



**USAID**  
FROM THE AMERICAN PEOPLE

| **ASIA**



**Making Better Decisions: Multi-Criteria  
Analysis to Improve Decision Making  
and Increase Transparency**

Asia LEDS Forum, November 12, 2014



# Introductions

**What are your course objectives?**





**USAID**  
FROM THE AMERICAN PEOPLE

| **ASIA**



# Introduction to Multi-criteria Analysis

Asia LEDS Forum, November 12, 2014



## LEDS and Multi-criteria Analysis (MCA)

- A **goal** of **LEDS** is to achieve **social, economic, and environmental** values while reducing long-term greenhouse gas emissions and increasing resiliency to climate change impacts
- A challenge of LEDS is how to simultaneously **advance** these sometimes **competing objectives**
- MCA can assist in this process to **guide decision making** and **increase transparency**



**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

## Learning Objectives

**Introduction  
to MCA**

**Introduction  
to triple  
bottom line**

**Benefits of  
MCA**

**MCA steps**



**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Introduction to MCA

## What is MCA?

- A method for evaluating options when there are **multiple important objectives**





## How does MCA work?

- MCA uses information from participants to **score**, **rate**, and **rank** different options



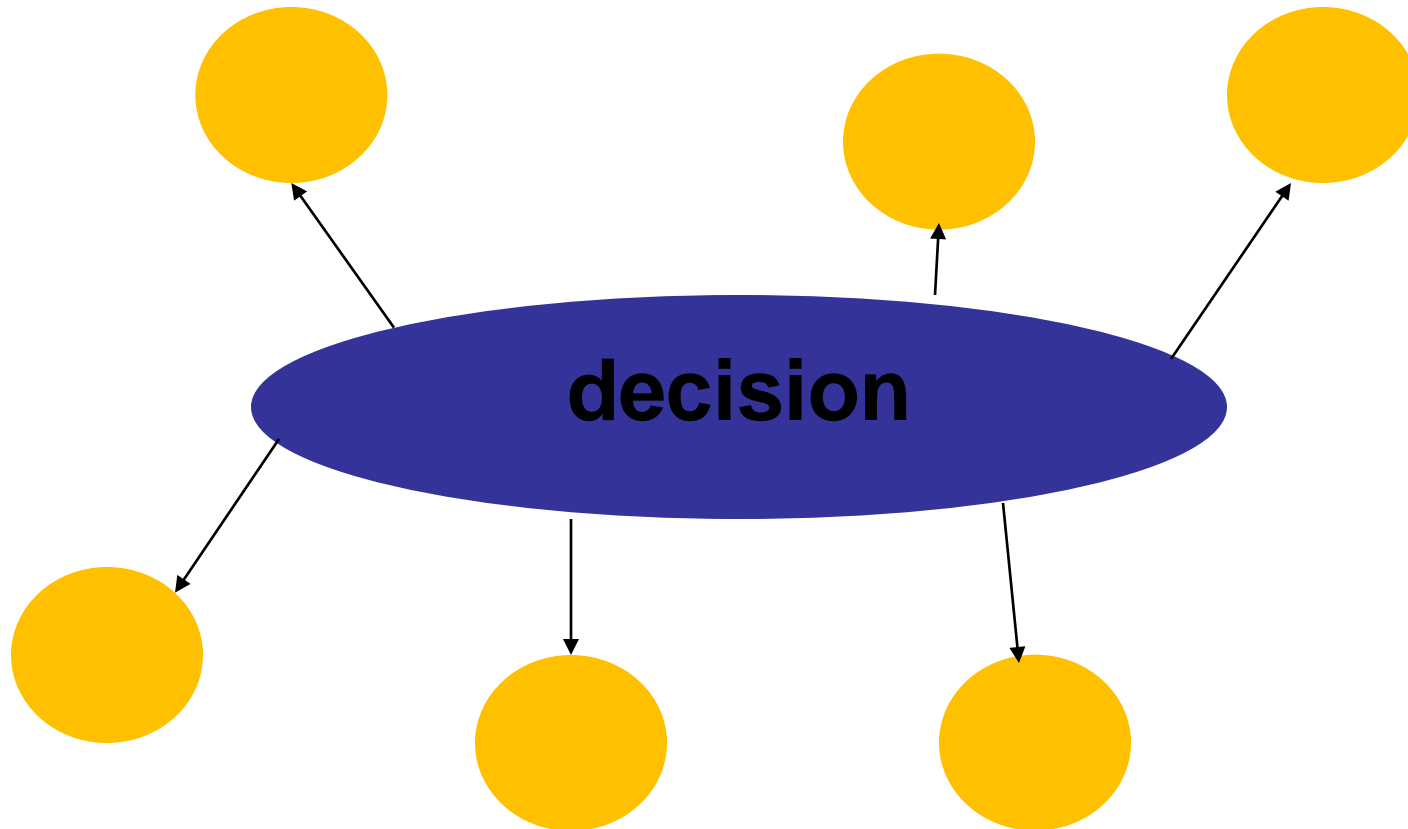


**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Introduction to MCA

**MCA breaks a decision down into many parts**





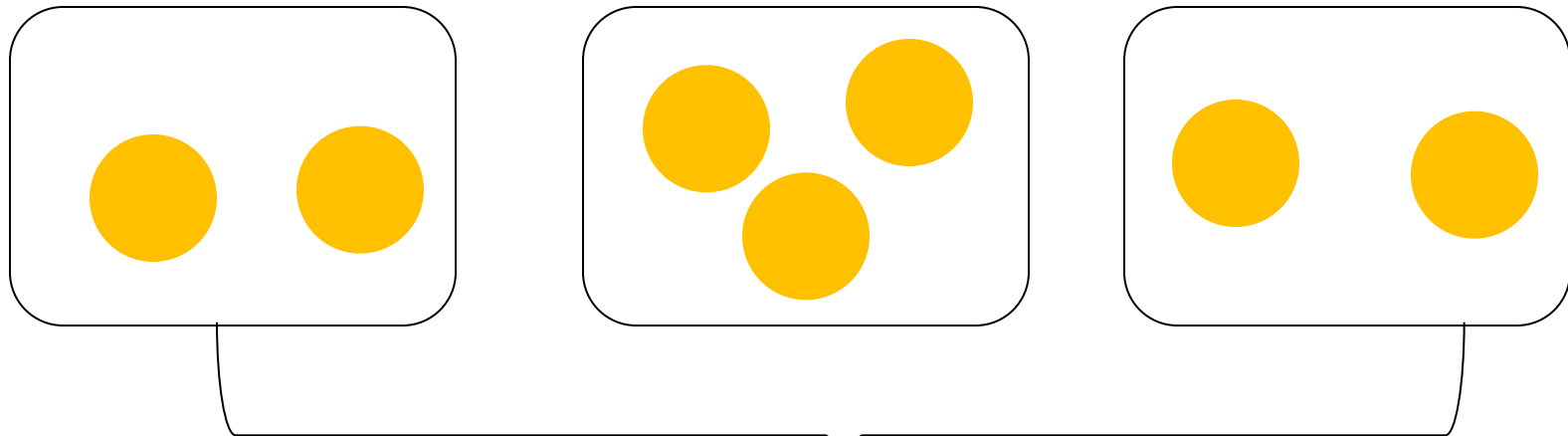


**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Introduction to MCA

**decision**



**values**



**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Introduction to MCA

## Why use MCA?

- To provide a **clear** and **transparent** process to guide decision making
- To allow several objectives to be evaluated on **equal footing** ....
  - ♦ Useful when everything that is important about a decision **cannot** be measured in the same way
  - ♦ Can consider other important objectives besides money





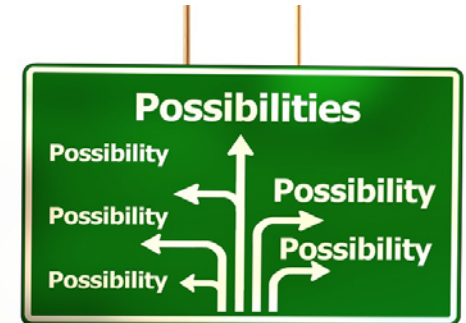
**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Introduction to MCA

## Why use MCA?

- To organize your options
  - ◆ Select a (one) preferred option
  - ◆ Rank a set of options from most to least preferred
  - ◆ Develop a short list of options for further consideration
  - ◆ Determine whether options are acceptable to other people/stakeholders



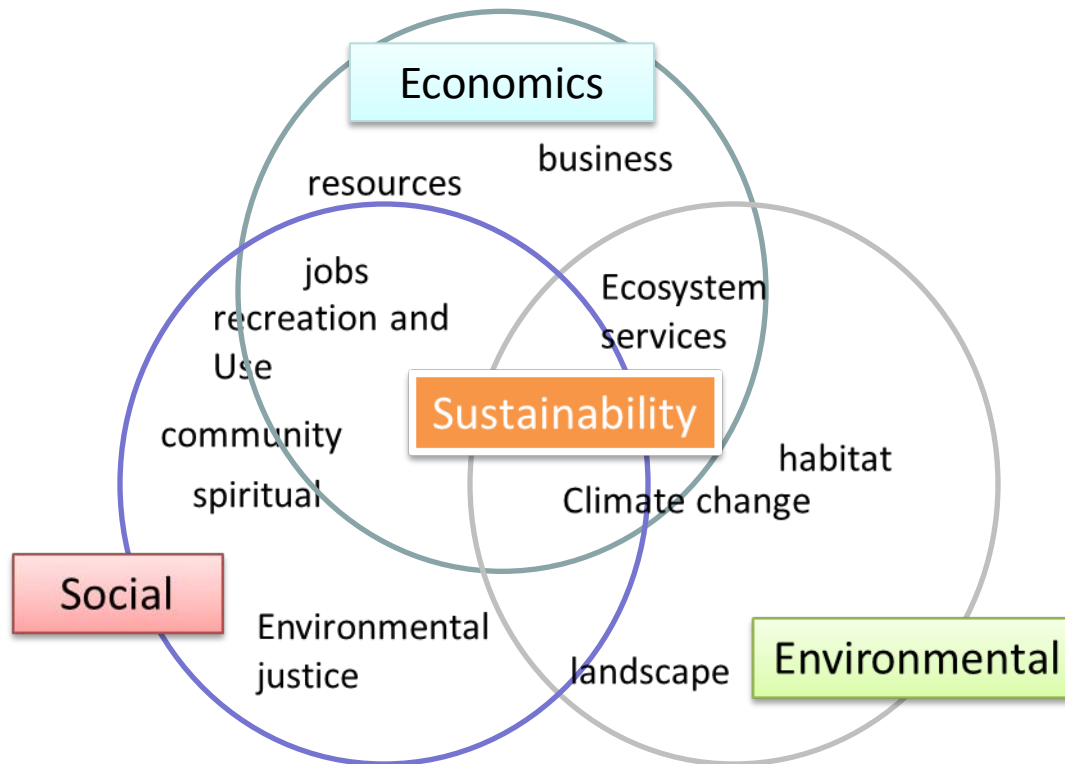


**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Introduction to TBL

## To integrate with triple bottom line (TBL)





**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

**Introduction to TBL**

## Definition

# Triple Bottom Line Valuation:

Accounting system that includes **economic**, **social**, and **environmental** performance





**USAID**  
FROM THE AMERICAN PEOPLE

| **ASIA**

# Introduction to TBL

Definition

**Sustainability**

**“The capacity to endure.”**

Sustainable Development meets the needs of the present without compromising the ability of future generations to meet their own needs.



# Benefits of MCA

Encourages review of one's own values and tradeoffs

Provides defensible outcomes

Evaluates options systematically and transparently

Provides a process for making informed judgment

Enhances learning about the priorities of others

Reduces conflicts and improves sustainability of outcomes



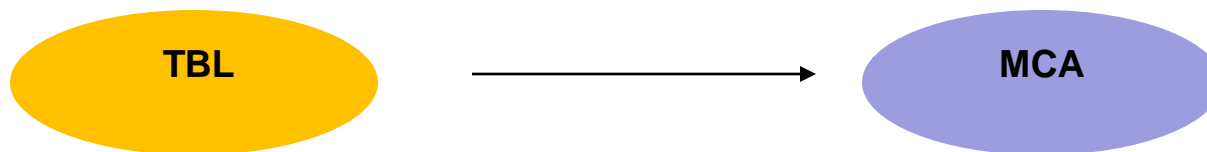
**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Introduction to TBL

## Connection between MCA and TBL for decision making

- TBL helps **make clear** the **value** of an option for environmental, economic, and social objectives
- MCA can then be used to **incorporate** that value into **decision making**







**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# Benefits of MCA

## For LEDS

Allows participants to learn about the preferences and tradeoffs of others

Consideration of the different values of development strategies

Engages stakeholders in the process of developing options

Enables participants to learn about their own preferences and tradeoffs

Integrates economic, environmental, and social objectives of sustainable development



## MCA can guide decision making related to LEDS

- LEDS emphasizes the importance of achieving **environmental**, **economic**, and **social** objectives as part of sustainable development goals
- Guidance is needed to make decisions that give **equal consideration** to these different objectives
- MCA helps decision makers understand **tradeoffs**...
  - ◆ Within an objective
  - ◆ Across objectives



**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

## Benefits of MCA

### MCA can guide decision making related to LEDS (cont.)

- There is often not time, resources, or money to do everything that is important
- MCA methods help to prioritize actions and guide decisions when we cannot do everything we should do
- MCA provides a **clear** and **transparent** process to **incorporate stakeholder preferences** into decision making



**USAID**  
FROM THE AMERICAN PEOPLE

**ASIA**

# MCA Steps

