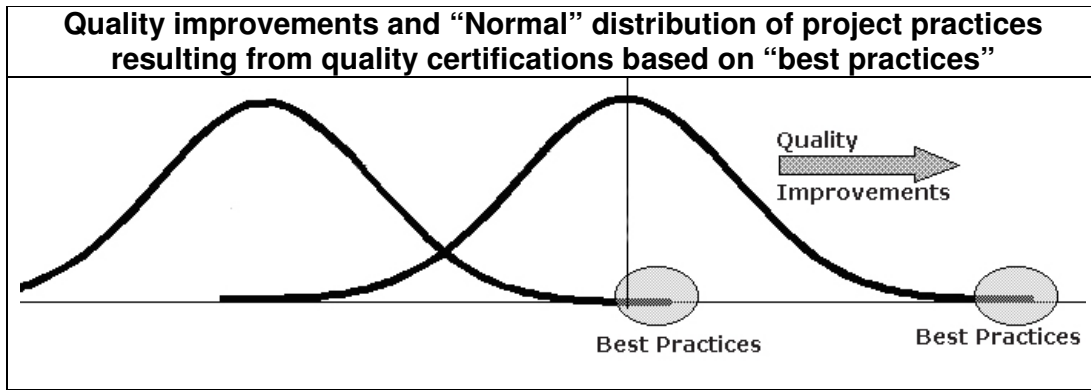
During the past months we have come to believe that the answer to this question is affirmative, as great differences in quality were found between different projects: where conventional development activities require much investment during decades to produce meager results, innovative approaches have shown to be capable of producing fast and sustainable results (as documented for example in the publications provided in www.dexcel.org, for EU, IFAD and other projects).

Significant differences between results do not only reveal the *need* to create quality standards, they also show that this is *possible*, as definition of norms is based on best results.

“Learning from the best”

Good practices will produce good results. This implies that norms for institutional performance can be derived from best practices. It is always possible to improve even the very best. Norms should follow such improvements and therefore become more demanding over time. Such norms can become a clear reference point for all actors making the “market of development aid” more transparent.

Norms may provide objective criteria to measure and certify quality in development. The actors (donors, development and implementing agents, and beneficiaries) would be able to push the market to continuous improvements and produce greater quality if there are clear norms, or standards, as well reliable certification of the attained level, as illustrated in the figure below.



The best will receive more resources

Comparison of development efforts based on norms would allow recognizing best practices, as well as innovators, who exceed existing norms and standards. Normalization and certification would create a powerful incentive towards continuous improvement: the best would receive social recognition from beneficiaries and donors. The best would therefore receive more resources. Implementing agents who do not attain minimum performance standards would have two options: improve, or lose their market place, their funding.

Best practices in development aid have been identified in several countries and have shown to provide the beneficiaries with fast, great and lasting results, including poverty eradication, with relatively modest investments. There is experience with the definition of norms based on such practices, as well as with quality certification of project implementers.

Your opinion

The above considerations and relevant experience has persuaded NEN to explore the possibilities for the creation of internationally accepted norms (an ISO norm). It may be expected that such a norm could be an important tool to make the development aid market more competitive, to the benefit of the most deprived of our societies, and the world at large.



We would like to hear your opinions on this issue, particularly on the question:
Can Development Aid benefit from ISO standards yet to be created?

Reply form: Interest in creating standards on Development Aid

Please send back this reply form before July 15, 2006 to:

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Please mark your choice.

YES	I believe that Development Aid can benefit from ISO standards yet to be created.
NO	No, I believe Development Aid cannot benefit from such standards. Please explain:
YES	I would like to be informed of the process of standardization on Development aid.
NO	I do not want to receive information about the process of standardization on Development aid.
Your comments:	

Your organization:
Name Contact:
Signature:
Address:
City:
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