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# **EVALUATION CAPACITY DEVELOPMENT: OED SELF-EVALUATION**

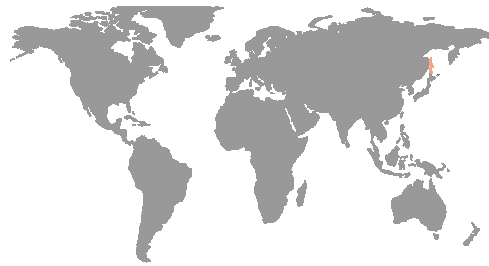
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June 2004

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Operations Evaluation  
Department





## **Evaluation Capacity Development: OED Self-Evaluation**

*As part of its formal mandate OED supports efforts by countries to build their monitoring and evaluation (M&E) systems—such capacity-building is known as evaluation capacity development (ECD). This self-evaluation assesses the scope, results, quality, strengths and weaknesses of OED’s ECD work. The report also maps out options for this work in future years.*

*The report concludes that OED’s ECD work has contributed to a number of ECD results—outputs and outcomes—over the past five years.*



## Abbreviations and Acronyms

AfrDB	African Development Bank	IME	Introduction to Monitoring and Evaluation training course
ARDE	Annual Review of Development Effectiveness	IPDET	International Program for Development Evaluation Training
AREC	Annual Report on Evaluation Capacity Development	LAC	Latin America and Caribbean Region
AROE	Annual Report on Operations Evaluation	LEG	Legal Vice Presidency
AfDB	African Development Bank	M&E	Monitoring and evaluation
AsDB	Asian Development Bank	MDGs	Millennium Development Goals
CAS	Country Assistance Strategy	MNA	Middle East and North Africa Region
CIDA	Canadian International Development Agency	NORAD	Norwegian Agency for Development Cooperation
CODE	Committee on Development Effectiveness	OECD	Organisation for Economic Co-operation and Development
DAC	Development Assistance Committee (OECD)	OED	Operations Evaluation Department
DANIDA	Danish International Development Agency	OEDKE	OED Knowledge & Evaluation Capacity Development
DBSA	Development Bank of Southern Africa	OEDPK	OED Partnerships & Knowledge Programs Group
DEC	Development Economics Vice Presidency	OPCS	Operations Policy and Country Services
DFID	Department for International Development (United Kingdom)	PREM	Poverty Reduction and Economic Management Network
DGO	Director-General, Operations Evaluation	PRSP	Poverty Reduction Strategy Paper
ECD	Evaluation capacity development	RBCAS	Results-Based Country Assistance Strategy
ECG	Evaluation Cooperation Group	SDC	Swiss Agency for Development Cooperation
ESW	Economic and sector work	SIDA	Swedish International Development Cooperation Agency
GAO	General Accounting Office (United States)	UNDP	United Nations Development Program
HIPC	Heavily Indebted Poor Countries	VPU	Vice-Presidential Units
IDB	Inter-American Development Bank	WBI	World Bank Institute

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## Executive Summary

The development community is placing a high premium on the achievement of results, and it is committed to helping borrower countries strengthen their abilities to measure and manage for results. An important part of this entails efforts to help countries build their own monitoring and evaluation (M&E) systems—such capacity-building is known as evaluation capacity development (ECD). Strong M&E systems can make an important contribution to sound governance in countries. And stronger country capacities for M&E would also facilitate the quality of the Bank’s own M&E—both self-evaluation by Bank Operations of the development interventions which they design and oversee, and OED’s own, independent evaluation of them.

OED has been a strong advocate of ECD since the Department’s creation in 1973, and ECD has been part of its formal mandate since 1986. In pursuit of this, OED has an ECD program, with two full-time staff, which provides ECD advice and other support to countries and to operational areas within the Bank. The purpose of this self-evaluation report is to evaluate OED’s ECD work, and thus to assess the extent to which OED is fulfilling its ECD mandate.

This report describes and explains OED’s ECD strategy—the manner in which OED has worked to fulfill its mandate. In pursuit of this strategy OED has played a catalytic role intended to lead to the mainstreaming of ECD work both within the Bank and in countries, and to establish ECD good practice. The three, closely related components of this strategy are the internal support which it provides to the Bank, its external support, and ECD foundation-building.

OED has successfully played a leading role in keeping M&E and ECD on the Bank’s agenda, with the strong support of the Bank’s Board and its Committee on Development Effectiveness. The Bank’s evolving *Results Agenda*, in turn, is strengthening the focus of Bank Operations on the results of their work, and this is providing some additional focus on ECD. Since 1999, when OED increased its resources devoted to ECD, there has been a substantial growth in the number of Bank country teams pursuing ECD with borrowers; OED’s advocacy and support for almost all of them has been a contributing factor. At least 31 of these country teams—out of the approximately 150 Bank country teams—are currently involved in ECD. This growth constitutes significant progress towards the mainstreaming of ECD within the Bank, although there is clearly a long way to go.

A number of constraints on the evaluability of OED’s ECD work are identified in this report, such as: difficulties of attribution; the “upstream” nature of OED’s ECD work; lack of any standardized approach to ECD; small scale of many of OED’s ECD activities; and early-stage nature of some of this work. However, this report has also enhanced the evaluability of this work through: the mapping of ECD results chains; articulation of ECD performance indicators; and preparation of detailed criteria for rating country-level ECD. The report presents evidence on a number of outputs and outcomes of OED’s ECD work.

OED has provided country-level ECD support to 34 countries (and their corresponding Bank country teams) since 1999: high-intensity support has been provided to 2 countries (Uganda and Egypt), medium-intensity support to 15 countries, and indirect support to another 17 countries. Such a large “footprint” of OED’s support has helped lift the profile of ECD within the Bank, leading to the likelihood of some demonstration effect to other country teams. This country-focused work constitutes a key part of OED’s ECD strategy. An important finding of this report is that many of the countries for which OED has provided high- and medium-intensity support have made substantive ECD progress—in terms of ECD outputs such as

ECD diagnoses, identification of ECD as a priority in the Bank's country assistance strategies (CAS), and creation of Bank projects with an ECD component, and in terms of intermediate outcomes such as strengthening of country demand for M&E and of country capacities to conduct and to use M&E. While not all of this progress can be attributed to OED, OED has been an important contributor to these ECD results in a number of them.

In-depth reviews of the two countries where OED has provided high-intensity support—Uganda and Egypt—confirm OED's leading role in ECD in them in recent years; OED's performance in both countries is rated as satisfactory. A strength in Uganda has been the provision of sustained, high-intensity support, which achieved synergies between a range of different ECD activities, and has led to some significant ECD results. The in-depth review concluded that the ECD work in Uganda represents good-practice ECD. However, the situation for Egypt is somewhat different—insufficient demand from key stakeholders within the government has to some extent frustrated the work. This experience reinforces a lesson learned by a number of countries where demand has been weak: that weak demand can lead to fragile ECD efforts. For this reason, OED needs to pay close attention to the demand side in its country ECD work, both at the initial diagnostic stage and in subsequent capacity-building work.

OED's ECD foundation-building work has included preparation of ECD resource materials, to share lessons from ECD experience, provision of M&E and ECD training, and various cooperative initiatives such as joint evaluations and donor M&E harmonization. OED has played a leading role in identifying and disseminating the lessons from ECD experience—in effect, ECD research—and this is reflected in the very high level of demand for its ECD resource materials. A recent OED evaluation of the International Program for Development Evaluation Training (IPDET), OED's flagship course in M&E, found high levels of participant satisfaction with the training, and also found that participants had demonstrated significant learning gains. There are also highly positive evaluation findings for the other M&E/ECD courses in which OED has been involved. However, there are a number of gaps in OED's evaluative information concerning the results of its ECD work, and these will need to be addressed.

There is no evidence of any conflicts of interest having arisen in relation to OED's ECD activities. There exist important precedents inside and outside the Bank where legal or fiduciary responsibilities are reconciled with provision of capacity-building support to operational work. This reconciliation is achieved through a simple firewall approach.

This self-evaluation presents three key options for OED Management to consider in framing its future ECD strategy. These are: (1) an exit option to transfer OED's ECD activities; (2) a scale-up option involving closer OED collaboration with Bank central units, and a more targeted approach to ECD work with Bank country teams and with the Bank's Regional Vice-Presidential Units; and (3) a renewed focus on ECD lesson-learning.

The conclusion of this report is that given the modest level of resources committed to ECD, OED has been highly active in ECD, and that its ECD strategy has contributed to a number of ECD results—outputs and outcomes—over the past five years. The task now facing OED is to further strengthen its ECD work—to achieve the related objectives of mainstreaming ECD and establishing high-quality ECD more widely. There are growing opportunities for achieving a results orientation within the Bank and in countries, and the priority for ECD has never been higher.

## 1. Introduction

1.1 The World Bank and others in the development community are placing a high priority on results. One of the areas of emphasis is on helping countries to build their own monitoring and evaluation (M&E) systems to enable governments and civil society to regularly conduct and utilize M&E findings. This process of building country M&E systems and capacities is known as *evaluation capacity development* (ECD). Definitions of M&E and ECD are shown in Box 1.1.

### Box 1.1: M&E and ECD Defined<sup>(a)</sup>

**Monitoring** embodies the regular tracking of inputs, activities, outputs, outcomes, and impacts of development activities (at the project, program, sector, and national levels. This includes the monitoring of a country's progress against national measures of development success, such as the Millennium Development Goals. **Evaluation** is the systematic and objective assessment of the relevance, efficacy or efficiency of a development activity.

M&E can be conducted using a wide array of tools, methods and approaches (OECD 2001). These include, for example: performance monitoring indicators; the logical framework; theory-based evaluation; formal surveys such as service delivery surveys, citizen report cards, living standards measurement surveys and core welfare indicators questionnaires; rapid appraisal methods such as key informant interviews, focus group discussions and facilitated brainstorming by staff and officials; participatory methods such as participatory M&E; public expenditure tracking surveys; formal impact evaluation; and cost-benefit and cost-effectiveness analysis.<sup>(b)</sup>

**Evaluation Capacity Development** is concerned with strengthening or building M&E *systems* in borrower countries in order that a situation is attained where M&E is regularly conducted and utilized by the countries themselves—governments and civil society. In other words, **M&E are tools, and ECD is the process of strengthening country-based systems to conduct and use M&E.**

<sup>(a)</sup> A more detailed definition and description of ECD is contained in OED 2002a, Annex B.

<sup>(b)</sup> A number of these are explained in one of OED's ECD publications—this showcases the uses, strengths and limitations of each (OED 2002c).

1.2 The Bank's independent evaluation arm, the Operations Evaluation Department (OED), has been a proponent of ECD since its creation in 1973, and ECD has been part of OED's formal mandate since 1986. OED reports to the Board each year concerning the work it has performed in pursuit of its mandate, including ECD; this is contained in its Annual Report on Operations Evaluation (AROE). In 2002, OED also prepared a detailed report for the Board's Committee on Development Effectiveness (CODE), concerning the Bank's work on ECD, including OED's own ECD work (OED 2002a). In considering this report in September 2002, CODE's Subcommittee on Development Effectiveness noted the strong priority for ECD, while acknowledging that it is a difficult and complicated subject that poses particular implementation and mainstreaming challenges.

1.3 OED also committed in its FY04 work program to undertake a self-evaluation of its ECD work. Its purpose is to assess the scope, results (where possible), quality, strengths and weaknesses of OED's ECD work, and to identify a range of strategic ECD options to help guide OED's future work. The primary audience for this self-evaluation is OED Management. The evaluation will be sent to CODE and will be made publicly available.

## 2. OED's ECD Strategy

### Institutional Role of OED

2.1 This section discusses OED's institutional role, including its mandate both for M&E and for ECD. Its ECD strategy—the manner in which it has worked to fulfill its mandate—is also presented, focusing on its efforts to play a catalytic role intended to lead to the mainstreaming of ECD work within the Bank and in countries, and to establish good-practice ECD work. As the World Bank's independent evaluation arm, OED's formal mandate requires it to evaluate the Bank's operational work and to report its findings directly to CODE (World Bank 2001). OED also has a responsibility to assess the M&E which the Bank undertakes of its own work, and it does this principally through its AROE reports. OED's evaluations thus help to underpin the accountability relationship—the accountability for results—between the Bank and the Board. There is also an important learning dimension to OED's work. It makes formal recommendations to Bank Management with the objective that the lessons from OED evaluations will be applied to the Bank's operational work, thus contributing to the goal of greater development effectiveness. OED also reaches out to Bank staff, via its communications strategy and the knowledge services it provides, to encourage them to learn from OED's evaluation findings and to apply them in Bank operations. This outreach extends to the Bank's clients and its other development partners. An important aspect of OED's institutional role since its creation in 1973 is that it has consistently been the main champion for M&E within the Bank (OED 2003a). Consistent with this role, OED has stated that one of its strategic priorities is to “become the fulcrum of a Bank-wide comprehensive evaluation system to help focus on results”.

2.2 Also consistent with its mandate, OED plays a highly active role in the development evaluation community.<sup>1</sup> It is a participant in the Evaluation Cooperation Group (ECG), which comprises the evaluation offices of the multilateral development banks. It is also active in the OECD's Development Assistance Committee (DAC) Network on Development Evaluation, which comprises the evaluation offices of bilateral aid agencies. Having the largest evaluation office within the development community has enabled OED to play a leading role in the development of evaluation methodologies, and in other emerging priorities such as harmonization of evaluation methods, and joint evaluations with other donors and with governments. Also consistent with this role, OED has provided direct assistance to other development evaluation offices,<sup>2</sup> and it has hosted or sponsored a number of high-level evaluation conferences to extend the frontiers of evaluation methodologies and to further strengthen the international evaluation community.<sup>3</sup> A number of these outreach activities have been facilitated by formal partnership arrangements with bilateral aid agencies (discussed below).

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<sup>1</sup> The mandate includes “cooperating with the evaluation heads of other international financial institutions and development assistance agencies”.

<sup>2</sup> OED has provided, or brokered provision of, training in M&E or results-based management for staff of the AfrDB and DBSA. It has also provided technical support to staff of the Caribbean Development Bank, the Central American Bank for Economic Integration, and the Islamic Development Bank.

<sup>3</sup> See, for example, Pitman et al. 2004.



## **ECD Mandate**

2.3 OED has been a consistent supporter of ECD, as reflected in its formal mandate: “encouraging and assisting member countries to build effective monitoring and evaluation associations, capacities and systems”.<sup>4</sup> OED’s institutional role and its ECD mandate are related. In particular, the quality of the Bank’s own M&E influences the performance of Bank lending operations,<sup>5</sup> and stronger country M&E capacities have the potential to contribute to both of these. OED’s own, independent evaluation work would also be enhanced by stronger country capacities for M&E. These would allow both the Bank’s operational work and OED to rely more on existing country data systems and country evaluators: individuals, government evaluation offices, and universities. This in turn could facilitate greater harmonization of donor M&E requirements on countries,<sup>6</sup> thus reducing transaction costs on their governments—it is widely recognized that the multiplicity of donor M&E requirements imposes a significant cost on borrowers.<sup>7</sup> OED’s support for ECD is also based on the assumption that sound M&E systems can make an important contribution to sound governance in countries.

## **Nature of the ECD Challenge**

2.4 The Bank has long recognized the importance of adequate M&E in its work. In light of persistent problems in this area, the Bank established three major taskforces to investigate the causes of the inadequate M&E conducted by Bank operations (Annex A). The first two of these taskforces—the 1993-94 ECD Taskforce, and the 1999-2000 M&E Improvement Working Group—each led to the Bank explicitly recognizing the priority for ECD and the need for it to be mainstreamed in Bank operations. However, both taskforces have proved to be false starts.<sup>8</sup> Indeed, Bank Management has stated (in response to OED’s 2002 report to CODE on ECD) that:

“ECD had proved difficult to implement because of, among others, the absence of a formal M&E or ECD contact person within each region and network. Evaluation was the responsibility of the client country, while the Bank’s role should be to foster country ownership in an M&E system and help develop statistical capacities in client countries. Management agreed that it was time for the Bank to accelerate work in this area, particularly given the potential reputational risks to the Bank.”<sup>9</sup>

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<sup>4</sup> A 2004 external review of the Bank’s evaluation functions and the mandate of OED’s Director-General (DGO) reaffirmed the priority for ECD and for the DGO/OED contribution to ECD.

<sup>5</sup> For example, OED has found that weak project M&E is a contributing factor to poor performance in 38 per cent of those Bank projects rated unsatisfactory or highly unsatisfactory (OED 2002b).

<sup>6</sup> As recommended most recently by a consortium of donors (CDF Secretariat 2003).

<sup>7</sup> Conversely, strong borrower M&E capacities would encourage them to take a leading role in encouraging harmonization of M&E within their countries.

<sup>8</sup> Candid comments relating to the latter are contained in World Bank 2004, Annex C.

<sup>9</sup> Reported in OED 2002a, Annex G, p46.

2.5 The most recent taskforce with major implications for ECD is the 2002 Taskforce on Measuring, Managing and Monitoring for Results (this has since evolved into the *Results Agenda*, which the Bank is continuing to develop). This latest taskforce reaffirmed the priority for ECD, but has left responsibility for it to the Regional Vice-Presidential Units (VPUs) and their country teams. One of the positive effects of this taskforce has been the creation of M&E focal points—nominated staff—in each Regional VPU.

2.6 A striking feature of these taskforces is that they have produced similar diagnoses of the reasons for the Bank's poor performance vis-à-vis M&E; these reasons also reflect the generally poor M&E in countries, and they are directly relevant to the difficulty of achieving ECD mainstreaming within the Bank. The problems facing the Bank and countries include: poor incentives to conduct good M&E; diffused accountability because of unclear roles and responsibilities; and weak skills for M&E. If Bank staff are insufficiently skilled in, or committed to, M&E, it is highly unlikely they would pursue ECD with their borrower countries.

2.7 There are at least four reasons why the attempts by Bank Management to mainstream ECD have not yet proved successful. The first is that simple statements that ECD is important and that Regional VPUs should devote effort to it do not carry much weight—they are essentially an unfunded mandate. Thus in a situation where everyone is responsible in principle for ECD, no-one ends up actually being responsible for it in practice. Other than OED, there has been no consistent champion for ECD within the Bank.

2.8 A second barrier to mainstreaming ECD has been the over-crowded development agendas of Bank country teams and of countries themselves. This barrier became evident to OED soon after its creation in 1973.<sup>10</sup> Early hopes that ECD would be mainstreamed within the Bank were tempered by the realization that despite the interest of a number of borrowers and Bank country teams in ECD, most have been hesitant to actively pursue it. The main reasons for this were reportedly their judgment that pressing implementation problems had to take precedence, and that chronic shortages of qualified staff in borrower governments precluded even limited attention to evaluation.

2.9 The skills issue has proved to be an important barrier to mainstreaming. A narrow interpretation of ECD might be to view it simply as another type of capacity-building, albeit one of a specialized nature with its particular focus on M&E tools and methods, and on M&E systems in countries. But a notable feature of ECD is its cross-cutting nature, and it requires a combination of skills and experience if it is to be done well. It requires: familiarity with various aspects of M&E; sound knowledge of public sector management issues, including experience in public sector reforms—ideally acquired while working in government; and substantive development experience. For country-based work—the actual implementation of existing approaches to ECD—it is feasible to use a multi-disciplinary team approach involving a collection of individuals, each with

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<sup>10</sup> Discussed in OED 2003a, section 11.

expertise in a particular skill area.<sup>11</sup> But there is evidence that supply-side constraints have been important: other than the limited support available from Bank central units, and OED, it has apparently been difficult for Bank country teams to find funding and experienced staff or consultants to support ECD work (World Bank 2004, Annex C).

2.10 A final barrier facing ECD is that it is not a mature activity with well-established and standardized *modus operandi* for implementing it. (But neither is ECD an experimental activity: many developed countries have successfully institutionalized M&E as part of their governance arrangements.) ECD is an area of emerging practice, in terms of identifying the most effective entry points for ECD within a country—such as at the whole-of-government or sectoral levels—and in terms of the particular types of M&E and intended uses of M&E information. Efforts to strengthen country M&E systems can emphasize some or all of a range of tools and approaches—ranging from selection of performance indicators to periodic review activities to the conduct of sophisticated impact evaluations. The M&E tools which individual countries choose to pursue will depend on national circumstances and priorities such as the intended uses of M&E information, the strengths and weaknesses of existing M&E systems, available skills and capacities, and the level of effort which the country wishes to invest in ECD. The need to tailor ECD closely to country circumstances makes it less a science than an art. Even developed countries have encountered some difficulties in building sustainable M&E systems in support of sound governance: these difficulties are not so much technical as institutional, relating to the incentives to conduct M&E and to use the findings in support of better management, government decision-making, and to underpin accountability relationships.<sup>12</sup> These challenges are magnified in developing countries.

### **OED's ECD Strategy**

2.11 OED has endeavored to strike a balance between the priority for ECD, the barriers to mainstreaming ECD within the Bank, and the limited resources available to OED for its ECD work. It has sought to play a catalytic role both within the Bank and externally. The main goals of this approach are to encourage ECD to be mainstreamed in Bank Operations and to foster ECD of high quality—both in terms of the Bank's work and the work of countries. In terms of ECD mainstreaming within the Bank, OED has stated (OED 2002a) that this will have occurred when:

- country teams recognize the importance of ensuring substantive country M&E capacities, and include ECD among the strategic issues addressed in the Bank's dialogues with country leaders on the development agenda; and
- the Bank regularly includes ECD in its lending and non-lending work, particularly via the public sector management reform programs which it supports.

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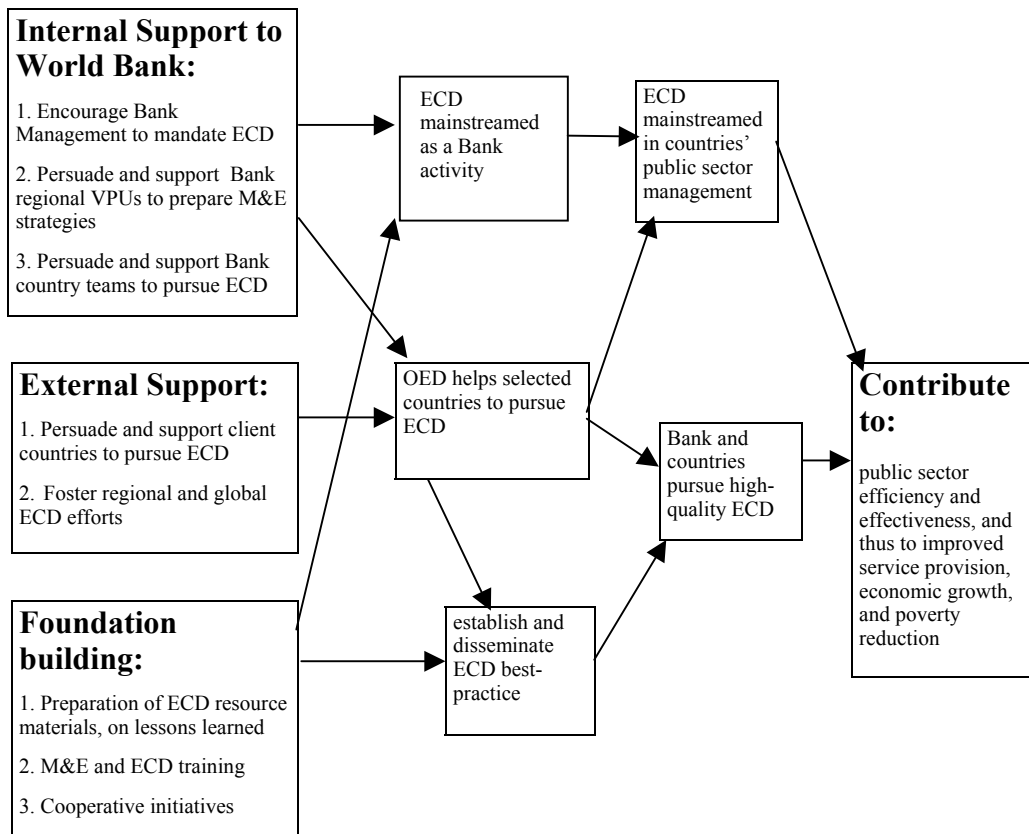
<sup>11</sup> Indeed such a team approach was recommended by the 1994 ECD Taskforce when it considered how Bank country teams could address the staffing requirements of ECD. For advanced ECD issues, such as preparation of diagnostic guides and the development of methods for evaluating ECD, it is necessary to rely on staff who possess the entire range of ECD skills and experience at a high level.

<sup>12</sup> There exists a large literature on these challenges. See, for example, OECD 1997.

2.12 There is a potential ECD challenge in up to 150 borrower countries, although it would be unrealistic to expect that all 150 Bank country teams would pursue ECD—few, if any, areas of capacity-building are universally pursued by the Bank.

2.13 OED has pursued a three-track ECD strategy in pursuit of these goals of mainstreaming and fostering ECD of high-quality (Figure 2.1). The focus of the first track has been on the World Bank itself: to encourage Bank Management to mandate ECD; to persuade and support the Bank’s Regional VPUs to prepare regional M&E strategies to help them plan and undertake M&E and ECD; and to both persuade and support the Bank’s 150 country teams of the merits of ECD. The second track has had an external focus: persuasion of key stakeholders—governments and civil society—in client countries of the merits of M&E, and support in strengthening M&E systems, i.e., ECD; and various regional and global efforts to promote M&E and ECD, such as support for various M&E/ECD conferences and seminars. The third track has involved foundation-building, and this has been intended to help ensure that ECD work is of a high quality: preparation of ECD resource materials, such as good-practice ECD country case studies and the identification and sharing of emerging ECD lessons; provision of M&E/ECD training; and cooperative initiatives such as joint evaluations and donor harmonization of

**Figure 2.1: OED’s ECD Strategy**



M&E to reduce the burden on client countries. All three tracks are closely related, and indeed overlap to some extent.<sup>13</sup>

2.14 The diagrammatic representation of the ECD strategy in Figure 2.1 also provides a very simple results chain linking OED's ECD activities and the twin goals of mainstreaming ECD and fostering high-quality ECD. These activities are discussed in somewhat greater detail in the next section, and this provides a context for the evaluation of OED's ECD results.

### 3. ECD Activities

3.1 The manner in which each of the components of the ECD strategy has been pursued is now outlined briefly. A fuller description of the major activities is provided in Annex B.

#### *Internal Support: Encouraging Bank Management to Mainstream ECD*

3.2 OED has pursued mainstreaming within the Bank through its efforts to persuade Bank Management to support and mandate ECD. A primary vehicle for OED has been its corporate reporting through its two flagship reports—the AROE (which assesses the adequacy of the Bank's M&E processes and instruments) and the Annual Report on Development Effectiveness (the ARDE assesses the Bank's performance in contributing to development effectiveness). OED's 2002 ECD report to CODE was also intended to focus the attention of Bank Management (OED 2002a).<sup>14</sup> Collectively, this reporting has ensured that the spotlight is kept on M&E and ECD.

3.3 OED's advocacy for better Bank self-evaluation and for ECD has been one of the factors that led Bank Management to create a number of special taskforces since the start of the 1990s to address these issues. The background to, and nature of, these taskforces are discussed in more detail in Annex A.

#### *Internal Support: Preparation of M&E/ECD Strategies by Bank's Regional VPUs*

3.4 In addition to this Bank-wide work, OED has reached out to regional VPUs to encourage them to prepare their own regional M&E/ECD strategies, as a means of achieving regional-level ECD mainstreaming. This encouragement has been most successful with the Bank's Africa Region VPU, which has long expressed an interest in ECD. Following OED's proactive approach to the Regional VPU in 1998, OED was asked to provide ECD support, and since that time has supported ECD for thirteen African countries in close collaboration with the Bank country teams. The Regional VPU prepared an Africa Region M&E Strategy in mid-2002, drawing substantively on OED

<sup>13</sup> Thus the ECD work in support of the government of Uganda, for example, has been provided in close collaboration with the Bank's country team, and has provided a number of ECD lessons which have been disseminated widely in OED's ECD working papers. Such work also has the potential to persuade other countries and other Bank country teams of the merit and feasibility of ECD.

<sup>14</sup> This report also identified five remaining barriers to the mainstreaming of ECD within the Bank.

advice and ECD resource materials—a number of Africa Region staff have been made available to assist Bank country teams in their M&E work relating to Bank operations, and also to assist in their country capacity-building work (i.e., ECD), and a regional M&E coordinator was appointed in mid-2003.

***Internal and External Support: for Bank Country Teams and for Countries***

3.5 As noted earlier, support for Bank country teams and for countries are complementary. OED has provided ECD support—to a greater or lesser extent—in 34 countries since 1999.<sup>15</sup> Given its limited resources for ECD, there have been gradations in the level of support which it has been able to offer. OED has provided “indirect support” to 17 countries (these are listed in Annex B); this has involved simple activities such as provision of ECD resource materials or case studies from other countries; identification of consultants able to undertake an ECD diagnosis or to provide M&E training; provision of generic ToRs for such work; provision of comments on draft diagnoses and ECD action plans prepared by others; or sponsorship of country representatives to attend national or regional ECD seminars.

3.6 “Medium-intensity support” has been provided to a further 15 countries. This has included additional ECD activities such as one or more of the following: in-country presentations at ECD seminars; provision of M&E/ECD training; participation in joint diagnostic and training missions; direct sponsorship of consultant support either for particular tasks or as an ongoing process of support; sponsorship of (including scholarships for) a number of country representatives in M&E or ECD training; and direct support for evaluation associations. “High-intensity support” involving most or all of these types of support, has been provided to two countries—Uganda and Egypt. Annex B provides further details on the ECD support provided to these two high-intensity countries, and to several illustrative medium-intensity countries.<sup>16</sup>

3.7 In targeting its support, OED has endeavored to apply two principles in deciding when to provide substantive OED support for individual countries. The first is that there should be strong, clearly-expressed demand for ECD from both the country and the Bank’s country team.<sup>17</sup> The second is the subsidiarity principle, i.e., to not substitute for the ECD work of the Bank’s country teams where they are able to do it themselves. Application of these principles has meant that some requests for assistance are not fully met, or are even declined. Some of OED’s ECD support has been provided in collaboration with central units within the Bank, such as: Operations Policy and Country

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<sup>15</sup> The Bank is not currently actively involved in ECD in several of these countries.

<sup>16</sup> No systematic data are available concerning OED’s costs for these different categories of work nor the cost of working on individual countries. This would require detailed disaggregations of the cost data, which for most countries would involve relatively small amounts.

<sup>17</sup> This is consistent with established knowledge concerning the sustainability of capacity-building interventions (for example, Hilderbrand 2002). It is also consistent with lessons derived specifically from ECD work, including the need for persistent effort if ECD is to have long-lasting effects—ECD should not be viewed as a “quick fix”.

Services (OPCS);<sup>18</sup> the Development Economics Group (DEC);<sup>19</sup> the World Bank Institute (WBI); and the Bank's Social Development Department.<sup>20</sup>

### ***External Support: Regional and Global Levels***

3.8 These ECD activities have included seven regional/global ECD conferences, seminars and workshops, and they have been complementary to the country-focused ECD work. Participants at these events include senior government officials and civil society representatives from NGOs, academia, and national evaluation associations, and staff of the Bank and other donors. The events allow lessons and experience to be shared, and they help create communities of practice. Each of the regional and global ECD initiatives has involved collaborative efforts with a range of partners, principally with the evaluation offices of multilateral and bilateral donors.<sup>21</sup> These partnership activities have been facilitated by the high profile and credibility of OED, which is by far the largest evaluation office within the development community. In addition, a number of development partners, including OED, have supported the creation of the International Development Evaluation Association (IDEAS). Launched in September 2000, IDEAS is a global, professional association of development evaluators, and currently comprises about 200 individuals and organizations.

### ***ECD Foundation Building: Resource Materials***

3.9 The preparation and wide dissemination of resource materials facilitates the sharing of ECD lessons, which is particularly important given that ECD is an area of emerging practice without standardized modus operandi for implementing it. OED's country-based ECD work has been a rich source of lesson-learning (for example, Hauge 2003), and various papers drawn from such work have contributed to OED's collection of ECD resource materials. These papers also demonstrate to Bank country teams and client countries the value of M&E and of ECD, and how to go about developing evaluation capacity effectively. It thus provides a vehicle for building awareness and strengthening demand for M&E and thus for ECD. Preparation of this material is not a supply-driven initiative; it responds to a very large and growing demand for ECD lessons and country case studies. The range of OED's ECD resource materials is discussed in Annex C.<sup>22</sup>

### ***ECD Foundation Building: M&E and ECD Training***

3.10 In recent years OED has helped develop three M&E/ECD training courses, thus increasing the supply of such training, and directly increasing the skill base in countries.

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<sup>18</sup> OED provided support for five of the seven country pilots managed by OPCS under the Bank's M&E Improvement Program (discussed in Annexes A and B).

<sup>19</sup> DEC has a major program of activity in an area related to ECD, statistical capacity-building.

<sup>20</sup> Each of these central units provides additional ECD support without OED involvement (see OED 2002a).

<sup>21</sup> The multilaterals have included the African Development Bank (AfrDB), the Asian Development Bank (AsDB), the Development Bank of Southern Africa (DBSA), the Inter-American Development Bank (IDB), and the United Nations Development Program (UNDP).

<sup>22</sup> These resource materials are available on OED's ECD website ([www.worldbank.org/oed/ecd/](http://www.worldbank.org/oed/ecd/)).

These training initiatives have responded to strong demand for such training, which is not being met by alternative training providers—an evident gap in the supply of M&E/ECD training. The audiences for these courses have included country officials, civil society counterparts, staff of the Bank and other donors, and international NGOs. The courses have provided a complement to the country-based work, by often being delivered in conjunction with it, and they have also facilitated networking among evaluation practitioners and managers. The main course is the International Program for Development Evaluation Training (IPDET), a summer course which OED created in 2001 in partnership with Carleton University. IPDET comprises a two-week core course and two weeks of elective workshops. There have been about 635 participants from 62 countries in the first four IPDET courses, and about 23% of these were able to attend with scholarship support from OED's bilateral partners (the United Kingdom, Netherlands, Norway, Switzerland), and from the Canadian government and others. A second course developed by OED is the Introduction to M&E, which is offered via distance learning and is equivalent to four days of training. Responsibility for this course has now been handed over to the World Bank Institute (WBI); this course has been delivered to over 1,300 participants since 2000. The third course is Designing and Building Results-Based M&E Systems, and was developed jointly by OED and OPCS staff. Since 2001 this course has been delivered face-to-face in 11 client countries, nine of which are OED high- or medium-intensity countries. This course has also been delivered on almost 20 occasions to Bank staff and to officials in Part 1 countries. More details on these training courses are provided in Annex B.

### ***ECD Foundation Building: Cooperative Initiatives***

3.11 OED has participated in various types of cooperative initiative with implications for ECD. These include joint donor/government evaluations, such as one conducted on the Ghana roads sector (Netherlands Economic Institute and Danida 2000). While there is limited experience with such evaluations, they offer the possibility of providing government evaluation offices and their staff with hands-on experience in working with the Bank in conducting evaluations.

3.12 The cooperative initiatives also include efforts to achieve greater donor harmonization of M&E, an issue advocated by OED. Greater harmonization of M&E remains very much a work-in-progress, and it offers the potential to significantly ease the M&E burden on borrower governments. One output from this work has been the DAC's evaluation glossary; OED played a leading role in its preparation (DAC 2002). Related to greater harmonization is the move towards greater emphasis on programmatic lending and Results-Based Country Assistance Strategies (CASs); these trends are encouraging greater reliance on country M&E systems and capacities.

### **OED's ECD Resources**

3.13 The ECD Program which OED formally initiated in 1987 entailed only the part-time efforts of a single OED staff. After CODE's reaffirmation of the OED mandate for ECD in 1997, and in the context of OED's renewal program, OED decided to increase its level of support for ECD. A new OED group on Partnerships and Knowledge Programs



(OEDPK) was created the following year (World Bank 2002),<sup>23</sup> and this group was given responsibility for a range of functions including ECD. A manager was recruited for this group, two full-time ECD staff were also recruited (in 1999 and 2000), and ECD partnerships with donors started to be actively pursued. The ECD work evaluated in this self-evaluation report relates specifically to this period, i.e., 1999 to the present.

3.14 Table 3.1 shows OED's spending on ECD over in FY02 and FY03. In FY03, total spending was \$1.1 million, of which two-thirds (\$744,000) came from OED's own, internal ("Bank budget") funds. The remaining third (\$376,000) came from OED's partnership funds, provided by OED's bilateral partners (the Netherlands,<sup>24</sup> Norway,<sup>25</sup> the

**Table 3.1: ECD Costs—FY02 and FY03**

ECD Category <sup>(a)</sup>		FY02			FY03			
Funding Source		Bank Budget (\$'000)	OED Partner Funds (\$'000)	Total (\$'000)	Bank Budget (\$'000)	OED Partner Funds (\$'000)	Total (\$'000)	%
<b>Country-level ECD support</b>		<b>266.8</b>	<b>54.0</b>	<b>320.8</b>	<b>254.6</b>	<b>84.2</b>	<b>338.8</b>	<b>30.2</b>
<b>Regional / global ECD support</b>	IDEAS	92.4	11.1	103.5	78.6	136.2	214.8	19.2
	ECD seminars, workshops	14.8	5.0	19.8	75.9	25.1	101.0	9.0
	Sub-total	107.2	16.1	123.3	154.5	161.3	315.8	28.2
<b>ECD foundation building</b>	IPDET (i) course support, delivery	156.6	14.5	171.1	144.6	27.6	172.2	15.4
	(ii) scholarships	--	141.8	141.8	--	80.0	80.0	7.1
	other foundation building <sup>(b)</sup>	114.6	2.3	116.9	190.6	23.3	213.9	19.1
	Sub-total	271.2	158.6	429.8	335.2	130.9	466.1	41.6
<b>TOTAL</b>		<b>645.1</b>	<b>228.6</b>	<b>873.7</b>	<b>744.5</b>	<b>376.3</b>	<b>1120.8</b>	<b>100.0</b>

<sup>(a)</sup> These categories are discussed in sections 3 to 5.

<sup>(b)</sup> Includes M&E/ECD training (other than IPDET), preparation and dissemination of resource materials, the 2002 Annual Report on ECD, etc.

<sup>23</sup> In 2004 this group was renamed Knowledge & Evaluation Capacity Development (OEDKE).

<sup>24</sup> OED's Netherlands partnership is with the Policy and Operations Evaluation Department of the Ministry of Foreign Affairs.

<sup>25</sup> OED's Norway partnership is with the Ministry of Foreign Affairs/NORAD (Norwegian Agency for Development Cooperation).

United Kingdom's DFID and the Swiss SDC). These partnership funds enable OED to support various ECD activities which would be ineligible for support from OED's own, Bank-budget funding, such as scholarships for M&E training. The total ECD spending constituted 4.9 per cent of OED's total spending in FY03. The forecast ECD spending for FY04 is around \$1.0 million (4.3 per cent of the OED total).

3.15 The amounts spent on the various types of ECD activity have fluctuated considerably from year to year. This has reflected particular ECD events and priorities, and also the availability of partner funds, which have provided a number of scholarships for M&E training, for example. For FY03, country-level ECD support was the largest single component of OED's ECD work, and it accounted for 30 per cent of the total. Regional and global support for ECD accounted for 28 per cent of the total funding, with 19 per cent being used to help establish IDEAS, and 9 per cent being used to support ECD seminars and workshops at the regional and global levels. ECD foundation-building comprised 42 per cent of the total—this supported the organization and delivery of the 4-week IPDET course, and direct provision of a number of scholarships for officials and others from developing countries to attend this course. Foundation-building also includes the preparation of ECD resource materials such as diagnostic guides and country case studies, and the provision of other M&E and ECD training to countries.

## 4. ECD Results

4.1 Section 2 discusses OED's ECD mandate, and the strategy it has followed in pursuit of it. It also presents a range of different types of ECD work activity which OED has undertaken, and a more detailed discussion of these ECD activities is provided in Section 3. The results of these ECD activities are now presented. "Results" are defined here to include the outputs, outcomes and impacts of OED's ECD work.<sup>26</sup>

### Evaluability

4.2 As with any type of OED or World Bank activity, it is important to be able to monitor and evaluate the results of OED's ECD work. This priority is heightened by the lesson-learning focus of much of this ECD work and in particular the need to understand clearly what works, what does not, in what contexts, and why—thus there is an important research element of "learning by doing". ECD can be viewed as a type of "economic and sector work" (ESW). While the Bank conducts M&E of the ESW it conducts, the quality of that M&E is generally poor—as highlighted by OED most recently in its 2003 and 2004 AROE reports (OED 2003c, 2004a).<sup>27</sup> This deficiency also heightens the priority for OED to demonstrate good-practice M&E in relation to its own ESW—i.e., its ECD work.

<sup>26</sup> This definition is consistent with that of the OECD's Development Assistance Committee (DAC 2002).

<sup>27</sup> OED has noted that "the monitoring framework for ESW tasks remains relatively weak. Measurable outcomes and indicators are rarely set, even for large tasks" (OED 2003c, p 7).

4.3 There are several factors which impinge on the evaluability of OED’s ECD work. First, it is certainly feasible to monitor ECD outputs, and also many ECD outcomes, to which OED has contributed. But it is typically a lot harder to attribute particular ECD outcomes to OED; much of OED’s ECD work has been undertaken in partnership with others. This is most evident for the country-based ECD work, where any ECD results—particularly outcomes and impacts—are attributable to a number of stakeholders, however large or small OED’s individual contribution might have been. These stakeholders include the government itself, the Bank country team, and probably other donors, civil society, and academia in the country. In such circumstances, disentangling the specific contribution of OED from those of others requires careful judgment, and this in turn requires an evaluative approach involving in-depth review and country fieldwork. For this self-evaluation, such reviews were conducted for OED’s high-intensity ECD work in Uganda and Egypt; however, cost considerations precluded this approach for other countries for which OED has provided less intensive ECD support.

4.4 Second, some of OED’s ECD outputs can be considered to be inputs to the work of other stakeholders, such as Bank country teams or governments. For example, where OED successfully advocates ECD through an awareness-raising seminar or conducts an ECD diagnosis, these can be considered outputs of OED’s efforts. But from the Bank’s perspective they are only activities or processes, and often early-stage ECD activities, which would typically need to be followed up with a Bank loan or grant to deepen the country’s actual capacity-building (ECD) efforts.<sup>28</sup> Thus OED is often involved in “upstream” ECD work. That OED’s outputs may be an input to the work of others is partly a definitional issue, but it is also relevant to OED’s consideration of which parts of the ECD results chains it should focus on, and thus be accountable for. OED’s ECD activities and outputs are thus upstream of a country’s ECD outcomes and impacts.

4.5 Third, as a volume published by the American Evaluation Association has noted, the lack of any standardized or established approach to ECD makes it difficult to evaluate.<sup>29</sup> The lack of any standardized, “cookie cutter” approach is illustrated by OED’s country-based ECD, which has involved many different types of ECD support (as listed in Section 3) tailored to the particular circumstances facing each country. That said, it is at the country level that OED’s ECD work is most clearly defined; ECD results should be more visible here than for other, less tightly focused ECD work such as the regional and global ECD efforts.

4.6 Fourth, OED has engaged in a broad spectrum of ECD activities, and most of them are individually small—involving only a fraction of OED’s total ECD resources (currently involving two staff and a total expenditure of around \$1 million per annum). It may not be cost-effective to attempt to evaluate small activities, even if it is technically feasible to do so. However, there are particular parts of OED’s ECD work where the overall amount of resources which it has spent has been significant: for example, the work on the two high-intensity ECD countries (Uganda and Egypt), and the annual IPDET course, and it is particularly important that these be evaluated.

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<sup>28</sup> To avoid any potential conflict of interest, OED does not participate in the implementation of these projects (Section 5).

<sup>29</sup> Compton et al. 2002 have characterized ECD as having elements of an art, a craft and a science.

4.7 Fifth, ECD efforts in a number of countries are still early-stage in nature.<sup>30</sup> In such countries substantive progress can not be expected along the ECD results chain—which can be conceived as starting with ECD support activities and leading eventually to robust M&E systems in government and to the intensive utilization of M&E findings to aid budget decision-making, and to support ongoing management and accountability. An indicative results chain for country-based ECD work is shown in Figure 4.1.

4.8 Finally, in some countries (such as Brazil, Chile and Mexico) the work of the government to build an M&E system has extended over a number of years, and OED's involvement is relatively recent and modest. Given these considerations, it is easier to identify OED's contribution in individual countries than to attribute specific ECD results to its efforts.

4.9 This ECD self-evaluation is intended to contribute to the evaluability of OED's ECD program by: clarifying its objectives; mapping ECD results chains; articulating performance indicators; and identifying benefits from and constraints to the monitoring and evaluation of ECD work.<sup>31</sup>

4.10 Given the constraints to evaluability, the findings on ECD results which are presented below relate to: ECD performance indicators for the 17 countries for which OED has provided high-intensity and medium-intensity support; two in-depth country reviews (Uganda and Egypt); evaluations of the IPDET course; and estimates of demand for OED's ECD resource materials. A summary overview of these and additional M&E findings relating to OED's ECD work is also presented.

### **ECD Results at the Country Level**

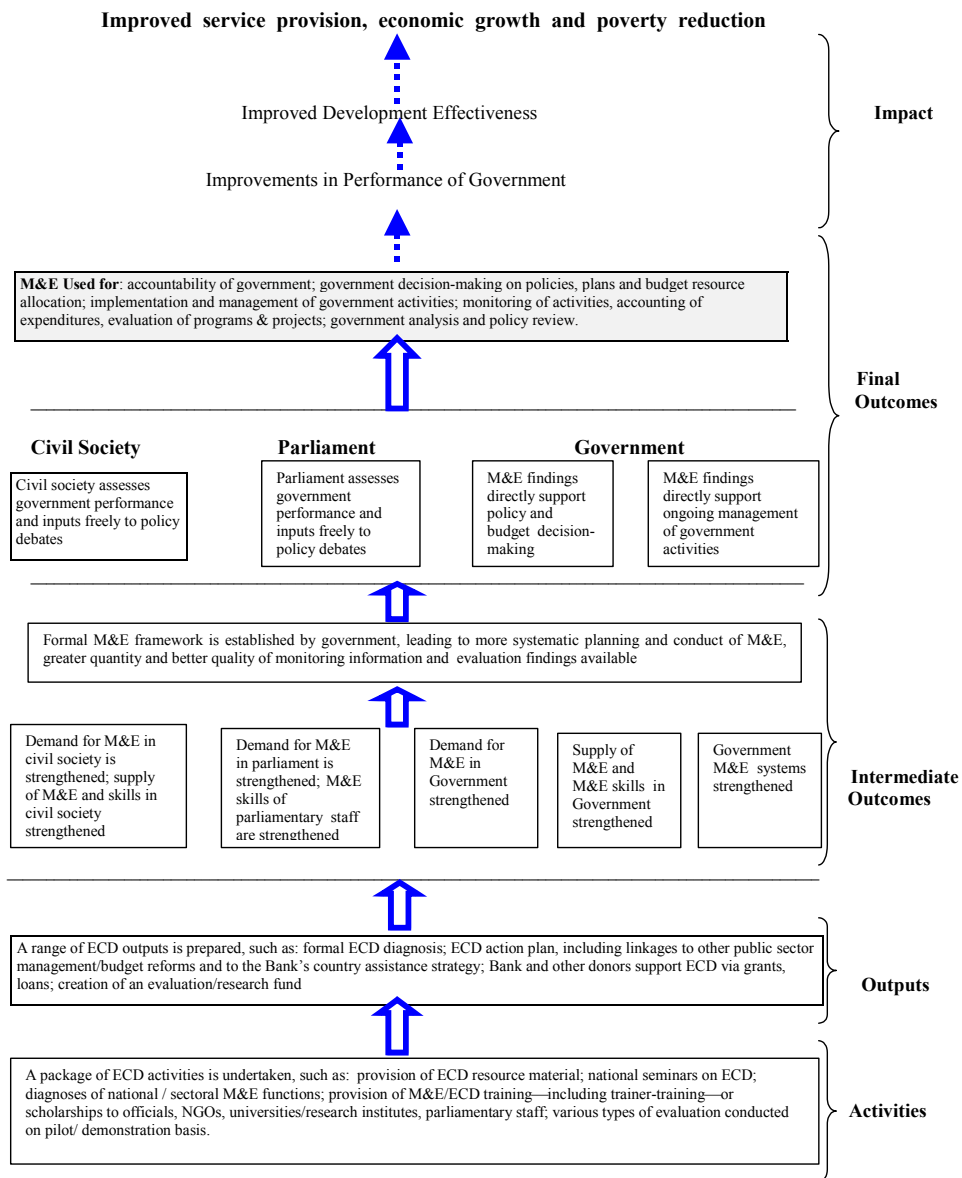
4.11 OED's country-level work accounts for 30% of its total ECD expenditure, and is the single largest component. Table 4.1 presents ECD results in the 17 countries for which OED has provided high- or medium-intensity ECD support. This table shows progress against four key ECD performance indicators for each country, relating to ECD outputs and intermediate outcomes (as per the results chain in Figure 4.1). Of these 17 countries, an ECD diagnosis has been or is being conducted (or is planned) in eleven of them; ECD is identified as a priority in the Bank's country assistance strategies (CAS) in nine countries; there is a Bank project or Institutional Development Fund (IDF) Grant providing ECD support in eight; and the government has established or is preparing a formal M&E framework in nine countries.

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<sup>30</sup> It is also worth noting that there are not yet available any OED evaluation findings relating to Bank projects with significant ECD components; this reflects the early-stage nature of most Bank work on ECD.

<sup>31</sup> By clarifying the objectives, expectations and information needs of OED Management, this self-evaluation also constitutes an *evaluability assessment* (see Wholey 1994).

**Figure 4.1: Results Chain for Country-Level ECD**



4.12 These outcomes strongly indicate take-up of ECD by these Bank country teams. These outcomes also indicate that substantive progress has been made along the ECD results chain in most countries for which OED has provided high-intensity or medium-intensity support. While not all of this progress can be attributed to OED, nevertheless OED has been an important contributor to the ECD results in a number of them.

**Table 4.1: ECD Progress in Countries for Which OED has Provided Substantive Support**

Country	ECD Performance Indicators			
	ECD Diagnosis Prepared	Priority for ECD Reflected in Bank's CAS	Bank Project With ECD Component	Government M&E Framework Established <sup>(a)</sup>
Bangladesh	Yes (OED/DEC)			
Benin		Yes	Public Expenditure Reform Adjustment Credit (2000)	
Brazil	In preparation	Yes	Bank IDF grant	Yes (related to national plan)
Chile	In preparation (LAC/OED)		Public Expenditure Management Project (2002)	Yes (government regulation)
Egypt	Yes (OPCS)	Yes (2001)	Bank IDF grant	
Ghana	Yes (OED)	Yes (2000)		Yes (under aegis of Ghana Poverty Reduction Strategy)
Honduras			Econ & Financial Management Project (2000)	
India (Andhra Pradesh)		n.a.		Yes
Indonesia	Planned			Yes
Korea		n.a.		
Kyrgyz Republic	Yes (OPCS/OED)			
Malawi	In preparation	Yes (2003)	Financial Mgmt, Transparency and Accountability project (2003) Bank IDF grant in preparation	To be developed
Mexico <sup>(b)</sup>	Yes (OED/LAC)	Yes <sup>(c)</sup>	Bank IDF grant	Yes
Mozambique	Yes	Yes (2003)	Under consideration	
South Africa		not applicable <sup>(c)</sup>		In preparation
Sri Lanka		Yes (2003)		Draft law prepared
Uganda	Yes (OED)	Yes <sup>(d)</sup>	Poverty Reduction Support Credit 1, 2, 3 (2001-2003); Capacity and Performance Enhancement Program project (in preparation)	Yes (Poverty M&E Strategy; and cabinet decision)

Blank cells denote "no".

<sup>(a)</sup> Through the constitution, a law, decree or cabinet decision.

<sup>(b)</sup> At the sectoral level—Social Development Ministry.

<sup>(c)</sup> The Bank has no current loans to South Africa, and so has not prepared a CAS for it.

<sup>(d)</sup> In the forthcoming CAS.

## In-Depth Country Reviews: Uganda and Egypt

4.13 As part of this self-evaluation, OED commissioned in-depth reviews of its ECD work in both Uganda and Egypt.<sup>32</sup> These reviews were conducted by a former senior Bank staff, and are reported in their entirety in Annexes D and E. The performance of the ECD work for each country was also assessed on the basis of OED's ratings system. Key findings from the two reviews are shown in Boxes 4.1 and 4.2, together with ratings against the following evaluation criteria: relevance; efficacy; efficiency; outcome; sustainability; and OED performance. The detailed criteria which have been developed to enable these ratings to be made are listed in Annex F, and the explanation of the ratings for each country is shown in Annex G.

<sup>32</sup> An overview of Uganda's ECD work is contained in Hauge and Mackay 2004. The genesis of the Bank's ECD work in Egypt is discussed in Kusek and Rist 2002.

### Box 4.1: In-depth Review of OED's ECD Work in Uganda

At the request of the Bank's country director and Ugandan authorities, OED commenced its ECD support for Uganda in 2000. The work has included ECD diagnoses at the whole-of-government and sectoral levels, awareness-raising work with officials and members of civil society, assistance to government in its preparation of M&E action plans and the national M&E strategy currently under development, provision of 21 IPDET scholarships to Ugandans, and support to the fledgling Uganda Evaluation Association. This work has been linked closely to the policy reform agenda which the Bank and the government have agreed in the context of the series of Uganda's Poverty Reduction Support Credits (PRSCs), which now involve a consortium of over ten donors. OED's partnership agreements with Norway and the Netherlands have provided key funding support for this work, enabling OED to scale up considerably the extent of its support for Uganda.

The in-depth review concluded that OED has succeeded in introducing M&E into the Bank's policy dialogue and aid to Uganda. This has also been the most effective means of ensuring that the Bank's sectoral staff are committed to the ECD agenda, and has encouraged the government to pay greater attention to results: "the most important impact of OED's involvement (in ECD) is this: the lip service given in 2000 to this critical component of government effectiveness has become four years later genuine interest, and awareness of the importance of results and of outward accountability has percolated throughout Uganda's public sector and much of society at large."<sup>(a)</sup>

However, there are some aspects of OED's work with Uganda to which, with the benefit of hindsight, greater attention should have been paid: insufficient priority attached to bureaucratic realities within the government, at least in the early stages of this ECD support; too much attention paid to whole-of-government coordination mechanisms vis-à-vis the need for meaningful reform in sector ministries (including the central ministry/district interface); and related to this, insufficient attention paid to the strengthening of performance indicators in sector ministries.

The reviewer concluded that: "Hindsight is 20-20. The above qualifications notwithstanding, most accounts, sources and evidence suggest that, on balance, the OED impact on ECD in Uganda has been positive and significant, and represents good practice in ECD".

A formal rating of these results is summarized below. This was prepared by Salvatore Schiavo-Campo (OED consultant), using OED's ratings categories and also the detailed criteria listed in Annex F. OED's performance is rated as satisfactory.

<sup>(a)</sup> Annex D, para 7.  
Source: Annexes D and G.

### Ratings for Uganda ECD Work

**Objectives:** Improve monitoring of poverty reduction efforts while strengthening the overall M&E system—by rationalizing the multiplicity of initiatives and by helping define clearer lines of authority and accountability for the M&E agenda

Criterion	Rating	Ratings Scale
Relevance	High	High, Substantial, Modest, Low
Efficacy	High	High, Substantial, Modest, Low
Efficiency	Substantial	High, Substantial, Modest, Low
Outcome	Satisfactory	Highly Satisfactory, Satisfactory, Moderately Satisfactory, Moderately Unsatisfactory, Unsatisfactory, Highly Unsatisfactory
Sustainability	Highly Likely	Highly Likely, Likely, Unlikely, Highly Unlikely
OED Performance	Satisfactory	Highly Satisfactory, Satisfactory, Unsatisfactory, Highly Unsatisfactory

### Box 4.2: In-depth Review of OED's ECD Work in Egypt

Egypt was one of seven countries selected as a pilot under the Bank's *M&E Improvement Program* in 2001. OPCS has led the work on these country pilots, and OED has provided support in several including Egypt. OED's ECD work in Egypt has included various awareness-raising workshops focusing on performance budgeting and on building results-oriented M&E systems, the provision of nine scholarships for participation in IPDET, and work with ten pilot agencies to strengthen their performance orientation. OED's partnership agreement with the Netherlands provided funding support for various aspects of this work.

The in-depth review found that there has been high-level support for this ECD work, principally from the Minister for Finance, and that three of the ten agency pilots in Egypt have made substantive progress in developing their mission statements and performance objectives. While three other agency pilots have made some progress, the remaining four have not progressed much. Overall, the progress has been slower than expected, and one reason for this is the weak level of cooperation and even resistance encountered at lower levels within agencies. That said, the pilots possess several potential strengths, and some of them could eventually lead to major reorganizations within the agencies.

The review also found that the ECD work had paid insufficient attention to: defining specific performance indicators in the agencies; the incentives facing staff; and the need for change management initiatives. The review also concluded that OED (and OPCS) staff should not take lead responsibility for advice on public expenditure management issues, such as performance budgeting. Instead, specialist Bank staff should take the lead on such issues, and OED staff should focus more on M&E capacity-building in general. A more detailed review of progress in the ten pilots was recommended, with the possibility that it may be necessary to redesign the work in several of them, and that others might need to be dropped. Two other options were raised: finding ways to give opportunities for the "voice" of agency users; and extending the pilots to include the social sectors, in addition to infrastructure and physical programs.

A formal rating of these results is summarized below. This was prepared by Salvatore Schiavo-Campo (OED consultant), using OED's ratings categories and also the detailed criteria listed in Annex F. OED's performance is rated as satisfactory.

Source: Annexes E and G.

#### Ratings for Egypt ECD Work

**Objectives:** The initial rationale emerging from the OPCS "readiness assessment" mission comprised seven objectives, all related to M&E capacity. Although the linkage among the seven objectives was not as clear as it could have been, the objectives themselves were. However, the subsequent ECD work proceeded in a direction very different from that originally identified, and morphed into the separate "performance budgeting" agenda.

Criterion	Rating	Ratings Scale
Relevance	Substantial	High, Substantial, Modest, Low
Efficacy	Modest	High, Substantial, Modest, Low
Efficiency	High	High, Substantial, Modest, Low
Outcome	Moderately Unsatisfactory	Highly Satisfactory, Satisfactory, Moderately Satisfactory, Moderately Unsatisfactory, Unsatisfactory, Highly Unsatisfactory
Sustainability	Likely	Highly Likely, Likely, Unlikely, Highly Unlikely
OED Performance	Satisfactory	Highly Satisfactory, Satisfactory, Unsatisfactory, Highly Unsatisfactory



4.14 The findings on OED's work in Uganda and Egypt reveal a number of strengths and weaknesses; OED's performance in both countries is rated as satisfactory. A strength in Uganda has been the provision of sustained, high-intensity support, which achieved synergies between a range of different ECD activities, and thus, as the in-depth review found, led to some significant ECD results. The OED ratings of the Uganda work are that it has achieved: a high level of relevance vis-à-vis national development priorities; a high level of efficacy, in terms of meeting its objectives; has so far achieved satisfactory outcomes; and that its sustainability is highly likely. The in-depth review concluded that the ECD work in Uganda represents good-practice ECD.

4.15 However, the situation for Egypt is somewhat different. Insufficient demand within the government has to some extent frustrated the work, and despite efforts to strengthen awareness of M&E and thus the demand for ECD, these efforts were rather narrowly focused on performance aspects of the budget process, and have encountered some significant resistance. The OED ratings of the Egypt work are that it has achieved: substantial relevance vis-à-vis the ECD priorities identified at the diagnostic stage of the work; modest efficacy in terms of progress achieved in the 10 pilot agencies; a moderately unsatisfactory outcome due to the narrow focus on budget issues; but that the ECD efforts are likely to be sustainable due to strong support from some key stakeholders within the government.

4.16 OED's work in both countries emphasized central ministries such as finance and the prime minister's department, and while these are certainly important players, the in-depth reviews concluded that attention should have been paid earlier to sector ministries such as health and education, as it is there that government service delivery—and thus a substantial part of government's M&E efforts—is focused.

### **International Program for Development Evaluation Training (IPDET)**

4.17 IPDET accounts for almost 23% of OED's total ECD expenditure, and is the second largest component. OED has commissioned an external evaluation of the 2001 and 2002 courses of IPDET, with a particular focus on the level of satisfaction of IPDET graduates, the extent to which they have been able to use the knowledge and skills acquired in their work, and the impact on their organizations (Buchanan 2004).<sup>33</sup> Questionnaires were sent to all 236 participants in the first two IPDET courses, and this resulted in an overall response rate of 39 per cent. While this response rate is insufficiently large to permit conclusions that are generalizable to the entire population of IPDET graduates for these years, the responses received do provide important information for a significant minority of them. The principal findings of this evaluation were that respondents reported:

- A very high degree of satisfaction with IPDET: 89 per cent rated the experience as good or excellent.<sup>34</sup>

<sup>33</sup> Available at OED's external website: [www.worldbank.org/oed/ipdet/](http://www.worldbank.org/oed/ipdet/)

<sup>34</sup> This exceeds the benchmark target of 80% which WBI applies to its own courses.

- A similar proportion judged IPDET to be a good investment in training, and indicated they had acquired new and improved evaluation skills. Respondents also expressed high levels of appreciation of IPDET training material and of the IPDET list-serve—a moderated electronic network involving graduates and instructors, which provides information sharing and problem solving. Some 82 per cent of respondents indicated that as a result of IPDET they considered themselves to be part of a community of evaluation professionals.
- In addition, 88 per cent judged themselves to be better equipped to handle development evaluation challenges as a result of IPDET.
- Some 15 per cent reported having been promoted in their job since attending IPDET, and of these, 86 per cent stated their belief that IPDET had some influence on this career change.
- About half indicated their organization has strengthened its development evaluation policies and practices, and 84 per cent of this group believe that their attendance at IPDET had at least some influence on this.
- Finally, about 31 per cent of respondents noted that they had encountered barriers in applying the knowledge and skills acquired at IPDET in their jobs. These barriers included lack of organizational support; institutional or cultural resistance; and lack of understanding of evaluation in the workplace.

4.18 OED has also conducted regular evaluations of learning gain by participants at IPDET courses. For example, participants in the 2003 IPDET core course (the first two weeks of the IPDET program) were required to complete questionnaires both before and after the course. These questionnaires tested the extent of their knowledge and understanding of development evaluation, with the finding that the average learning gain was 12.7 percentage points—this is the difference between the pre-course and post-course test scores (den Hayer 2003).<sup>35</sup> This constitutes a substantial learning gain; it is higher than the 9.2 percentage point average learning gain from WBI's own training courses in FY02, for example (Le Rouzic and Shi 2003).<sup>36</sup>

### **ECD Resource Materials**

4.19 ECD resource materials accounted for around 15% of OED's total ECD expenditure in FY03. OED has published a large and growing collection of ECD papers in order to capture and disseminate the lessons from experience. These outputs include: a series of 12 ECD working papers, initiated in 1998, such as diagnostic guides and country case studies; proceedings of 4 ECD seminars, two of which have been prepared jointly with other donors; and 3 other ECD publications.<sup>37</sup> OED staff have also collaborated in two Bank ECD publications, including a manual for M&E systems.

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<sup>35</sup> The average pre-test score was 58.9 per cent and post test score was 71.6 per cent.

<sup>36</sup> An earlier comparison of these two courses is presented in WBI and OED 2002.

<sup>37</sup> A number of these have been translated into French and Spanish. All of OED's ECD resource materials are available from the OED ECD website: [www.worldbank.org/oed/ecd/](http://www.worldbank.org/oed/ecd/)

4.20 There has been a very high demand for OED's ECD publications, as evidenced for example by the large number of website downloads of them—this demand is an intermediate outcome of the ECD resource material. In 2003, there were almost 14,000 downloads of these ECD publications from OED's external website, more frequently than most of OED's other publications. Another measure of demand is the large number of hard copies of the ECD publications provided to Bank operational and other units in response to specific requests for them, usually for staff organizing M&E/ECD seminars and training events—over 1,000 copies were provided on request over the past 6 months alone.<sup>38</sup> Anecdotal evidence suggests that this resource material has strengthened OED's credibility on ECD issues, and that it has generated considerable demand for OED's ECD assistance. Annex C provides further information on this resource material and on the demand for it.

### Summary and Conclusions

4.21 Summary information on the ECD results reported above, and on other ECD results, is shown below in Table 4.2. As noted earlier, while it is feasible to monitor OED's ECD outputs and many of the outcomes to which it has contributed, it is often much harder to **attribute** particular ECD outcomes to OED because much of OED's ECD work has been conducted jointly with others, and also because much of OED's country work is conducted during early-stage ECD efforts. That said, it is clear that OED has played a lead role in keeping M&E and ECD on the Bank's agenda, and this has led to numerous statements of support for ECD from the Bank's Board, in particular from its Committee on Development Effectiveness (CODE). This advocacy and profile for ECD has contributed to a number of taskforces on M&E and on ECD over the past decade, and these in turn have led Bank Management to agree (in 1994, and again in 2000) to start to mainstream ECD in Bank Operations. However, while Bank Management did support ECD work by seven country teams on a pilot basis as part of the M&E Improvement Program between 2000 and 2003, such support is no longer provided. There is evidently a disconnect between the substantive and growing demand from Bank country teams for ECD, and the absence of any continuing support from Bank Management.

4.22 Over the past five years, in the period since OED significantly increased the level of its resources devoted to ECD, it has provided high-intensity ECD support to 2 countries, medium-intensity support to a further 15 countries, and indirect support to 17 countries. Such a large "footprint" of OED's support has helped lift the profile of ECD within the Bank, leading to the likelihood of some demonstration effect to other country teams. Over this same period, there has been a significant increase in the number of Bank country teams supporting ECD, with at least 31 country teams (out of 150) currently involved in ECD—OED has provided ECD support to almost all of these country teams. This increase constitutes significant progress towards the mainstreaming of ECD within the Bank, although it is evident that there is still a long way to go. One issue on which OED could usefully focus in the future is the development and application of methods to attribute better any ECD results to individual partners, such as OED, in ECD work at the country level.

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<sup>38</sup> Note that such requests provide a measure of demand. In contrast, the dissemination of a publication on the basis of a standard distribution list largely measures supply.

**Table 4.2: ECD Activities, Objectives and Results (FY03 Expenditure, in Thousands, Shown in Parentheses)**

ECD Activity	Objectives	Outputs	Outcomes
Encourage Bank Management to mandate ECD (\$ n.a.) <sup>(a)</sup>	To achieve ECD mainstreaming within the Bank	<ul style="list-style-type: none"> <li>• OED's Annual Reports on Operations Evaluation (AROE) and its Annual Reviews of Development Effectiveness (ARDE)</li> <li>• OED's 2002 Annual Report on ECD</li> </ul>	<ul style="list-style-type: none"> <li>• creation of three ECD taskforces by Bank (1994; 2000; 2002)</li> <li>• CODE meetings to discuss OED reports and ECD taskforce reports have evoked strong statements of support by CODE for ECD</li> <li>• agreement by Bank Management (in 1994 and 2000) to work to mainstream ECD</li> <li>• M&amp;E Improvement Program initiated in 2000, with 7 new ECD country pilots</li> </ul>
Persuade and support Bank regional VPUs to prepare M&E strategies (\$ n.a.) <sup>(a)</sup>	Preparation of M&E/ ECD strategies by each regional VPU, supported by sufficient resources to implement them effectively	<ul style="list-style-type: none"> <li>• Preparation of an M&amp;E strategy by Bank's Africa Region in 2002</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment of Africa Region M&amp;E coordinator; other Region staff made available to assist country teams on M&amp;E/ECD</li> </ul>
Persuade and support Bank country teams and client countries to pursue ECD (\$338.9)	To achieve ECD mainstreaming, and to a high quality, within the Bank	<ul style="list-style-type: none"> <li>• OED provision of high-intensity ECD support for 2 countries, medium-intensity support for 15 countries, and indirect support for 17 countries since 1999</li> </ul>	<ul style="list-style-type: none"> <li>• substantial increase since 1999 in number of Bank country teams (now 31) working on ECD</li> <li>• for OED's 17 high- and medium-intensity countries: ECD diagnosis prepared for 11; ECD now a CAS priority for 9; Bank project or grant for 8; government M&amp;E framework in 9 countries</li> <li>• ratings based on in-depth reviews for the 2 high-intensity countries found OED's performance to be satisfactory</li> </ul>
Foster regional and global ECD efforts (\$315.8)	To share ECD lessons with senior country officials and NGO representatives, and to help create communities of practice	<ul style="list-style-type: none"> <li>• OED initiated or co-sponsored 7 regional/global ECD conferences, seminars and workshops since 1998, with almost 500 participants from over 40 countries</li> <li>• OED support for an ECD focus at the two African Evaluation Association conferences</li> <li>• OED support for creation of IDEAS</li> </ul>	<ul style="list-style-type: none"> <li>• growing community of M&amp;E/ECD practitioners—e.g., IDEAS now has 200 members from 57 countries</li> <li>• IDEAS to conduct a self-evaluation in 2005</li> </ul>
Preparation of ECD resource materials, on lessons learned (\$156.2)	To encourage high-quality ECD within the Bank and in countries	<ul style="list-style-type: none"> <li>• OED has prepared 12 ECD working papers and 7 other ECD publications</li> <li>• OED staff have co-authored three Bank ECD publications and numerous non-Bank ECD publications</li> </ul>	<ul style="list-style-type: none"> <li>• very high level of demand for OED's ECD resource material: about 14,000 website downloads annually, and requests for 1,000 hard copy publications over last six months</li> </ul>

**Table 4.2 (continued): ECD Activities, Objectives and Results (FY03 Expenditure, in Thousands, Shown in Parentheses)**

ECD Activity	Objectives	Outputs	Outcomes
M&E and ECD training (\$309.9)	To increase M&E skills and ECD knowledge and understanding	<ul style="list-style-type: none"> <li>• annual IPDET course, with 635 participants, since 2001; donor scholarship support for 150</li> <li>• IME course (now with WBI), with 1,300 participants since 2000</li> <li>• M&amp;E Systems course delivered, since 2001, in 11 countries and to Bank staff on 20 occasions</li> </ul>	<ul style="list-style-type: none"> <li>• IPDET participants report high level of satisfaction and regard it as good investment in training</li> <li>• IPDET participants have demonstrated substantive learning gains</li> <li>• IME participants report high levels of satisfaction with course; and have demonstrated substantive learning gains</li> <li>• Bank staff report high levels of satisfaction with M&amp;E Systems course</li> </ul>
Cooperative initiatives (\$ n.a.) <sup>(a)</sup>	To harmonize M&E and reduce the burden on countries	<ul style="list-style-type: none"> <li>• OED has conducted or participated in several joint donor evaluations in recent years</li> <li>• DAC Evaluation Glossary</li> </ul>	<ul style="list-style-type: none"> <li>• joint donor evaluations appear to be cost-neutral for donors, but take longer to complete<sup>(b)</sup></li> <li>• greater harmonization of donors' M&amp;E terminology</li> </ul>

<sup>(a)</sup> Amount relating to ECD was small in FY03.

<sup>(b)</sup> Feinstein and Ingram 2003.

4.23 Many of the Bank country teams and countries for which OED has provided high- and medium-intensity support over the last 5 years are pursuing ECD in a serious manner—as demonstrated by their preparation of ECD diagnoses, Bank loans and grants for ECD, and the creation of national M&E frameworks. OED has contributed to this progress, but the extent to which the progress in any one country can be attributed to OED is generally unclear. Two exceptions to this are Uganda and Egypt, for which OED has provided high-intensity ECD support. In-depth reviews of the ECD work in these countries show that ECD progress and results have been stronger in Uganda than in Egypt, and that the strength of demand in the former provides one explanation for this. OED's performance in both countries is rated as satisfactory.

4.24 OED's leading role in its lesson-learning ECD work is implicitly acknowledged by the very high level of demand for its ECD resource materials. This demand also indicates a high, and growing, level of interest in ECD per se, and this suggests some success in raising the profile of ECD as an increasingly important development issue. Again, the extent to which this is attributable to OED is opaque, but at the very least OED has succeeded in providing resource materials to help satisfy these growing demands.<sup>39</sup>

4.25 There is little evaluative evidence concerning the regional/global ECD efforts and the cooperative initiatives in which OED has participated. There are established

<sup>39</sup> The extent of actual utilization of this resource material is not known, however (a similar evaluative "challenge" is faced by all research work. However, the extent of demand for it provides one proxy measure of utilization.

methodologies for evaluating some of these activities, such as conferences,<sup>40</sup> and more can be done to evaluate participant satisfaction with them, to evaluate learning gains (for those events which provide M&E or ECD training), and even to undertake the much more costly tracer studies of former participants to ascertain utilization of what they have learned and the personal contacts they have made in their subsequent work. This is an issue which merits systematic attention by OED in future.

4.26 The IPDET course has been rated as highly successful. The IME training course, which OED initially developed and handed over to WBI, has achieved similar success. Some recent evaluations of the M&E Systems course have shown high participant satisfaction among the Bank staff to whom it was delivered. However, there is no evaluative information about the in-country course offerings—this gap is significant, given the potential importance of this training in influencing ECD work in countries.<sup>41</sup> Overall, these training initiatives have responded in a timely manner to growing demands for M&E and ECD skills, and have provided a useful complement to the other components of OED’s ECD strategy.

## 5. ECD and OED’s Independence

5.1 An issue for OED to consider in deciding the nature and extent of its ECD work is the potential for any conflict of interest. The provision of ECD assistance to Bank operational areas raises the possibility of OED both supporting ECD aspects of the work of the Bank’s operational areas—lending in Bank operations, and economic and sector work (ESW)—and also evaluating them. A risk is that a conflict of interest might call into question the objectivity, impartiality and rigor of OED’s evaluations. This issue of a possible conflict of interest is closely related to OED’s independence, which has recently been the subject of an internal review against four criteria: organizational independence; behavioral independence; avoidance of conflicts of interest; and protection from external influence (OED 2003b). The review concluded that OED exhibits a high degree of independence, and that this is important for demonstrating OED’s credibility and the credibility of its evaluations.<sup>42</sup> Thus it is important for OED that it avoid potential conflicts of interest—real or perceived—in its ECD work.

5.2 For its general evaluation work, OED safeguards against conflicts of interest by prohibiting the assignment of evaluators to studies of programs, activities or entities for which they have had prior decision-making or financial management roles.

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<sup>40</sup> For example, Perrin and Mackay 1999. Additional aspects of conferences which can be reviewed include their agendas, the quality of papers/presentations delivered, and the practices adopted for disseminating conference proceedings.

<sup>41</sup> WBI requires at least Level 1 evaluations for all of its courses longer than one day; a Level 1 evaluation focuses on issues of participant satisfaction with the course.

<sup>42</sup> This conclusion was reaffirmed by the recent external review of the Bank’s evaluation functions.

## OED's Current Approach to ECD

5.3 OED currently applies the following rules to ensure there is no real or perceived conflict of interest in its ECD work:

- a “firewall” approach prohibits the assignment of evaluators to studies of ECD activities for which they have had prior decision-making or financial management roles (as per OED’s general approach to conflict of interest), except for self-evaluations of OED work (such as this ECD Self-Evaluation);<sup>43</sup> and
- prohibition on OED staff working as a team leader, team member or peer reviewer for all or part of a Bank loan with ECD components. OED staff are able to act as peer reviewers of ESW relating to ECD, but only with the prior and explicit agreement of the Director, OED.

5.4 There exist important precedents inside and outside the Bank where legal or fiduciary responsibilities are reconciled with provision of capacity-building support to operational work. Two such precedents are the Bank’s Legal Vice-Presidency, and the U.S. government’s General Accounting Office. These comparators use a straightforward “firewall approach” which does not prohibit their staff from undertaking operational work, and which is thus more flexible than OED’s current approach (Box 5.1).

### Box 5.1: Two Precedents for Dealing with Potential Conflict of Interest

Two important precedents are relevant in considering OED’s approach to dealing with conflict-of-interest issues. Each of them displays a considerably less restrictive approach than OED. First is the approach of the Bank’s Legal Vice Presidency (LEG), which has formal responsibility for provision of legal advice on all of the Bank’s lending operations, to ensure each is consistent with the Bank’s charter, policies and rules. LEG staff are enabled to contribute directly to designing and supervising Bank legal and judicial reform activities in borrower countries—either free-standing loans for legal and judicial reform, or components of larger loans encompassing the full range of activities that Bank staff members in Operations carry out.<sup>(a)</sup> The second precedent, outside the Bank, is found in the work of the U.S. government’s General Accounting Office (GAO).<sup>(b)</sup> The GAO is the supreme audit institution responsible for reporting to the Congress on the performance of U.S. government programs and activities, and it also provides capacity-building assistance to both domestic and international clients.<sup>(c)</sup>

The principal way in which both the Bank’s LEG and the GAO address the potential conflict-of-interest issue is through a “firewall approach”. In the case of LEG, this means that individual staff involved in capacity-building work are not permitted to be involved in legal aspects of any related Bank operations. In the case of the GAO, the firewall approach means that those parts of its divisions which provide capacity-building assistance are separate from those GAO divisions which conduct performance audits of U.S. government programs and activities.

<sup>(a)</sup> This unit is the Legal and Judicial Reform Practice Group, which comprises ten staff. The group has a direct budget of \$1.5m p.a., in addition to its access to Institutional Development Fund monies. The LEG capacity-building unit provides a range of services comparable to OED’s ECD work: it provides technical advice; disseminates its resource material on good-practice approaches, including its legal and judicial sector assessment manual; and it prepares assessments for a large number of countries (some 20 assessments are available on its website). Since 1992 over 40 grants have been provided in support of legal and judicial reform work. Of the Bank’s current 26 projects in this area, the LEG group are task managers for about half. The group’s website is: [www4.worldbank.org/legal/leglr/index\\_english.html](http://www4.worldbank.org/legal/leglr/index_english.html)

<sup>(b)</sup> There are clear parallels between OED and the GAO, on issues such as independence, methodological rigor, and utilization of their evaluation findings (Grasso 2003).

<sup>(c)</sup> This support is provided principally by GAO’s Strategic Planning and External Liaison Division.

<sup>43</sup> Another example is the self-evaluation of OED’s work which appears as part of the AROE.

## Conclusions

5.5 The imperative to avoid any real or perceived conflict of interest is indisputable. There is no evidence of any conflicts of interest having arisen in relation to OED's ECD work. OED's current approach to potential conflict of interest vis-à-vis ECD is much more stringent than that applied by a comparable unit within the Bank, the Legal Vice-Presidency. It is also more restrictive than that of the U.S. government's General Accounting Office. These comparators apply a straightforward firewall approach.

## 6. Future Options for OED

6.1 One objective of this self-evaluation is to identify strategic options to help guide OED's future ECD work. A matrix of four key options is shown in Table 6.1, together with a summary of key advantages and disadvantages of each.

**Table 6.1: ECD Options for OED to Consider**

Option	Advantages	Disadvantages
<b>Exit Option</b>		
<b>1 Transfer ECD to other Bank units</b>	(a) transfer all ECD functions to OPCS	<ul style="list-style-type: none"> <li>OPCS Results Secretariat can influence Regional VPUs and country teams vis-à-vis M&amp;E and ECD</li> <li>has some experience in ECD work</li> </ul>
	(b) transfer some ECD activities -- e.g., training to WBI	<ul style="list-style-type: none"> <li>IPDET now mature, well-developed training course, and WBI has demonstrated its ability to assume responsibility for M&amp;E training (e.g. IME course)</li> <li>as Bank's training arm, WBI has external partnerships, sound delivery mechanisms, and a strategic, targeted approach to its course offerings integrated to Regional VPU priorities</li> </ul>
<b>Scale-Up Option</b>		
<b>2a Intensify collaboration with Bank central units</b>	(a) OPCS Results Secretariat	<ul style="list-style-type: none"> <li>Results Secretariat plays leading role in Bank's <i>Results Agenda</i></li> <li>also has potential to influence Regional VPUs and country teams</li> <li>it is able to link directly efforts to improve M&amp;E of Bank operations with efforts to strengthen country M&amp;E systems—e.g., via Results-Based CASS</li> </ul>
		<ul style="list-style-type: none"> <li>given the Results Secretariat's recent withdrawal from provision of ECD support for Bank teams, its willingness to enter into an ECD partnership with OED is uncertain</li> <li>an ECD partnership with OPCS (Bank Management) might be viewed as compromising OED's independence</li> </ul>



**Table 6.1: ECD Options for OED to Consider**

Option		Advantages	Disadvantages
	(b) DEC Data Group (statistical capacity-building)	<ul style="list-style-type: none"> <li>• DEC Data Group has particular strengths which could support ECD efforts – expertise in data systems; strong regional and global partnerships; more staff and trust funds</li> <li>• potential complementarity between statistical capacity-building and ECD – e.g., potential for joint work on countries’ sector ministry statistical systems</li> </ul>	<ul style="list-style-type: none"> <li>• willingness of DEC to increase its active collaboration with OED in country and other ECD work unclear</li> <li>• statistical capacity-building and ECD rarely integrated by Bank in country capacity-building work</li> </ul>
<b>2b More targeted approach to Bank country teams and Regional VPUs</b>	(a) greater focus on high-intensity countries	<ul style="list-style-type: none"> <li>• potential for economies of scale and economies of scope in ECD work (as per Uganda case study)</li> <li>• development of good-practice M&amp;E systems in borrower countries would be highly persuasive to Bank country teams and to other countries</li> <li>• such cases might be necessary if OED is to demonstrate clear, substantive and attributable results from its country-focused ECD work</li> </ul>	<ul style="list-style-type: none"> <li>• danger if OED put “all its ECD eggs in one basket” – due to potential fragility of country team and country commitment to M&amp;E/ECD</li> <li>• unless additional OED resources devoted to ECD, likely to imply less focus on medium-intensity countries</li> <li>• pressures for OED to maximize its ECD “footprint” in terms of number of countries supported for ECD</li> </ul>
	(b) encourage efforts to mainstream ECD at a Regional level	<ul style="list-style-type: none"> <li>• Regional VPUs (e.g., LAC and MNA) which are supporting ECD in a number of their client countries might now be ready to pursue M&amp;E/ECD as a corporate priority (Africa Region precedent)</li> <li>• would help them address growing constraints with ECD (and some M&amp;E) expertise</li> <li>• middle-income countries in these regions have greater potential to develop robust M&amp;E systems, which would have a valuable demonstration effect</li> </ul>	<ul style="list-style-type: none"> <li>• requires strong Regional VPU support to be effective—but other than the Africa Region they have been largely unresponsive to past OED efforts to promote a more strategic approach to ECD</li> </ul>
<b>Renewed Focus on ECD Lessons</b>			
<b>3 ECD Knowledge Analysis</b>		<ul style="list-style-type: none"> <li>• planned program of ECD research and analysis to fill knowledge gaps e.g., on sectoral M&amp;E systems; sub-national M&amp;E; successful models of civil society M&amp;E; good-practice M&amp;E systems in borrower governments; evaluation findings from Bank ECD projects</li> <li>• would meet the demonstrated high demand for ECD lessons</li> <li>• would ensure OED remains at forefront of ECD lesson-learning</li> </ul>	<ul style="list-style-type: none"> <li>• need to balance “learning” and “doing” in fostering the mainstreaming of ECD</li> <li>• OPCS has helped fill some knowledge gaps in results-based management (which is related to ECD)</li> </ul>

## 7. Conclusions

7.1 OED has an ECD mandate which consists of “encouraging and assisting member countries to build effective monitoring and evaluation associations, capacities and systems”. OED’s ECD strategy has the objective of mainstreaming ECD within the work of the Bank and to ensure that the ECD work is of high-quality. There are, of course, limits to what OED can expect to achieve in this area, given its limited budget for ECD. Nevertheless, given this resource level OED has taken an ambitious approach, covering a broad but complementary range of activities in support of its ECD strategy.

7.2 OED has endeavored to play a catalytic role vis-à-vis ECD, by encouraging Bank Management to mandate ECD in Bank Operations—OED has successfully played a lead role in keeping M&E on the Bank’s agenda, and this has contributed to a number of taskforces on M&E and on ECD in recent years. The strong support for M&E and for ECD from the Bank’s Board and its Committee on Development Effectiveness have also been influential here. The Bank’s evolving *Results Agenda* is providing a strong focus within Bank Operations on the results of their work, via the Results-Based CASs in particular, and this in turn is providing some focus on ECD.

7.3 OED has also encouraged the Bank’s Regional VPUs to prepare their own regional M&E strategies, and it has supported Bank country teams and their client countries in their ECD efforts. There has, notably, been strong support from the Bank’s Africa Region VPU for ECD, and it has adopted an M&E/ECD strategy which it is actively pursuing in a number of countries.

7.4 OED increased its resources devoted to ECD in 1999, with considerable support from its donor partners (Netherlands, Norway, the United Kingdom, and Switzerland), which now provide one-third of OED’s ECD funding. Over that period, OED has provided high-intensity ECD support to 2 countries, medium-intensity support to a further 15 countries, and indirect support to 17 countries. This large “footprint” of OED support has lifted the profile of ECD within the Bank. During this same period, there has occurred a significant increase in the number of Bank country teams supporting ECD: from a handful in 1999 to at least 31 country teams currently. This constitutes substantial progress towards the mainstreaming of ECD within the Bank, although as there are about 150 Bank country teams, there is evidently a long way to go before mainstreaming will have occurred.

7.5 A key finding of this report is that many of the Bank country teams and countries for which OED has provided high- and medium-intensity support over the last 5 years are pursuing ECD in a serious manner—as demonstrated by their preparation of ECD diagnoses, Bank loans and grants for ECD, and the creation of national M&E frameworks. OED has contributed to this progress, but the extent to which the progress in any one country can be attributed to OED is generally unclear. Nevertheless, in a few countries, such as Uganda and Egypt, OED has played a leading role—as concluded by the in-depth reviews of OED’s ECD work in these two countries. OED’s performance in both countries is rated as satisfactory. A strength in Uganda has been the provision of sustained, high-intensity support, which achieved synergies between a range of different ECD activities, and has led to some significant ECD results. The in-depth review

concluded that the ECD work in Uganda represents good-practice ECD. In contrast, the ECD work in Egypt has been partly frustrated by uneven demand and even some resistance within the government, and the outcomes so far are rated as moderately unsatisfactory, although the strong support for ECD from a limited number of key stakeholders means that the ECD efforts are rated as likely to be sustainable.

7.6 These reviews underscore the importance of country demand for sustainable ECD work—as evident in the distinction between Uganda, where high-level demand for M&E is mirrored widely in the public sector, and Egypt, where high-level demand has been substantially frustrated by weak levels of cooperation and even resistance at lower levels within agencies. This contrast reinforces a lesson learned by a number of countries where demand has been weak: that weak demand can lead to fragile ECD efforts. For this reason, OED needs to pay close attention to the demand side in its country ECD work, both at the initial diagnostic stage and in subsequent capacity-building work. Another lesson is the value of achieving a critical mass of ECD work within any one country, and thus achievement of ECD synergies. Related to this, and consistent with earlier experience, is the need for persistence in ECD work: building M&E capacities and systems, and fostering a more results-oriented culture in a civil service takes time. Other lessons include the need for closer attention to detailed work on M&E systems and performance indicators, particularly at the sectoral level, and the importance—already well recognized—of a partnership approach to ECD.

7.7 The two in-depth country reviews have added to the so far limited evaluative evidence concerning ECD work at the country level. However, reflecting the fairly recent nature of most Bank work on ECD, we do not yet have available any OED evaluation findings relating to Bank projects with significant ECD components.

7.8 Recent evaluations of the International Program for Development Evaluation (IPDET) and of the Introduction to M&E (IME) course, which OED developed and handed over to WBI, shows high levels of participant satisfaction and learning gain. Some IPDET graduates also reported that their participation had influenced their organizations to strengthen their development evaluation policies. Recent evaluations of OED's M&E Systems course indicate high levels of satisfaction from Bank participants. However, the lack of evaluation of the numerous in-country offerings of this course constitutes a significant gap in our knowledge. OED's supply-side training initiatives therefore appear to have responded in a timely manner to growing demands for M&E and ECD skills, and have provided a useful complement to the other components of OED's ECD strategy.

7.9 OED's leading role in identifying and sharing ECD lessons—ECD investigation and analysis—is reflected in the very high demand for its ECD resource materials. This demand reveals a high, and growing, level of interest in ECD, and this in turn suggests it is becoming an increasingly important development issue. The extent to which this is attributable to OED is not clear, but at the very least OED has succeeded in providing resource materials to cater to these demands.

7.10 There is no evidence of any conflicts of interest having arisen in relation to OED's ECD work. And there exist important precedents inside and outside the Bank, such as the U.S. General Accounting Office, where legal or fiduciary responsibilities are

reconciled with provision of capacity-building support to operational work; this reconciliation is achieved through a simple firewall approach. In comparison, OED's approach to potential conflict of interest is much more restrictive.

7.11 This ECD self-evaluation has clarified the objectives, expectations and information needs of OED Management. A number of constraints on the evaluability of OED's ECD work are also identified. However, this report has also enhanced the evaluability of OED's ECD work through: the mapping of ECD results chains; articulation of ECD performance indicators; and preparation of detailed criteria for rating OED's country-based ECD work.

7.12 This self-evaluation has also outlined three key options for OED Management to consider in framing its future ECD strategy. These comprise: (1) an exit option to transfer OED's ECD activities; (2) a scale-up option involving closer OED collaboration with Bank central units, and a more targeted approach to ECD work with Bank country teams and Regional VPUs; and (3) a renewed focus on ECD lesson-learning.

7.13 The conclusion of this report is that given the modest level of resources committed to ECD, OED has been highly active in ECD, and that its ECD strategy has made a substantial contribution to a number of ECD results—outputs and outcomes—over the past five years. The task now facing OED is to further strengthen its ECD work: to achieve the related objectives of mainstreaming ECD and establishing high-quality ECD more widely. There are growing opportunities for achieving a results orientation within the Bank and in countries, and the priority for ECD has never been higher.

## **Annex A. OED Contribution to the Creation of Taskforces with Major M&E Implications**

1. As noted in Section 2, the primary vehicles which OED has used to report concerns about the performance of the Bank's lending portfolio have been its two flagship reports—the AROE (which assesses the adequacy of the Bank's M&E processes and instruments) and the Annual Report on Development Effectiveness (the ARDE assesses the Bank's performance in contributing to development effectiveness). Through these reports, OED has highlighted deficiencies in the Bank's approach to M&E, emphasized the lack of a results focus and need for results-based management in the Bank, and advocated a more substantive approach by the Bank towards ECD.

2. There have been four major Bank taskforces which have had major implications for the Bank's approach to M&E and the priority for ECD (Table A.1)

- 1992 Wapenhans Portfolio Management Task Force.
- 1993-94 ECD Taskforce.
- 1999-2000 Working Group on Improving Quality of Monitoring and Evaluation in Bank-Financed Operations.
- 2002 Taskforce on Measuring, Managing and Monitoring for Results—this has now evolved into the Bank's *Results Agenda*.

3. The genesis of these taskforces included concerns about aspects of the quality of the Bank's portfolio, including the Bank's own M&E. OED was an active member of three of these taskforces (indicated by an asterisk in Table A.1). The first was the 1992 Wapenhans taskforce. OED's DGO at that time has noted that this taskforce “would not have been launched were it not for OED's reporting of deteriorating portfolio performance in a series of annual reviews and studies” (Rovani 2003). The taskforce recommended that the Bank devote more attention to the quality of its lending portfolio, rather than its size, and that better M&E by the Bank's operational areas was important for achieving this. The taskforce also recommended that OED continue to assist borrowers to strengthen their evaluation capacities.

4. OED had separately argued that the Bank should take a more systematic and comprehensive approach to ECD, and that a Bank-wide working group be established to review this proposal and develop an action plan. The Bank's Board agreed, and this led to the creation of an ECD Taskforce in 1993. This taskforce concluded that ECD should not be regarded as an isolated initiative but rather form an integral part of the Bank's country portfolio management work and its support for public sector management reform. The taskforce also recommended the mainstreaming of ECD within countries and the strengthening of M&E within the Bank, with responsibility for ECD to be allocated to the Bank's regional Vice-Presidential Units (VPUs). The taskforce findings were endorsed by Bank Management and by the Joint Audit Committee of the Board in July 1994—this constitutes the Bank's formal adoption of an ECD strategy.

**Table A.1: World Bank Taskforces with Major M&E Implications**

OED Contribution to Creation of Taskforce	Taskforce Created <sup>(a)</sup>	Report Year	Taskforce Recommendations Concerning ECD	Outcome Concerning ECD
OED findings of rapidly declining performance of Bank projects	1992 Wapenhans Portfolio Management Task Force (and related ECON taskforce)* <sup>(b)</sup>	1992	That OED continue to assist borrowers to strengthen their evaluation capacities	Continuing OED support for ECD
OED argued in FY91 that the Bank should undertake a more systematic and comprehensive ECD effort, and that a Bank-wide working group be created to review this proposal and develop an action plan—the Board agreed	1993-94 ECD Taskforce* <sup>(c)</sup>	1994	(1) That ECD be mainstreamed within the Bank and in countries, as part of public sector management work to support sound governance (2) That responsibility for ECD be allocated to regional VPUs	Bank Management accepts the taskforce recommendations, and they are endorsed by the Board—these recommendations can be taken to constitute the Bank's ECD strategy
Assessment by OED <sup>(d)</sup> that Management's implementation of ECD taskforce recommendations were inadequate, and that a report be prepared for the Board on progress with ECD; continuing OED concerns about quality of the Bank's own M&E	1999-2000 Working Group on Improving Quality of Monitoring and Evaluation in Bank-Financed Operations*	2000	(1) That a Bank <i>M&amp;E Improvement Program</i> be created, with a main focus on ECD (rather than Bank self-evaluation)—to be pursued via 8 pilot countries and 2 pilot sectors (2) That ECD be mainstreamed in Bank operations	(1) Bank Management agrees that ECD should start to be mainstreamed in FY04 (2) ECD support initiated in 7 new pilot countries – OED provided support for 6 of these
Persistent OED recommendations to the Board and advocacy to the Bank concerning the need for a focus on results, including via results-based management. Also continuing OED concerns about weak Bank project M&E leading to poor project performance	2002 Taskforce on Measuring, Managing and Monitoring for Results; has now evolved into the <i>Results Agenda</i> being developed by the Bank	2002 <sup>(e)</sup>  On-going	Recommendations to mainstream ECD in the context of the Bank's country assistance strategies (CAS)	(1) Creation of M&E focal points in each Regional VPU. (2) The Bank is currently piloting results-based CASs in a number of countries, and at least some of these flag the Bank's intention to provide support for ECD.

<sup>(a)</sup> An asterisk denotes OED membership of the taskforce or of its steering committee.

<sup>(b)</sup> This work drew closely on the findings of the ECON Taskforce, initiated at the suggestion of the DGO following OED's 1988 annual reporting on operations evaluation.

<sup>(c)</sup> The taskforce was supported by OED's part-time ECD staff—see Picciotto 2003.

<sup>(d)</sup> OED's concerns about Bank performance vis-à-vis ECD were also flagged in its policy ledger and management action record.

<sup>(e)</sup> World Bank 2002. See also World Bank 2003a, b.

5. Following repeated assessments by OED that Bank Management's implementation of the ECD Taskforce's recommendations was inadequate, and that a report should be prepared for the Board on progress with ECD, a working group was set up in 1999 to investigate the causes of poor M&E in the Bank and in borrower countries. The working group recommended the creation of a Bank *M&E Improvement Program*, with a particular emphasis on ECD—in 8 new country pilots and in two sectors. The working group recommendations were endorsed by Bank Management and by the Board's Committee on Development Effectiveness (CODE) in September 2000. Bank Management stated that it supported creation of the ECD pilots with a view to mainstreaming ECD in Bank-supported operations starting in FY04 (OED 2002a). Management initiated 7 country pilots but neither of the two sector pilots. By 2004, however, Bank Management had decided to cease providing central support to the 7 pilot countries; it is now the responsibility of the Bank's country teams for the 7 countries to support—or not—any ECD work in these countries, depending on whether they continue to judge ECD a to be a priority.<sup>1</sup>

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<sup>1</sup> The M&E Improvement Program faced the same problems as had been identified earlier, in particular insufficient M&E skills and interest of Bank staff in M&E. If Bank staff are insufficiently skilled in, or committed to, M&E, it is highly unlikely they would pursue ECD with their borrower countries. The Bank has recently prepared an insightful analysis of the continuing challenges facing the mainstreaming of ECD within the Bank (World Bank 2004, Annex C).

## Annex B. OED's ECD Activities: Some Further Details

1. This annex provides further descriptive information on several of the types of ECD activity in which OED has been involved over the past five years or so: country-level ECD; global/regional ECD initiatives; and M&E/ECD training.

### Country-Level ECD Activities

2. A complete list of the 34 countries for which OED has provided ECD support is shown in Table B.1. A distinction was made between high-intensity, medium-intensity and indirect ECD support in Section 3. However, there are no simple dividing lines along this spectrum of OED support. An issue which further complicates attempts to classify this support is that for any one country the intensity of OED support can vary considerably from year to year. In some countries—Uganda, for example—a high-intensity period of OED activity from 2000 to 2003 has been followed by a situation where much of the ECD work is being managed by the government itself, and where other donors such as the United Kingdom have agreed to become increasingly involved. In other countries, such as Honduras, OED provided early support for the Bank's country team which was then quickly able to assume full responsibility for an ECD action plan, and to include ECD as part of a Bank project. And in some countries where OED has also provided substantive support, such as Ghana and the Kyrgyz Republic, changing circumstances have resulted in a situation where current OED and Bank involvement in ECD is at a low level and future involvement is uncertain. Reasons for this have included a change in government and lower level of Bank

**Table B.1: OED Support for ECD Work in Borrower Countries<sup>(a)</sup>**

Countries Currently Supported by Bank on ECD	Countries Supported by OED Since 1999		
	High-intensity Support	Medium-intensity Support	Indirect Support
<u>Africa</u> : Ethiopia, Ghana, Madagascar, Malawi, Mozambique, Tanzania, Uganda	Uganda	Benin, Ghana, Malawi, Mozambique, South Africa	Burkina Faso, Ethiopia, Guinea, Madagascar, Niger, Tanzania, Zambia
<u>East Asia &amp; Pacific</u> : Korea, Indonesia, Philippines, Vietnam		Korea, Indonesia	Vietnam
<u>Europe &amp; Central Asia</u> : Albania, Kyrgyz Republic, Romania		Kyrgyz Republic	Albania, Poland,
<u>Latin America &amp; Caribbean</u> : Bolivia, Brazil, Chile, Colombia, Honduras, Mexico, Nicaragua, Peru		Brazil, Chile, Honduras, Mexico	Bolivia, Colombia, Nicaragua, Peru
<u>Middle East &amp; North Africa</u> : Algeria, Egypt, Iran, Morocco	Egypt		Algeria, Iran, Morocco
<u>South Asia</u> : Bangladesh, India (Andhra Pradesh), Pakistan (N.W. Province), Sri Lanka		Bangladesh, India (Andhra Pradesh), Sri Lanka	

<sup>(a)</sup> This inventory of Bank support for ECD is based on a detailed OED survey as at March 2002 (see 2002 AREC) plus a subsequent OED review of Bank loan documents and IDF grants up to the end of 2002, plus additional information gathered informally within the Bank. This inventory is intended to be current (as at March 2004), but may under-estimate the total number of countries supported by the Bank. The list of countries supported by OED includes all those which have received support between 1999 and March 2004.



involvement in all public sector reform efforts, including ECD (Ghana); and a complete change in Bank country team staff and subsequent reduction in its commitment to and support for ECD (Kyrgyz Republic). These latter two countries illustrate the potential fragility of ECD efforts.

3. Another dimension of the ECD country work is the functional focus of ECD within individual countries, and thus the depth of work within any one country. A substantial part of OED's ECD work has focused on the whole-of-government level rather than on individual sectors—although there are a number of notable exceptions to this, such as Egypt and Mexico—and on central government rather than at sub-national level—although, again, there are exceptions such as the work with Andhra Pradesh, provincial governments in South Africa, and in Bolivia at the municipal level. Reasons for this have included the understanding that incentives are key to effective demand for M&E, and that these are usually determined by the civil service culture and the approach of core ministries, such as the finance, planning and civil service ministries. Thus entry points for ECD work have usually been viewed in terms of supporting a performance-orientation and results-based culture in the national budget process and national public administration. Nevertheless, it is at the sectoral level that government services are managed and delivered, and sectoral M&E information is produced—information on which the core ministries are heavily dependent if they wish to measure, evaluate, understand, and gradually improve government performance.

4. OED's ECD work has included some sectoral and sub-regional focus—such as the four sector ministry M&E pilots in Egypt; a case study prepared on Tanzania health sector reviews; a review of M&E in three sectors in Uganda; and the M&E/ECD training for provincial governments in South Africa. And the work with civil society has also provided an alternative to a central government focus—such as the ECD workshops for civil society in Ghana; and the support for national evaluation associations (Kenya, Uganda) and for the International Development Evaluation Association (IDEAS). One reason for hesitation in providing a high level of ECD support at the sectoral level, however, is the concern that while it might be feasible to support an island of ECD good-practice within a sector ministry, its sustainability would be doubtful unless the broader whole-of-government system and civil service culture foster a results orientation.

### *Examples of OED's Medium-intensity Country Support*

5. Examples of OED's medium-intensity ECD support—for Benin and Sri Lanka—are shown below.

#### Benin

6. In 1999 the finance minister requested Bank help to strengthen public expenditure management and to introduce program budgeting and performance budgeting. OED, together with OPCS, WBI and the Bank's country team, organized a 3-day workshop in Cotonou in May 1999 for senior officials from 4 pilot ministries, plus corresponding Bank sectoral staff. OED and the country team arranged resource material and resource persons to facilitate the workshop, which was also supported by the African Development Bank, the European Union, France and the United States.

7. The finance ministry pursued a performance budgeting approach for the 4 ministries during the following budget cycle. The Bank's country team has judged the workshop a success, noting that it had: led to the preparation of program budgets by the pilot ministries, incorporating concepts of outcomes and cost-effectiveness in decision-making; led to preparation of logframe structures for each government program; and that notable advances had been made in defining satisfactory performance indicators. The Bank subsequently (December 2000) agreed to a public expenditure reform adjustment credit for Benin, and later a supplemental credit (September 2002), to support performance budgeting and other budget reforms.

8. OED has also used its ECD partnership funds to enable the participation of senior Beninois officials in the inaugural conference of the African Evaluation Association in Nairobi (September 1999) and has provided advice, resource material and names of consultants to the Bank country team in its work to support M&E for the PRSP. The Bank's 2003 CAS notes the continuing priority for the budget reforms and judges that "the impact of (the budget) reforms so far has been broadly positive". This CAS also undertakes to provide some support for ECD.

### Sri Lanka

9. In 2002 the Bank's country director and senior government officials requested that OPCS and OED provide a high-level workshop on "designing and building a results-based M&E system". The 3-day event in Colombo in May 2002 was attended by 50 senior officials from 18 ministries, and by representatives from NGOs, universities, the Asian Development Bank and the World Bank. OPCS and OED staff subsequently conducted follow-up clinics with each of four ministries which have a key role in the PRSP, to help them identify data needs—for data collection, analysis and reporting. In mid-2003, the government drafted a national evaluation policy, on which OED has also provided comments, and the Bank's first results-based CAS (2003) was developed for Sri Lanka. In support of this, OED staff provided training for officials and the Bank's country team in indicator construction and measurement. The CAS also flags the intention to help Sri Lanka refine its national M&E system. OED has also used its partnership funds to sponsor the participation of members of the Sri Lanka Evaluation Association in the launch of the International Development Evaluation Association (IDEAS) in Beijing (September 2002), the 2002 conference of the European Evaluation Association, and the 2003 4-week IPDET course in Ottawa.

## **Global/Regional ECD**

### *Conferences, Seminars and Workshops*

11. As noted in Section 3, OED has initiated or supported a number of ECD events in different regions. A list is shown in Box B.1.

12. In addition, OED has used its partnership funds to support the participation of Africans at the inaugural (1999) and second (2001) conferences of the African Evaluation Association, both held in Nairobi. And OED and the AfrDB's evaluation office jointly organized an ECD strand at the 2001 conference—a similar strand is planned for the upcoming 2004 conference.

### **Box B.1: ECD Conferences, Seminars and Workshops Supported by OED Since 1998**

- an ECD seminar held in Washington D.C. in April 1998, at which the approximately 80 participants largely comprised staff of the World Bank and partner donors (Mackay 1998);
- a regional ECD seminar held in Abidjan in November 1998, jointly sponsored by OED, AfrDB, UNDP, Denmark (Danida), Norway (NORAD), Switzerland (SDC) and Sweden (SIDA), with over 90 participants, from 12 countries in sub-Saharan Africa and North Africa, and donors (OED and AfrDB 1998);
- a multi-region ECD seminar held in Beijing in October 1999, jointly sponsored by the UNDP, OED, WBI and the Chinese government, with about 40 participants from 13 countries in East and South Asia, and Central Asia (Malik and Roth 2000);
- a regional ECD seminar and workshop held in Johannesburg in September 2000, jointly sponsored by DBSA, OED, Denmark, Norway, Sweden, Switzerland and UNDP, and attended by almost 90 participants, from 11 African countries and donors (DBSA, AfrDB and OED 2000);
- a multi-region workshop on ECD for countries preparing poverty reduction strategies, held in the Hague in March 2001, and jointly sponsored by the Netherlands government and OED. There were over 60 participants representing 8 PRSP countries in Africa, Latin America and Central Asia (Hulsman-Vejsova et al. 2001);
- an ECD workshop for civil society leaders and officials in 3 PRSP countries in Latin America, held in Heredia, Costa Rica in April 2003. There were 18 participants in the workshop, which was supported by OED and jointly organized with the Bank's LAC region and involving several external partners such as the Inter-American Foundation; and
- a regional meeting on social accountability and participatory M&E, held in Punta Cana, the Dominican Republic, in June 2003. There were 100 participants from civil society and governments from 10 LAC countries, as well as donor representatives. The meeting was supported by a large number of Bank units, including OED.<sup>1</sup>

### ***International Development Evaluation Association (IDEAS)***

12. Over a two and a half year period, OED together with other partners—most notably the UNDP's Evaluation Office—has worked to support the creation of IDEAS, a professional association which was formally launched in Beijing in September 2002. Its membership is growing and currently comprises about 200 individuals and organizations, from 57 developing and developed countries, who are involved in evaluation and development issues. The objectives of IDEAS are: to strengthen the development dimension of current evaluation associations, and to support the creation of country evaluation associations; to promote ECD; to inspire professional excellence in development evaluation; and to provide global knowledge, support and connectivity to development evaluation professionals. With OED support, several large, plenary events have taken place to help establish and launch IDEAS, and the IDEAS Board is already pursuing a number of initiatives, including networking and the sharing of resource materials through its website<sup>2</sup> and newsletters. IDEAS is currently developing a detailed 3-5 year workplan for pursuing its objectives, and these are likely to include sponsorship of a range of collaborative events such as conferences, high-level workshops and ECD seminars, and possibly an M&E training program.

<sup>1</sup> Resource materials from this meeting are available at: [www.worldbank.org/laccs](http://www.worldbank.org/laccs)

<sup>2</sup> <http://www.ideas-int.org/>

## **M&E and ECD Training**

### ***IPDET***

13. OED in partnership with Carleton University in Ottawa created the four-week IPDET course and sponsored its delivery each summer for the past three years (2001 to 2003).<sup>3</sup> The curriculum, which was designed by OED, comprises a two-week core course taught by two OED staff and one professor from Carleton, with numerous invited speakers. The second two weeks comprise about 24 elective workshops, each of which focuses on specialized evaluation topics; 34 faculty participate in these workshops, including a number of OED staff. There have been about 635 participants from 62 countries in the first four IPDET courses. Almost 150 participants were able to attend with scholarship support from OED's bilateral partners (Britain, Netherlands, Norway, Switzerland), and from the Canadian government and others. For the 2003 IPDET course, about 54 of the 182 participants were from OED's high- or medium-intensity countries, and 25 scholarships were provided to participants from these countries; each four-week scholarship is worth about \$10,000. The targeting of scholarships is exemplified by Uganda, for which 21 scholarships have been provided to officials and CSOs in the 2001, 2002 and 2003 IPDET courses. The direct cost of IPDET in 2003 was about \$750,000, excluding the cost of OED staff who manage and teach at the course, and the cost of some course materials (these two types of cost totaled about \$170,000 in FY03). The remaining costs of IPDET are met by tuition fees—some of which, as noted above, are paid by OED's bilateral partners—and by a contribution from Carleton University.

### ***Introduction to M&E (IME)***

14. This is a distance-learning course usually offered via interactive video-conferencing. It entails half-day sessions for several days per week over several weeks, and is equivalent to about four days of training. The IME course can be delivered to most borrower countries and was developed as a classroom course by OED, with responsibility for its delivery subsequently handed over to WBI, which developed the distance learning version (OED still participates in its delivery from time to time). Between September 2000 and March 2004, the IME course was delivered to over 1,300 participants in 39 countries,<sup>4</sup> in five languages, and including 11 countries for which OED has also provided high- or medium-intensity support.

15. Participants at these courses have rated them highly. WBI routinely conducts Level 1 evaluations (concerning participant satisfaction with the course) and, less frequently, Level 2 evaluations (concerning extent of learning gain). The IME courses have had fairly high levels of participant satisfaction and have recorded statistically significant learning gains. A sample of six of these courses revealed that 82.2 per cent of respondents rated the overall usefulness of the course to them as being high or very high; this exceeded WBI's

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<sup>3</sup> The IPDET website is: [www.carleton.ca/ipdet/](http://www.carleton.ca/ipdet/)

<sup>4</sup> These statistics were provided by WBI and include several specialized, thematic variants of this IME course which WBI has developed, such as gender issues in M&E, and health sector M&E. WBI is currently developing more advanced course modules, in areas such as qualitative evaluation methods, participatory M&E, the links with performance auditing and performance budgeting, and country level assessment.

benchmark target of 80 per cent. In terms of learning gain, the average was 11.5 percentage points (the average pre-test score was 40.9 and post-test score was 52.4).

16. Most of the IME course offerings have been offered on a “retail” basis – i.e., delivered to participants who intend to use M&E in their own work – but some have also been delivered to M&E trainers in order to strengthen their ability to teach M&E; such trainer-training has the potential to have a flow-on effect to others within their countries. OED and WBI jointly organized such a course in Ghana in 1999, for example, with trainers from several African countries as participants. WBI has since delivered trainer-training IME courses in other regions, such as Europe & Central Asia, and East Asia & Pacific. OED now plays an intermediary role vis-a-vis the IME course by helping to broker its provision to individual countries (e.g., Brazil, Mozambique)—in response to interest expressed by country counterparts, arising in the course of our country-based ECD work.

### ***Designing and Building Results-Based M&E Systems***

17. This 2-3 day ECD training course was developed jointly by OED and OPCS staff, and is currently offered numerous times each year to Bank staff and to government officials and members of civil society in borrower countries. The workshop focuses on the pragmatic issues faced by government officials in developing countries as they work to set up a results-based M&E system to support larger governance reforms. The workshop emphasizes a systems approach that involves a ten step process. The participants begin with step one, a readiness assessment (or ECD diagnosis), and then moves on to setting goals, defining outcome indicators, establishing baselines and targets, and then how one manages such a system, produces the information, and uses it in a policy and program context.

18. Over the past three years, the course has been delivered face-to-face in 11 borrower countries,<sup>5</sup> nine of which are OED high- or medium-intensity countries; however, none of these course offerings has been evaluated to date. The course has also been delivered on almost 20 occasions to Bank staff and to officials in Part 1 countries; recent evaluations of three of these courses (in February and March 2004), which were primarily for Bank staff, have found high levels of participant satisfaction with them. Ninety-seven per cent of evaluation respondents rated the overall quality of this course as high or very high, and 95 per cent rated the usefulness of this training as high or very high. This course is also one of the optional modules at IPDET. And the workshop has been offered via the Bank’s distance learning centers in a shortened format. In total, more than 1,600 persons have participated in this workshop in one or another venue. The materials are also available in six languages—Arabic, English, French, Portuguese, Russian and Spanish.

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<sup>5</sup> Albania, Brazil, Chile, Egypt, India, Kyrgyz Republic, Mexico, Russia, South Africa, Sri Lanka and Uganda.

## Annex C. OED's ECD Resource Material

1. There exists a large demand for ECD lessons. Part of this demand comes from Bank country teams which are working or thinking of working on ECD. Part of it comes from Bank staff from regional VPUs and central units such as WBI who organize M&E/ECD seminars and workshops. And part of it comes from countries and the broader development community—government officials, civil society, and other donors. In response to this demand, OED has published a number of ECD papers and reports—about 20 so far: ECD diagnostic guides; country case studies; ECD conference and seminar proceedings; booklets on M&E tools and methods; OED's *2002 Annual Report on ECD*; and a report on examples of evaluations which have proved highly useful to governments, civil society and donors. A full list of these papers, which are available publicly from OED's ECD website (<http://www.worldbank.org/oed/ecd/>), is shown in Table C.1. A number of the ECD papers have been translated into other languages, and all of them (and the ECD lessons they contain) have been disseminated widely. In addition to these OED publications, OED staff have also authored or contributed to other ECD papers published elsewhere, including two Bank ECD publications. These include, for example, several articles on conducting an M&E readiness assessment and a manual for developing M&E systems.<sup>1</sup>

2. One measure of the very high level of demand for this ECD resource material is the large number of website downloads of them. Though such statistics do not necessarily indicate the extent of utilization of these publications, they provide one measure of demand for them, unlike statistics on number of copies of publications disseminated, which would be interpreted as a measure of supply (except when those to whom the publications were disseminated had requested them). There were almost 14,000 downloads of these ECD publications over the past year; this statistic measures the number of times that users of OED's external website and its subsites open these documents to read them directly, or to print or save a copy, or to forward them to a colleague. The most in-demand ECD publication (over 3,600 downloads) was the booklet on *M&E Tools, Methods and Approaches*, which provides a thumbnail sketch of various types of M&E, including their purpose and use, advantages and limitations, costs, and skills required. The second most in-demand publication (some 3,000 downloads) was OED's *2002 Annual Report on ECD*, which discusses the concept and relevance of ECD, and presents an inventory of ECD activities in which the World Bank is involved.

3. These statistics can be compared with those from several major OED publications: for example, OED's two flagship reports to the Bank's Board, the AROE and the ARDE, had 2,900 and 5,400 downloads respectively, while the Russia Country Assistance Evaluation (CAE) had 460 downloads. It is notable that the large majority of OED's 760 publications are downloaded much less frequently, suggesting a much lower level of demand, or at least a narrower audience for them. ECD downloads accounted for almost 10 per cent of the total 144,000 downloads of all 760 OED evaluations, reports and other papers publicly available. Yet the ECD publications comprise only 2.2 per cent of all OED publications. And OED's ECD work accounts for only 4.3 per cent of OED's total budget.

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<sup>1</sup> For example, Mackay 2002, Kusek and Rist 2002 and 2004, and Hauge and Mackay 2004. An M&E "readiness assessment" is essentially an ECD diagnosis.

**Table C.1: Website Downloads of OED's ECD Publications—2003<sup>(a)</sup>**

<b>ECD Working Paper Series</b>	<b>Total Downloads<sup>(b)</sup></b>
Guide to Conducting Reviews of Organizations Supplying M&E Training	<b>1356</b>
Strengthening Capacity for Monitoring and Evaluation in Uganda: A Results Based Management Perspective (incl. French & Spanish)	<b>896</b>
Evaluation Capacity Development: A Diagnostic Guide and Action Framework (incl. French and Spanish)	<b>546</b>
The Development of Monitoring and Evaluation Capacities to Improve Government Performance in Uganda (October 2003)	<b>290</b>
The Development of Australia's Evaluation System	<b>175</b>
Lessons from National Experience	<b>151</b>
Evaluation Capacity Development in Zimbabwe: Issues and Opportunities	<b>107</b>
Sub-Saharan Africa: Lessons from Experience in Supporting Sound Governance	<b>50</b>
Comparative Insights from Colombia, China, and Indonesia (including French and Spanish)	<b>n.a.</b>
Two Generations of Performance Evaluation and Management System in Australia	<b>n.a.<sup>(c)</sup></b>
An Assessment of the Impact of Bangalore Citizen Report Cards on the Performance of Public Agencies	<b>n.a.<sup>(c)</sup></b>
<b>Total</b>	<b>3571</b>
<b>Other ECD publications</b>	
2002 Annual Report on ECD (AREC)	<b>3019</b>
Monitoring and Evaluation: Some Tools, Methods and Approaches (incl. French and Spanish)	<b>3627</b>
Influential Evaluations: Evaluations that Improved Performance and Impacts of Development Programs	<b>n.a.<sup>(c)</sup></b>
The Role of Civil Society in Assessing Public Sector Performance in Ghana	<b>n.a.</b>
Public Sector Performance—The Critical Role of Evaluation	<b>475</b>
Evaluation Capacity Development in Asia	<b>358</b>
Developing African Capacity for M&E—seminar proceedings	<b>190</b>
<b>Total</b>	<b>7669</b>
<b>OED Precipis</b>	
Evaluation Capacity Development: A Growing Priority (incl. French and Spanish)	<b>2307</b>
Developing African Capacity for Monitoring and Evaluation	<b>88</b>
<b>Total</b>	<b>2395</b>
<b>GRAND TOTAL</b>	<b>13635</b>

<sup>(a)</sup> Relates to February 2003 to January 2004.

<sup>(b)</sup> The annual statistics are underestimates for two reasons. First, they do not include downloads from OED's intranet site; the extent of underestimate is believed to be modest as most website users rely on OED's external website, which has much more user-friendly functionality than the internal website. Second, monthly downloads less than about 10 are not recorded.

<sup>(c)</sup> Published after this period.

4. A second measure of demand is the number of hard copies of ECD publications provided in response to specific requests from users. OED has no systematic data on this, but a system is currently being developed to record such requests. However, one illustrative measure of demand for hard copies is that over the past six months, 1,050 copies of ECD

publications were provided on request to Bank and donor staff organizing M&E/ECD seminars and training events.<sup>2</sup>

5. This ECD resource material helps address two of the barriers to ECD mainstreaming (discussed more fully in OED 2002a): confusion among Bank staff and borrowers about M&E and how to institutionalize it (i.e., through the pursuit of ECD); and the need for better ECD coordination and knowledge-sharing within the Bank and externally. OED's ECD resource material makes a useful contribution to meeting these challenges, but there remains a number of gaps in our collective understanding of ECD, and these will need to be addressed at some stage. They include, for example: sectoral M&E systems, and how well they relate to core ministry M&E systems; sub-national M&E (central government vis-à-vis regional/district/ municipal governments); institutionalized models of ongoing civil society participation in M&E; and examples of good-practice M&E systems in borrower governments.

6. Finally, a sample of Internet and Bank websites which have created links to OED's ECD website is shown in Table C.3. The large number of links illustrates the interest in ECD and in OED's ECD resource material, both within the Bank and in the broader development community.

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<sup>2</sup> These requests related to events which included M&E seminars organized by the Bank's Middle East and North Africa region for Morocco and Tunisia, WBI distance learning (the *Introduction to M&E* course) delivered to Eastern Europe (Bulgaria, Croatia and Romania) and to East and South Asia, the Bank's Human Development week, an event on *Managing for Development Results*, organized by the Bank's Results Secretariat, and M&E training organized by CIDA.



**Table C.3: Sample of Internet and Bank Websites with Links to OED's ECD Website**

Website	Website Address
<b>Internet</b>	
1. Evaluation Office of the African Development Bank	<a href="http://www.afdb.org/about_adb/pdf/opev/proceedings_oeu">www.afdb.org/about_adb/pdf/opev/proceedings_oeu</a>
2. Development Gateway	<a href="http://www.developmentgateway.org/content/">www.developmentgateway.org/content/</a>
3. Evaluation Office of the United Nations Development Programme (UNDP)	www.stone.undp.org/undpweb/eo/evalnet/docstore3/yellowbook/template/bibliography/bib_h.htm
4. UNDP Capacity-building	www.undp.org/capacity/html/links.htm
5. The United Nations Institute for Training and Research (UNITAR)	www.unitar.org/dfm/Resource_Center/Links/CapacityBuilding.htm
6. InterAmerican Foundation	<a href="http://www.finteramericana.org/sisprevi/documentos/Doc%20WB%20Australia.pdf">http://www.finteramericana.org/sisprevi/documentos/Doc%20WB%20Australia.pdf</a>
7. University of Calgary – Faculty of Education, Graduate Division of Educational Research	<a href="http://www.fp.ucalgary.ca/distdel/course%20outlines">www.fp.ucalgary.ca/distdel/course%20outlines</a>
8. International Consortium on Governmental Financial Management	<a href="http://www.icgfm.org/downloads/KeithMackay.ppt">www.icgfm.org/downloads/KeithMackay.ppt</a>
9. Evaluation Office of the African Development Bank	<a href="http://www.afdb.org/about_adb/pdf/opev/proceedings_oeu">www.afdb.org/about_adb/pdf/opev/proceedings_oeu</a>
10. M and E News	www.mande.co.uk/sources.htm#Multilateral agencies
11. CARE International	<a href="http://www.kcenter.com/care/dme/">www.kcenter.com/care/dme/</a>
12. PARIS21 Consortium	<a href="http://www.paris21.org/hm/workshop/malawi2002/">www.paris21.org/hm/workshop/malawi2002/</a>
13. Impact Alliance Capacity Building Network	<a href="http://www.impactalliance.org/">www.impactalliance.org/</a>
14. European Centre for Development Policy Management	<a href="http://www.capacity.org/Web_Capacity/Web/UK_Content/Navigation.nsf/index2.htm?OpenPage">www.capacity.org/Web_Capacity/Web/UK_Content/Navigation.nsf/index2.htm?OpenPage</a>
<b>Bank Websites</b>	
1. Social Safety Nets—Program Impact Evaluation	http://www1.worldbank.org/sp/safetynets/evaluation.asp
2. Participation and Civic Engagement	http://www.worldbank.org/participation/pme/partme5.htm
3. Poverty Reduction and Economic Management Network	http://www-wbweb.worldbank.org/prem/pas/capacity/othersites.htm
4. Results Secretariat	http://opcs/ME/borrower_countries/conducting_ra.html
5. WBI Capacity Enhancement	http://www.worldbank.org/capacity/5evaluations.htm
6. Africa Region Debriefings Library	http://afr.worldbank.org/aftqk/MEworkshop/

## Annex D. External Review of OED’s ECD Work in Uganda<sup>1</sup>

1. Uganda is, along with Egypt, one of the two country cases of “high-intensity” support for capacity-building in monitoring and evaluation, with activities carried out by OEDPK in 2000-2003 subsequent to a first mission in March 2000. This note arises from a mission to Kampala during February 21-27, 2004, review of the various relevant documents, and interaction with a large number of interlocutors. After a chronology of OED’s involvement in Uganda, description of its activities, and a brief assessment of its impact, the note looks at the current state of M&E in the country, highlights the key strategic issues, and proceeds to a number of recommendations and suggested next steps. In the interest of space, the customary prologue on the Ugandan economy and reforms is eschewed, and the major poverty-reduction programs for which M&E is especially relevant are mentioned in the briefest of manners.<sup>2</sup>

### Genesis and chronology

2. In late 1999, at the suggestion of the Bank country director (who expressed the wish that OED should work to make Uganda an M&E “success story”), Uganda requested OED advice in assisting the further development of monitoring and evaluation, particularly in the context of the envisaged first Poverty Reduction Support Credit.<sup>3</sup> OED began by providing resource materials, and then used the Norway Trust Fund to hire in March 2000 a Norwegian consultant.<sup>4</sup> With his assistance, a workshop on the state of M&E was held in Kampala in April, and was followed by a second workshop in October—in the context of the appraisal mission for PRSC 1. M&E was included in the PRSC 1 policy platform as one of five cross-cutting reform areas, and the OED consultant was asked to advise the PRSC team and continued in that capacity thereafter. He has been therefore the principal vehicle of OED support for ECD in Uganda, with appropriate support and supervision from Washington.<sup>5</sup>

3. In 2001, the Ministry of Finance, Planning and Economic Development (MOFPED) produced a Poverty Monitoring and Evaluation Strategy (PMES), based in part on OED input. In 2002, to address the persistent problem of weak coordination of M&E activities, an in-depth study of M&E in the education, health and water sectors, led by the OED consultant, was produced and discussed in Kampala in August 2002. Subsequently, at the request of the PRSC task team leader, the OED staff member responsible for supervising the work visited Uganda in October to help redefine the M&E component of the PRSC policy matrix.

4. In 2003, the ambiguity concerning the mandate for M&E coordination at national level was resolved through a cabinet decision based on a joint paper by the Office of the Prime Minister

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<sup>1</sup> Prepared by Salvatore Schiavo-Campo, OED consultant. The views expressed in this Annex are those of the author and are not necessarily endorsed by OED.

<sup>2</sup> For a good recent overview of Uganda’s development and economic situation, see Ch.1 of the *Uganda Public Expenditure Review* (Report no. 27135-UG, September 2003.) For a description of the poverty-related aid programs and their links to M&E, see Arild Hauge’s *Development of Monitoring and Evaluation Capacities to Improve Government Performance in Uganda*, ECD Working Paper No.10, October 2003.

<sup>3</sup> Expanded from the original intention to prepare a Public Expenditure Reform Credit.

<sup>4</sup> The choice of consultant was independent of the financing vehicle.

<sup>5</sup> Several missions to Uganda followed, in parallel with the preparation of PRSC 2, 3, and 4. Although the various BTORs have helped understand the story of OED involvement, it would not be useful to recount the detailed chronology of missions and mission documents.

(OPM) and the MOFPED. The cabinet assigned the mandate to OPM, and on February 20, 2004 a first draft of a National Integrated Monitoring and Evaluation Strategy (NIMES) was prepared—based in part on earlier papers by the OED consultant.

## **OED outputs, impact, cost effectiveness**

### *Outputs*

5. Aside from the incorporation of M&E provisions in the PRSCs policy matrices, the other OED outputs (most of which contributed directly or indirectly to the formation of the PRSC policy platform) were as follows:

- M&E general diagnosis, published in 2001
- Contribution to the formulation of the Poverty Monitoring and Evaluation Strategy, in 2001
- Study of M&E in the education, health and water sectors, completed in August 2002
- Contribution to the 2003 Cabinet paper on responsibilities for M&E coordination
- Skill formation, through attendance at the IPDET course by 21 Ugandan officials (including high-ranking ones), and sponsorship of 11 Ugandans to attend various conferences on M&E
- Dissemination of M&E practices and experience, through three workshops in Kampala and frequent informal interaction with Ugandan officials.

### *Impact*

6. The impact of OED's activities has been described, at length, in a number of OED papers and operational documents. Some of the accomplishments are minor and were embellished,<sup>6</sup> some are important but had nothing whatever to do with OED's work; other accomplishments were both important and attributable directly or indirectly to OEDs involvement in ECD in Uganda. Clearly, the main impact of OED has been through its constructive participation to the PRSC process. It is difficult to disentangle the impact of OED from that of the PRSC process as a whole, but one cannot overstate the importance of having introduced the M&E agenda into the Bank's main vehicle for policy dialogue and aid to Uganda. This is the most effective way to get the Bank's operational people on board, and to encourage a recipient government to start paying attention to results. The problem that working through the adjustment lending process makes it difficult after the fact to separate out the impact of OED's own contribution from that of its vehicle is, by all meaningful standards, trivial. One does, of course, need to assess the appropriateness of the M&E provisions in the policy program related to the adjustment assistance, and elicit informed views on the subject of the quality of the OED contribution. Doing so yields, in the case of Uganda, a positive judgment overall.

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<sup>6</sup> The major instance is the Poverty Monitoring and Evaluation Strategy (PMES) which, although considered one of the better such documents in PRSP countries, had little practical impact. The lack of impact was due to mainly the inability of the MoFPED to coordinate effectively, and not to any failing by OED; regardless of the reason, however, the PMES cannot be seen as anything like the major accomplishment it has been purported to be.

7. The measures related to M&E capacity in Uganda are too many to be listed here in detail. The interested reader is referred to the policy matrix of the Program Documents for the PRSCs (especially PRSC 3, after the adjustments made in late 2002).<sup>6</sup> Aside from those specific measures, the most important impact of OEDs involvement in M&E is this: the lip service given in 2000 to this critical component of government effectiveness has become four years later genuine interest, and awareness of the importance of results and of outward accountability has percolated throughout Uganda's public sector and much of society at large. It is true that those who cannot point to concrete results typically take refuge in just such intangibles; but in Uganda this is a reality, not an alibi.

### *Cost effectiveness*

8. Altogether, the cost of OED involvement in ECD in Uganda since March 2000 totals about \$310,000, all inclusive. On the one hand, two questions may be raised. First, it was not until 2002 that significant resources from other donors were tapped to contribute to the ECD agenda in Uganda. It is possible that doing so from the start could have reduced the cost to OED while contributing to improving the quality of the results. Second, since the participation of the OED-supported consultant contributed directly to the preparation of the four PRSCs, one might question why at least part of the tab was not picked up by Africa PREM. On the other hand, the cost to OED's own budget was substantially reduced by the recourse to the Norway Trust Fund to pay for the consultant's work. In the absence of information of what other OED activities the Norway Trust Fund could have funded with that money, it is difficult to assess the overall cost-effectiveness with any precision. Nevertheless, on balance, the cost *to OED* seems reasonable in relation to the impact of the Uganda work—however such impact may need to be qualified. This leads to the next point.

### *Some qualifications*

9. A number of serious qualifications emerging from the documents and interviews are mentioned here, and rejoined later in this note. Owing to the difficulty of disentangling OED's impact from that of other influences, these qualifications are not necessarily criticisms of OED-supported work, and even where OED could have done better, the problems indicated below were due to various factors.

#### (i) Insufficient attention to bureaucratic realities

10. By the time preparations of PRSC 3 began, it had become clear that the M&E reforms incorporated in PRSC 1 and 2 had been implemented imperfectly or not at all. One major reason appeared to be the excessive reach and generality of those provisions. While the early OED-supported delineation of "big picture" issues was by all accounts valuable, institutional problems had not received the requisite attention—and consequently the status of M&E was not appreciably better in 2002 than it had been in 2000. Missing from the analysis was recognition of the negative implications for M&E implementation of inter-ministerial competition (an issue to which we will return later in this note.) In hindsight, it seems clear that addressing the practical dynamics of Uganda's government relations should have been an early priority. The OED staff member supervising the work was asked in late 2002 to help address the issue, in the context of the preparation of the new PRSC (the third in the series). As a result, the M&E program was adjusted consistent with local realities: several of the earlier M&E actions were dropped as

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<sup>6</sup> These include, for example: preparation by OPM and MOFPEP of a Cabinet paper on strengthened coordination of public sector management and M&E, and an action plan to subsequently create an integrated M&E system; determination of output and outcome targets for a growing number of sectors; conduct of a national service delivery survey and establishment of service delivery standards, based on the survey findings. (This footnote was added by the OED task manager, to clarify the text of para 7 above.)

unrealistic, and emphasis was placed on better definition and closer follow-up of the remaining reforms. Since then, the further development of the M&E capacity-building agenda has also benefited from DFID's appointment in May 2003 of a full-time specialist in DFID's Uganda office.

(ii) Over-identification of M&E with macro concerns

11. Because the Poverty Eradication Action Plan (PEAP—Uganda's PRSP) is the basis of government policy; the PRSC is the dialogue and financing instrument for advancing PEAP implementation; and M&E capacity has been addressed largely within the context of the PRSC—M&E has become synonymous in Uganda with *poverty* monitoring and evaluation. Elsewhere, this could be a serious limitation; in Uganda, the coverage of the PEAP is so vast that the neglect of M&E in the sectors not covered by the PEAP is not a major worry.

12. Of greater concern, however, is the fact that this identification of M&E with macro-level objectives obscured the simple reality that the foundation for good M&E must be at micro and meso levels. It took two years before this reality was recognized. Even today, solutions to lack of M&E effectiveness are sought in top-down coordination mechanisms when the problem lies squarely within each sector, and the solution must emerge from meaningful reforms in the major line ministries—including a much better fit between the M&E activities of central line ministries and those of district offices.

(iii) Insufficient attention to the nuts and bolts of performance indicators

13. Related to the above is the comparative lack of attention to the definition and weighting of performance indicators in line ministries. This weakness began to be addressed with the 2002 study of water, education and health—although much of the practical work remains ahead, especially in reducing the excessive number of indicators and moving more toward outcomes.

### **Conclusion**

14. Hindsight is 20-20. The above qualifications notwithstanding, most accounts, sources and evidence suggest that, on balance, the OED impact on ECD in Uganda has been positive and significant, and represents good practice in ECD. Significant problems do remain in Uganda's M&E system. These are taken up in the next section.

### **The current state of M&E in Uganda**

15. While donor-assisted projects have typically embodied a monitoring and evaluation component, the Government's own interest in assessing the results of its activities began in the early 1990s; started becoming concrete in 1995-96 with the first comprehensive expenditure tracking survey (in education); picked up steam with the start of the PEAP in 1997; and intensified with the preparation of the first PRSC approved by the Board in May 2001 and the subsequent PRS Credits. (The fourth in the series is scheduled for Board presentation in July 2004.)

### **Ownership**

(i) By the Bank

16. Ownership by the Bank has been strong from the beginning of OED involvement in M&E in 2000, in keeping with the then-Country Director's request for assistance in building M&E capacity and making Uganda a 'success story' in the developing world in this respect. The country team's reliance on the OED consultant faded temporarily when it became clear that the

M&E provisions inserted in the PRSC 1 and PRSC 2 matrices were not being implemented for reasons that could have been identified at the outset. However, after the intervention of OED staff, and the November 2002 study that identified the degree, sources and causes of lack of coordination in M&E, support by the country team became again strong.

(ii) By the Government

17. The Uganda Government ownership of the M&E agenda is among the strongest in the developing world. Uganda's pioneering in the mid-1990s of expenditure tracking is well-known, and the Government's interest in monitoring the uses of public monies and evaluating their results has continued unabated since then. (As noted later, however, responsibility for driving the M&E agenda was not clearly placed on any one agency, with the result that different ministries went their own different ways.) The M&E agenda has been advanced by a de facto coalition of reform-minded technocrats, supportive politicians interested in fostering accountability, and donors concerned with aid effectiveness. The coalition is still in effect, although it has been weakened somewhat in the last couple of years by the politicians' mounting (and natural) preoccupation with politics—mainly presidential succession and internal security—and some donor fatigue with the budget support modality of aid for poverty-reduction. However, the prospect for continued homegrown support for effective M&E remains excellent, especially as it is underpinned by a degree of civil society involvement which—discounting the hype—really is among the highest in Africa.

***Problems***

(i) Overall

18. If genuine government interest in M&E is the main strength, the key problem for M&E effectiveness has been the turf protectiveness and lack of cooperation between ministries – worse in Uganda than in many other developing countries. This problem is discussed at greater length later in this section. Here one should highlight the potentially most damaging expression of this syndrome: the incompatibility of the separate M&E system being put in place by the Ministry of Local Government and the M&E systems prevalent in the central line ministries. This serious and continuing problem may be sufficient in itself to hinder the rationalization of M&E which is now made possible by the launch of the National Integrated Monitoring and Evaluation Strategy (see below.) A great deal of responsibility for this situation attaches to the Bank, whose assistance to local government has been inadequately coordinated with the preparation and design of the PRSCs. Clearly, there cannot be coexistence between an M&E system applying to local governments that is separate and partly inconsistent with the M&E systems applied by central government entities.

(ii) The sectors

19. Many sectoral M&E “strategies” are little more than generic statements of M&E importance and goals, with little definition of sequencing, loci of responsibility, clear roles for the M&E units at central ministry and district levels, lines of accountability, and resources. There is also significant variance in M&E capability and staff competence among different line ministries—with education, health, water, and roads at the higher end of the spectrum. But common issues do emerge:

- Monitoring in Uganda began through each individual project, and at the demand of the financing donor. The monitoring role of the ministry concerned was not spelled out—indeed, none was expected. With the different monitoring requirements embedded in projects, confusion and duplication was bound to emerge as the main weakness of the

system. This outcome is not surprising. The surprise is that, although the problem was mentioned early on, and duplication and overlapping in M&E are included in the PRSC 1 matrix, the implications were not confronted until after the study of the water, education, and health sectors in late 2002.

- The 5 per cent of Poverty Action Fund resources that have been earmarked for M&E do not carry clear expectations and work plans; as a result, those resources have come to be viewed by line ministries as a sort of entitlement, and are used in part as a slush fund rather than to finance robust M&E.<sup>7</sup>
- Without clear roles for the ministries' planning and evaluation units (and with little political support for them from the top of the ministry), monitoring activities are often performed by the same people who are responsible for project implementation—an obvious conflict of interest that weakens considerably the integrity of monitoring.<sup>8</sup>
- The central M&E units have few resources to perform their function, nor could their limited staff of generalists interact knowledgeably with their sector counterparts.
- Finally, in the absence of effective supervision the travel allowance system provides an incentive for superfluous “monitoring”.

#### (ii) NGOs

20. In the past, trilateral suspicion characterized the relationship among the government, the NGOs, and the private sector. After systematic Government outreach to the NGOs from 1996 (partly at the urging of the Bank), the suspicion has now mostly dissipated. In M&E, however, the problem remains that the NGO contributions to monitoring and evaluation are not captured by the M&E systems now in place, for two main reasons: (i) the NGOs' own worry about becoming controlled by the Government via the M&E route; and (ii) the disincentive of district officials to report on the NGO contribution, out of concern that doing so could lead to a reduction in equalization grants. For the future, the question of how to recognize the NGOs' contribution should be addressed during the further development of the NIMES strategy, which should also encourage the NGOs' roles as independent validators of reality in an environment where official statistics—especially on poverty—are viewed with some suspicion.

#### *Summing up*

21. Every development “success story” is hyped to some extent, and Uganda is no exception. In monitoring and evaluation, as in other reform areas, there is less than meets the eye, or than is presented in Government or Bank documents. However, the hype is no greater in M&E than it is in other reform areas in Uganda (and is no worse in Uganda than it has been in other adjustment “success stories”). Uganda is by all accounts ahead of most developing countries in general awareness of the role of M&E; recognition of the need for outward accountability; orientation to results in public sector management; and incorporation of performance considerations in the

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<sup>7</sup> The \$12 million-equivalent per year is a lot of walking-around money for the line ministries; the temptation to dip into it for other purposes is normal, and cannot be resisted in the absence of clear and robust safeguards.

<sup>8</sup> Neither the conflict-of-interest problem, nor the use of PAF monitoring monies as slush funds, have received the attention they deserve. It is difficult to conceive of a sustainable improvement in sector-level monitoring without addressing these two specific issues.

budget process. The key stumbling block is bureaucratic segmentation and fierce territoriality—an issue which is rejoined next.

### **Coordinate or Cooperate? The Underlying Issue**

22. The foregoing indicates that “how to coordinate better” is not the right question in Uganda. *The need is for cooperation, not coordination.* Bureaucratic alliances and incentives for cooperation are called for if the plethora of current activities in M&E are to become more effective and less costly. In this country as in so many others, the real problems of lack of cooperation have been dodged by formulating paper “strategies”. The most recent development in this respect, however, is encouraging, and is discussed next.

#### ***The National Integrated Monitoring and Evaluation Strategy***

23. The best-known earlier strategy paper in the M&E area is the 2001 Poverty Monitoring and Evaluation Strategy (PMES). This is not the place for a detailed discussion of the PMES, but, as noted earlier and based on a variety of responses, it was inoperative, and hardly the notable achievement that has been claimed. The major reason for this was the failure of the Ministry of Finance—in charge of implementing the strategy—to elicit support and cooperation by the other ministries.

24. A very important step was therefore the Cabinet decision in late 2003 to clarify the responsibility for M&E coordination by assigning the mandate to the Office of the Prime Minister (OPM). Equally important, OPM also received the responsibility for coordinating work under the PRSC. Subsequent to that decision, a National Integrated Monitoring and Evaluation Strategy (NIMES) began to be drafted, and a first version of it was issued on February 20, 2004. The draft NIMES benefited from both the November 2002 study on M&E in education, health and water sectors, and the OED’s consultant’s direct contribution.<sup>9</sup>

25. At first glance, the draft NIMES appears to be yet another generic statement of high-minded objectives and establishment of new paper committees. It embodies a major advance, however, in that it is in effect a joint product of OPM, the Ministries of Finance and of Public Service, and the Uganda Bureau of Statistics—the first instance of consensus among four of the five “core” entities concerned with M&E and its implications. (The Ministry of Local Government is the odd man out.) Thus, the draft NIMES has cleared the first roadblock on the way to a real M&E strategy, i.e., building a consensus among four key actors on the organizational architecture of the effort, with OPM in the lead role. However, the institutional provisions, sequencing, resources, tactics, and the other essential elements for an effective national M&E *strategy* are not yet in place. Much of the institutional content of the NIMES is to be formulated during intensive workshops in March with participation by most major stakeholders in the line ministries. Some of these stakeholders are skeptical, but are nonetheless still hopeful that genuine cooperation and facilitation in M&E can emerge, and are encouraged by OPM’s willingness to listen and to confront the real problems. The next few months will tell, and developments should be watched closely. At least, the door has been opened.

#### ***The need for macro-meso connections and the link to the budget***

26. Uganda has progressively built links between the results of public expenditure programs and the financial resource allocation process—primarily through the formation of Sector Working

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<sup>9</sup> Some of the language of the NIMES is freely borrowed from the consultant’s papers.



Groups (SWGs) and their interaction with the formulation of the rolling medium-term expenditure framework (MTEF). Originally, elements of performance orientation were incorporated only in the development budget, mostly as required in donor-assisted projects. With the formation of the SWGs, a more integrated view of capital and current expenditure began to be taken<sup>10</sup>—primarily, but not exclusively, in the education, health, water, and roads sectors. Systematic discussions now take place between the MoF and the sector working groups during the annual updating of the MTEF. (These discussions do not, however, touch on intra-sectoral resource allocation, which remains the responsibility of the line ministry concerned. Thus, the weighting of the large number of performance indicators is done within the ministry, without any input from the MOFPED.)

27. This explicit consideration of expected outputs during the budget dialogue is not intended to lead to a changeover in the budgeting system, which will remain a cash-based, line-item budget (as is appropriate in most developing countries for expenditure control and financial accountability). Thus, to term the Ugandan practice “output-oriented budgeting” is a misnomer. It is true, however, that Uganda has gone much further than most countries (certainly in sub-Saharan Africa) in introducing explicit consideration of performance into the budget preparation process. Wisely, this has been done through dialogue and analysis between sectors and the Ministry of Finance, and not in mechanistic fashion. The future evolution of the relationship between performance indicators and the budget process will be linked largely to the PEAP monitoring. (Another strong feature of the budget preparation system in Uganda is the extent of civil society participation in it—which among other things also serve to reinforce results-awareness in the budget process.)

### **Priorities, Prospects and Recommendations**

28. The central issue of the M&E agenda in the immediate and near term is to flesh out and subsequently operationalize the NIMES, and make OPM effective in its new leading role. If this issue is tackled successfully, prospects are good that Uganda will realize the returns from all the investment in M&E that has gone on these past years. For this, the two major assets are the still strong interest of the top political leadership in strengthening accountability in and of the public sector; and—at least as important—aggressive involvement in M&E by grassroots groups and local communities.

#### ***Operationalizing the NIMES and the role of OPM.***

(i) The need for alliances

29. Despite the flurry of macro-level coordination and broad strategy-formulation activities, the core of the M&E effectiveness problems—and the locus of their solution—was and remains at sector level, within ministries and their associated entities. Nevertheless, it is difficult to envisage a resolution of the conflict-of-interest and misuse of monitoring funds described earlier, in the absence of pressure and suasion from the top hence from OPM with its new mandate.

30. But doing so effectively demands an alliance between the key entities concerned—going much beyond the cooperation achieved for the first drafting of the NIMES. This will require affirmative efforts in a government like Uganda’s, with its internal segmentation and turf consciousness. The central problem here is that the Ministry of Finance has the means (through its control of money) but not the mandate for M&E coordination; the OPM now has the mandate but not the means. It is not clear at this stage that the parties are willing to operate in tandem, but three factors could potentially clear the way for such cooperation. The first is the MOFPED

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<sup>10</sup> The recurrent expenditure component is almost half of the total “development budget”.

disquiet at the prospect of losing any more power and influence,<sup>11</sup> and thus incentive to retain OPM's goodwill. The second factor is the new OPM role in coordinating the PRSC preparation process, which gives the office potential leverage on the line ministries. The third factor is external: in giving OPM the support it needs, donors can encourage it to be cooperative vis-a-vis the rest of government. Cooperation between OPM and the Bureau of Statistics should not be a problem, as OPM cannot have an independent data capacity and UBOS depends for much of its relevance on OPM support. And cooperation with the Ministry of Public Service is not as critical. However, so long as the Ministry of Local Government and its competing monitoring system remain outside the tent, a major source of confusion and duplication will continue.

(ii) OPM role

31. It flows from the above that OPM must *function to facilitate*—facilitate the clarification of M&E roles and responsibilities within line ministries; facilitate the streamlining of the duplicative and cumbersome inspection system; facilitate the reduction of transaction costs elsewhere in the M&E system; facilitate the taking of measures to remove the incentives for misuse of PAF M&E funds; facilitate the formation of the national M&E database—whichever entity assembles and maintains it; and, above all, facilitate the development of the infant inter-ministerial cooperation.

32. The first word in its suggested role, however, is “function”. There is no way OPM can carry out its new mandate—even if it limits itself to fostering the proverbial enabling environment—without some additional resources (local personnel, probably on fixed-term contracts, not expatriate consultants). For all intents and purposes, OPM's responsibility for the national M&E agenda is currently in the hands of just one person, the Assistant Commissioner—competent, energetic, and supported by the Permanent Secretary of OPM—but alone. A part of those resources should come from the Government's own budget—the problem here is that time is now very short to make some provision in the budget for 2004/05. But extra help will be needed from donors during the start-up period.<sup>12</sup> The most effective route could perhaps be for donors and the Government to quickly agree to allocating to the OPM national M&E coordination activities a small portion of the Ush 20 billion earmarked annually from the PAF for M&E—based on an acceptable workplan by OPM. Such a decision would require Cabinet approval, but it is certainly in line with the spirit of the PAF provisions. In any event, the bottom line is that without adequate additional support the OPM mandate is likely to remain dead letter.

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<sup>11</sup> Especially since it is considered improbable that the National Planning Authority will be willing to confine itself to toothless long-range planning. The National Planning Authority, mentioned in the Constitution, was activated in 2003 at the behest of members of Parliament. Its actual role remains fluid, but some at the MOFPED are nervous about the possibility of losing the planning side of the ministry.

<sup>12</sup> A possible difficulty is that OPM's internal accounting and financial reporting systems may not be sufficient to meet donors' fiduciary requirements. In the event that they cannot be strengthened quickly (or that so requesting is found unacceptable by OPM), a small trust fund could be established, administered by the Bank, but with the financial management subcontracted to a private agent—as has been done in several other cases, albeit much larger cases. The transactions and other overhead costs, however, are way out of proportion with the small assistance required by OPM—perhaps \$250,000 over three years. The simpler alternative would be a small IDF—the question here is whether the Bank should still consider an IDF after all these years of sustained financial support for Uganda. More suitable would be the inclusion of financing for OPM in the CAPEP project—but MOFPED's hostility to the project makes it highly unlikely that it will see the light in time to be of use to OPM. Thus, direct help from DFID or Norway appears to be a much better source of support for OPM than the Bank—although Bank intervention would still be needed to mobilize that assistance.

### ***Poverty monitoring and analysis***

33. The Poverty Monitoring and Analysis Unit (PMAU) of the MoFPED has been carrying out work important for both the M&E agenda and budgetary effectiveness. This small donor-funded (mainly by DFID) unit, currently on the planning side of the Ministry, comprises three contracted professionals (plus support staff) with the main task of assembling, analyzing and disseminating major poverty-related performance information—including the biennial Poverty Status Report. By all accounts, the PMAU has been functioning well, and has helped linking poverty-related indicators with the medium-term expenditure framework (MTEF), although with two major limitations:

- Despite the surfeit of poverty-related indicators, information needed for important analytical purposes is often not available (i.e., the poverty map can only be drawn in aggregate regional terms of North, South, East and West, and not by district, diluting administrative accountability at district level);
- It has been difficult for the unit to weigh in on a timely basis into Sector Working Group discussions on intrasectoral allocations, both because of insufficient staff and because of turf-defensiveness by the line ministry concerned. As a result, when intrasectoral allocations are presented to the MoF for incorporation into the MTEF, the MoF has no basis for a dialogue on the comparative effectiveness of different programs and thus no way in which to take account of the poverty impact of linkages between sectors. Consequently, the overall expenditure program essentially collates the different sectoral programs without considering their positive or negative externalities.<sup>13</sup>

34. But the real problem is sustainability. The PMAU was set up by donors as a transitional entity, with the expectation that its functions would be mainstreamed into the Ministry by mid-2005. Little has been done in that direction, however. The current prospect is the disappearance of the PMAU and its valuable function in little more than a year—unless donors agree to extend the arrangement. If such an extension is to be seriously considered, it would have to be accompanied by clear, realistic and credible provisions to mainstream the unit's function effectively within a further brief period. It is not too early to begin formulating these provisions.

### ***The Poverty Action Fund***

35. As mentioned earlier, the 5 per cent of the PAF which is earmarked for M&E has in effect become an entitlement and is used partly as a slush fund. The amounts are substantial, and the time has come for donors and the Government to take a good look to what is expected for those resources, and under what workplan and safeguards they are to be allocated. In the absence of this intervention, it is unreasonable to expect the MoFPED to police the uses of the money by the sector ministries, much less for the ministries to police themselves.

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<sup>13</sup> Neither of these problems would be alleviated by moving the PMAU under the OPM, as has been suggested in some quarters

### ***Performance indicators***

#### (i) The process

36. According to some respondents, performance indicators were developed mainly as a desk job in the line ministry, without much effective involvement by the users or the community. The evidence shows otherwise. While reportedly some ministers themselves picked a number of indicators from those identified in the in-depth reviews conducted for their sector—it is also the case that the indicators in many such sector reviews had been developed in full consultation with academicians, NGOs, local communities, etc. However the performance indicators were chosen, in most sectors the number of indicators of different sorts is too large, and now needs to be narrowed down to a few that are clear, monitorable, adequate, and cost-effective in terms of data requirements. This process of winnowing down the list of indicators should fully involve the users, the NGOs, and the local communities.

#### (ii) Hobbled by the results chain?

37. Although it was surely appropriate for the sectors to start by focusing on outputs (aside from the issue of the excessive number of output indicators), there have been opportunities—partly missed—for moving gradually to greater attention to outcomes. As noted, awareness of M&E concepts, terminology and good practice has become widespread in Uganda’s public sector. In particular, reference to the OED “results chain” is routinely, and most of the time appropriately, made—but the concept has become imbued with totemic value. Thus, for some in Uganda the logical sequence embodied in the results chain has become chronological handcuffs—a tendency not to consider *any* outcomes until *all* relevant outputs are measured and monitored. Some opportunities to begin addressing effectiveness issues in sectoral activities have been missed as a result. An injection of pragmatism would be salutary at this stage.

### ***M&E systems incompatibility***

38. As noted earlier, an M&E system is being put in place by the Ministry of Local Government, separately from the M&E systems prevalent elsewhere in Uganda, jeopardizing the rationalization of M&E which is now made possible by the launch of the NIMES. On the Uganda Government’s side, the new mandate of OPM might help resolve the matter. But on the Bank side, as well, there should be country management action to make the understandings under the local government assistance program consistent with the M&E provisions in the PRSCs. There cannot be coexistence between an M&E system applying to local governments that is separate and partly inconsistent with the M&E systems applied by central government line ministries.

## **From More to Less to Different to Better—A Concluding Word**

### ***The priorities ahead***

39. There is now a consensus in Uganda (again, generated largely through OED’s involvement) that the country needs “*not more, but better, M&E*”. This statement gives the right message and is correct as far as it goes—but does not go far enough. First, it is time to separate the “M” and “E” Siamese twins. Doing so leads to a different proposition: Uganda has *too much monitoring and too little evaluation*. The feedback loop from findings to policy is still weak and in some sectors nonexistent—more Evaluation is needed. Moreover, even when looking at Monitoring, the excess is in the monitoring *activities*, not the monitoring itself; it is indeed the superfluous monitoring and inspection activities that make *monitoring* much weaker than it could be. Less is more in this respect: judiciously reducing the volume of monitoring and reporting requirements, cutting down drastically on the frequency and extent of inspections, and relying more on the NGOs

contribution—would permit more effective monitoring of the more important programs, based on a few robust indicators, with support and coordination from the top. This challenge calls for appropriate changes in incentives and disincentives—not necessarily financial, not necessarily disciplinary, but responsive to the real motivations of those concerned.<sup>14</sup> For both M and E, doing things *better* requires doing them *differently*, and that will only be possible if *fewer* things are monitored and evaluated.

### ***Future OED involvement***

40. With the M&E agenda now so well internalized; the Office of the Prime Minister determined to “do for self”; the PRSC 4 well advanced; and monitoring resources and capacity in the sectors reasonably good (albeit in part misused)—there does not appear to be a good case for future OED involvement. It is certainly important to continue to encourage further progress in M&E in Uganda—but mainly by the country team itself and primarily through the Kampala office. Moreover, the OED consultant has now been contracted directly by AFT to work with the PRSC team. With Uganda on its way to an effective M&E system, and the country team well aware of the challenges and problems ahead, scarce OED resources would now seem far better placed on other countries where their marginal utility would be greater. However, maintaining a watching brief would be desirable, especially as concerns the development of macro-meso-micro links in M&E, which is a key theme for effective M&E elsewhere in the developing world.

41. One final point. The Uganda experience is becoming widely known, providing a positive demonstration effect for other initiatives elsewhere. Any temptation to embroider the M&E progress made by the country or—certainly—OED’s contribution to it, should be resisted. Indeed, deliberate understatement would be desirable.

## **Selected Interlocutors**

### ***Washington***

Osvaldo Feinstein, Advisor to the Director, OED

Satu Kahkonen, Lead Economist ECA—formerly task manager for the Uganda PRSC2 and PRSC 3

Keith Mackay, Senior Evaluation Officer, OED

Paud Murphy, Lead Education Specialist—task manager for the Uganda PRSC 4

### ***Kampala***

Alexander Aboagye, Economic Advisor, UNDP

Ismail Barisahara, Coordinator, UEA/UNCST

Nabil Barugahara, Uganda Evaluation Association

Mary Bitekerezo, WB Senior Social Dev’t Specialist, Kampala

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<sup>14</sup> For example, the distortionary effect of the travel allowance system that was noted earlier.

Arthur van Diesen, Social Development Advisor, DFID

Tom Kakuba, PO-M&E/PMA Secretariat

Edith Katewe-Kasaja, Commissioner, Planning and Evaluation, MWLE

Florence Kuteesa, Director of the Budget, MFPED

Ishmael M. Magona, Commissioner, MFPED

Obolot Motin, M&E Office, MOES

John Male-Mukasa, Exec. Director, Uganda Bureau of Statistics

Laban Mbulamuko, MTEF Advisor, MFPED

Rosetti Nabbumba, Poverty Monitoring and Analysis Unit, MFPED

Joe Nuwamanya, Commissioner, OPM

Warren Nyamugasira, Chair, Uganda National NGO Forum

Judy O'Connor, World Bank Country Director, Dar Es Salaam (by email)

Martin Odwedo, Permanent Secretary, OPM

John Rudman, Budget Advisor, MFPED

Peter Ssentongo, Assistant Commissioner, Office of the PM (OPM)—principal coordinator for M&E in the Prime Minister's Office

## Annex E. External Review of OED's ECD Work in Egypt<sup>1</sup>

1. Egypt is, along with Uganda, one of the two country cases of “high-intensity” support for capacity-building in monitoring and evaluation, with activities carried out by OEDPK in 2001-2003 subsequent to a first OPCS mission of June 2001 and with financing from an IDF grant. This paper, arising from a mission to Cairo during February 15-21, summarizes the genesis, content, and current status of these activities; discusses some emerging issues; and advances possible suggestions for future activities relevant to Egypt, and to OED's role in ECD more generally. Instead of structuring this note around the traditional headings of ownership, sustainability, impacts, etc., because of the unusual way in which the activities evolved, these basic considerations underlie all of the discussion, and the evaluative statements are incorporated wherever appropriate to the issue being raised. After a brief chronology of OED involvement, and a description of the activities, the paper discusses the central feature of OED involvement in Egypt—the focus on performance-based budgeting—and proceeds to a number of recommendations and suggested next steps.

### Genesis and Chronology

2. Egypt was one of eight countries selected to participate in the Monitoring and Evaluation Improvement Program approved by the Bank Board in September 2000. The first step was the submission on May 3, 2001 of an IDF proposal to the MNA IDF Committee. Following some revisions, the IDF proposal was re-submitted on June 11 and approved on June 21, for a Bank grant of \$151,000. After the time-consuming procedures required by Egyptian practice, the IDF finally became effective in May 2002, permitting the hiring of four local consultants (IPDET graduates, see below).

3. In early June 2001, an OPCS mission visited Egypt to undertake a “readiness assessment” to ascertain the climate and capacity for building monitoring and evaluation capacity in the Egyptian public sector. The seven major recommendations of the mission concerned broad M&E capacity-building issues and mechanisms.<sup>2</sup> However, a subsequent mission of an OED and an OPCS staff member in March/April 2002 (postponed from the original date owing to the events of 9/11) focused instead on supporting the Ministry of Finance's efforts at improving performance orientation in budgeting; conducted a workshop on performance-based budgeting; and agreed to undertake ten “pilots” in the subject. In June 2002, a Forum in distance-learning format convened 21 senior officials from both government and private industry to learn about performance-based budgeting and its possible implementation in Egypt.

4. It was only in a later mission in October 2002 that the specific focus on performance-based budgeting was complemented by a workshop on building M&E systems in general. This link to the ECD agenda was pursued also through supporting with full scholarships nine persons as participants to the IPDET course, four of whom were later selected as local consultants to the Ministry of Finance on the performance-based budgeting pilots.

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<sup>1</sup> Prepared by Salvatore Schiavo-Campo, OED consultant. The views expressed in this Annex are those of the author and are not necessarily endorsed by OED.

<sup>2</sup> These recommendations were: (i) establishment of a cross-ministerial group to promote M&E; (ii) support evaluation of gender-related initiatives; (iii) build capacity to support reform; (iv) modernize statistical policy; (v) increase client-focus of data collection; (vi) participate in the IMF special data dissemination system; and (vii) mobilize donor support for M&E. Cf. “Toward Result-Based Monitoring and Evaluation in Egypt—Readiness Assessment”, Report of the World Bank Diagnostic Mission, June 2001.

5. Finally, conversations have been initiated on designating a local institution as a “regional center for evaluation excellence”. The Egypt Economic Research Forum has been identified as a possibility; some, however, do not consider the ERF as a viable option, as its focus is on research and not teaching or dissemination. (In any event, current priorities are for a site in East or West Africa.)

## **OED Activities and Impact**

### ***The Performance-Based Budgeting Pilots***

6. As noted, ten pilot expenditure programs were selected in April 2002 to introduce “performance-based budgeting”.<sup>3</sup> Fortunately, the terminology does not connote an intention by the Egyptian Government to enact a wholesale changeover from the current line item classification to a programmatic budget classification. Such a major change in overall budgeting system would be inappropriate to Egypt’s current circumstances and needs, and could result in practice in diluting what control does exist on aggregate public expenditure. Moreover, it would be peculiar to focus on this particular aspect of budgeting when much more basic weaknesses exist in public expenditure management in Egypt. Thus, a quick perusal of the budget circular shows the absence of ex ante expenditure ceilings for each ministry and major budget unit—ceilings which are essential for sound budget preparation.<sup>4</sup> Nor is the annual budget process framed by a medium-term perspective based on affordability (other than the five-year plan, which is adjusted annually but, reportedly, more in order to accommodate the annual expenditure decisions than to guide them). Finally, the coverage of the budget approved by the legislature does not include a number of large expenditures, and in any case the official published budget does not necessarily reflect the real expenditure authorization program.

7. With major reform of public expenditure management ruled out by political and other circumstances, the intention of the “performance-based budgeting” pilots is instead the introduction of some awareness of the need for results; some consideration of impact; some orientation to performance—in a budget system characterized by opaqueness and input incrementalism. With support by a number of key line ministers, the Minister of Finance appears determined to try and move the public expenditure management partway toward greater emphasis on efficiency and—eventually—effectiveness. The OED/OPCS initiative came at an opportune time to serve as a channel to initiate that effort.

8. A MNA mission (with participation by the OPCS staff member involved in the original 2001 visit) assessed the progress of the pilots in December 2003. Despite the reassuring language of that mission’s report (perhaps justified in light of the need to continue to encourage the initiative), progress on the pilots has been very uneven and slower than expected. Only three of the ten pilots appear to have progressed in fully satisfactory manner, with three others showing some movement and the others not advancing much beyond a definition of mission objective and generic linkage to government policy.

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<sup>3</sup> Two are within the Ministry of Industry (Egyptian Organization for Standardization and Quality Control and the Productivity and Vocational Training Department); two in the Ministry of Energy (New and Renewable Energy Authority, and the Electricity Holding Company); one in the Ministry of Communications and Information Technology (the Egyptian National Postal Organization); one in the Ministry of Higher Education (Metallurgical Research and Development Institute); one in the Ministry of Planning (School Construction Authority); and two in the Ministry of Finance itself (sales tax department and public procurement.)

<sup>4</sup> The circular, which initiates the annual budget preparation process, is issued in September for the budget for the fiscal year beginning the following June.



9. Four major points emerge from the decisions and the work done so far:
- The pilot programs are within ministries—thereby avoiding the organizational crossings problem typical of some programmatic budgeting, and permitting clearer accountability;
  - Pilot programs are also coterminous with organizational units. Thus, an analysis of the efficiency and effectiveness of programs may well yield also recommendations for raising organizational effectiveness, including through some restructuring. For example, although the work on the Egyptian National Postal Organization pilot program is still at an early stage, it offers the far-reaching prospect of improving service effectiveness through a major internal reorganization;
  - Too much attention has been placed in many cases on upstream generalities such as mission statements to the detriment of defining specific and robust performance indicators<sup>5</sup>. The renewable energy and school construction pilots are the only cases where clear and monitorable indicators are found. (They are limited to outputs, but this is both understandable and desirable at such an early stage of building a performance culture.)
  - Even in those cases, however, the process has been entirely top-driven. There is no evidence of meaningful participation by the staff of the departments and organizations concerned. Partly as a result, the staff reaction has varied from inattention to resistance. This is not necessarily a criticism of the initiative or of the local consultants, as resistance to attempts at changing the institutional climate is well known and inevitable. It points, however, to the need (also well known) to pay much greater attention in the future to the provision of internal incentives (not necessarily financial) and to change management. (This point is rejoined in the recommendations section of this note.)<sup>6</sup>

### ***Dissemination***

10. In the case of Egypt, dissemination of M&E has taken a back seat to involvement in budgeting (an area clearly outside the remit of ECD). To some extent, however, the workshops on performance-based budgeting were used as the backdoor to introducing monitoring and evaluation concepts in Egypt. And conversely, the language of M&E has been an expedient way to channel attention to budgetary inefficiencies.

11. In October 2002, a two-and-a-half day workshop was delivered in Cairo on “Designing and Building a Results-based Monitoring and Evaluation System”, attended by 81 persons involved in the PBB pilots. The workshop was reportedly very successful. It should also be noted, however, that in the circumstances of Egypt, monitoring the use of *inputs* and evaluating the economy of their utilization is essential to contain misappropriation and misallocation of resources.

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<sup>5</sup> The pilot reports contain several such instances, e.g., the statement in the NREA report that: “Performance based budgeting system... leads to continuous alignment between the agency goals and the individual’s performance through effectively managing the human capital.” In the Egyptian institutional context of near-zero flexibility in personnel management such a statement is worse than just a harmless platitude. As one respondent put it: “We have learned the talk; we have no idea how it be used to learn the walk.”

<sup>6</sup> In the school construction pilot, for example, after unsuccessfully trying to get the staff concerned to come up with meaningful results indicators, the local consultant for the project was obliged to obtain simple physical building construction norms from the engineering faculty of Cairo University. These norms are yet to be agreed with the school construction department staff, however.

## Mutating from M&E to Budget Reform

12. As noted earlier, an IDF proposal was submitted on May 3, 2001, revised and re-submitted on June 11, and approved on June 21, for a Bank grant of \$151,000 complementing a “guesstimated” (and hardly credible) \$440,000 Government contribution.<sup>7</sup> The IDF request was for “Capacity Building: Monitoring and Evaluation of Public Investment”—a self-explanatory title, and more or less in line with the M&E agenda. The text of the proposal and description of the grant-financed activities, however, contained *not one word* about either monitoring and evaluation, *or* public investment. The text took instead the lack of budgetary transparency and efficiency as its starting point and explained the various consultants’ activities on the basis of the Minister of Finance’s objective to “put in place government-wide results based budgeting...”.

13. Even by the forgiving standards of IDF grant proposals, this disconnect between title and content is startling.<sup>8</sup> In any case, it has generated confusion, inside the Bank and outside, and a widespread delusion that broad-ranging M&E capacity-building would be taking place in Egypt, whereas the activities were actually confined to applying M&E terms and concepts to the “performance-based budgeting” pilots.<sup>9</sup> It is true that one of the seven recommendations of the original OPCS mission contained a passing reference to a “more results-based budget process”. However, most of the subsequent OED activities revolved around that one reference, and no evidence can be found that the other recommendations of the OPCS mission received any attention.<sup>10</sup> In March/April 2002 an OED and an OPCS staff member held a meeting with 11 ministers (principals only) on the logic and rationale of performance-based budgeting. The meeting was followed by a one-day workshop with large attendance of 125 staff from the concerned ministries—but again on performance-based budgeting, not on M&E as such. There is no explanation on record of why or how the broad M&E capacity-building agenda sketched by the OPCS mission morphed into specific advice to performance-based budgeting.

14. Considering the particular country context, however, yields a less unfavorable interpretation of the development of these activities in Egypt. The mutation from M&E to PPB appears to have occurred in response to the genuine interest of the Minister of Finance to inject a degree of results orientation in the budgeting system. Also, the Ministry of Finance role in coordinating and overseeing the PBB pilot programs in different ministries provides him with a new opportunity to stimulate inter-ministerial coordination in a system known for segmentation among different power and interest centers. Finally, partly in light of Egypt’s own resources and substantial (and automatic) budget support from the US, the Bank policy dialogue with the government is notoriously difficult and constrained. As one respondent put it: “The issue is not the content of the dialogue, but finding

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<sup>7</sup> No one currently in the Cairo Bank office or in OED seems to know who originally drafted the proposal, and in response to what. It is rambling, incoherent, and lacking of real understanding of public expenditure management. (In fairness to the drafter, it also carries all the marks of something put together in a hurry to respond to higher-level pressure to get going with something.)

<sup>8</sup> The OPCS “readiness assessment” mission took place between the first submission and the revised submission of the IDF. This probably explains the statement in the revised submission that “a diagnostic of results-based budgeting requirements and strengthened M&E was just concluded, funded by the Bank-wide initiative to support M&E”. However, the readiness assessment report is in no way a diagnosis of “result-based budgeting requirements”, except for its reference to the budgeting weaknesses noted in the earlier Egypt Social and Economic Review—nor could it be such a diagnosis considering the short duration and composition of the OPCS mission.

<sup>9</sup> Because the IDF activities were implemented by OED, a senior staff member of the Cairo office agreed to act as task manager of record. With the recent arrival in MNA of a lead specialist in public financial management, it would seem appropriate for that person to take on both the formal and the substantive task management of the IDF—most of which is yet to be disbursed.

<sup>10</sup> Except for the recommendation to form an inter-ministerial group.

entry points.” These three interests—improved efficiency, better intra-governmental coordination, and facilitating the Bank’s policy dialogue—converged to making the M&E agenda a convenient vehicle at a convenient time. Understandably, the Bank obliged. For those less attached to the responsiveness of Bank assistance than to its transparency, this evolution may not be acceptable; for others, it may not be. In my view, it is surely appropriate for the Bank to use, on occasion, whatever assistance instrument happens to be available, at the time when an opening happens to appear, to permit pursuing valid assistance and development objectives—even if they are different from the stated purpose of the instrument.

15. Even under the more favorable interpretation, however, two problems emerge:

- First, an impression has now been created among some interlocutors in Egypt that monitoring and evaluation are narrowly confined to budgeting matters. This false impression can be remedied in the future by placing attention squarely onto the broader ECD agenda. This will call for continuing OED involvement, but with a changed focus.
- Second, pursuing complex budget reform issues under the aegis of M&E is inconsistent with both the OED ECD mandate, and with the very limited resources available. As soon as the Egyptian interest in budget reform per se surfaced, the OED staff should have tried to involve the right PREM country team specialists as well. The core issue here is not competence per se (all accounts from all sides are highly complimentary of the assistance provided by OED), and certainly not turf, but responsibility and accountability. It is thus fortunate that just as the possibility of budgeting improvements is gathering some attention in Egypt, MNA has acquired a new lead specialist in public financial management.

## **Recommendations and Next Steps**

16. To address the problems mentioned above, the main recommendations for the future are: (i) turn over to MNA the baton for the expenditure management reforms, and (ii) redirect OED’s attention to building Egypt’s M&E capacity in general. The second point is obvious. On the first point, moving away from advice on budget reform does not mean abandoning involvement in the expenditure management pilots. On the contrary, OED remains best placed to assist the lagging definition of agreed performance indicators—but should focus on that specific aspect, and then in a much more hands-on fashion than has been the case so far. This is especially important because the experience of these pilots with defining robust indicators, *and the process of doing so*, will yield key lessons for doing the same in other Egyptian public expenditure programs with greater potential economic and social impact. Suggestions in that direction are advanced below.

### ***The Expenditure Pilots: Expand or Deepen?***

17. With the strong personal interest of the Minister of Finance and several of his colleagues, “ownership” from the top is as good as can be expected anywhere. What is lacking (and this is where the “champions” terminology breaks down) is cooperation, or at least acceptance, at lower levels. Ownership may not be an issue for this effort in Egypt, but realistic change management certainly is.

18. In this light, there is a good argument in favor of waiting for the current pilots to show actual results before starting any new pilots. This argument is even stronger in practice because there are only a short six months before the de facto September 2004 deadline (the beginning of the budget preparation cycle) for justifying the new budget requests in terms of results expected—as the Minister of Finance has instructed.

19. There is an even better argument, however, in favor of striking a balance between deepening the work on some of the existing pilots, and expanding the exercise to new pilot programs. On the

one hand, it is essential for all attempts at institutional improvement to present visible early achievement—efforts at better results orientation must themselves show credible results. For this, the initial activities do need to be deepened, mainly by including the frontline staff and the users of the services concerned—both groups so far wholly neglected. The process can be kick-started by leadership from the top; but robust and realistic performance indicators cannot be produced by fiat from on high, and effective monitoring must include a user feedback element if it is not to be easily subverted by the bureaucracy. On the other hand, institutional reform also requires maintaining some momentum, and this in turn calls for judicious expansion to new pilot programs. This is particularly true in this case, where the ten pilots are dominated by physical and infrastructure expenditure programs (which was appropriate in the first stage), and some expansion to a few important expenditure programs in the social sectors would be beneficial.<sup>11</sup>

20. A realistic consideration of the resource constraint rounds out the approach recommended. Attention to a few new pilot programs must be firmly grounded on the experience with the first ten pilots—going much deeper than the cursory assessment done in the December 2003 mission. Some pilots may need to be winnowed out; some redesigned; and others may deserve additional resources in the form of local consultants. This task is suggested as the primary item on the agenda of the next ECD mission, currently envisaged for late Spring 2004. Winnowing out some of the initial projects would also release time and attention to introduce new expenditure program pilots. (Fortunately, the devaluation has raised the local currency equivalent of the IDF grant sufficiently to finance substantial additional participation by local consultants.)

21. Whatever the appropriate balance between consolidation and expansion may be, it appears essential at this stage to place special attention on the formulation of, *and consensus on*, a few clear, cost-effective, monitorable output and efficiency indicators, as well as on ways in which to provide some opening for users' voice. Related to this, it is also strongly suggested to discourage the tendency evident in several progress reports toward sound-and-fury complexity. The Egyptian public sector needs basic plumbing repairs, not convoluted cascading methodologies that can only produce—as in so many other developing countries—a spasm of bureaucratic motion without any lasting impact on efficiency and service delivery.

### ***Dissemination***

22. For the M&E capacity-building agenda, sustainability depends—as usual—on navigating between the broad and the deep. Reportedly, a large number of civil servants have been made more aware of the need to demonstrate results. In this limited sense, there is already a bit more “performance orientation” in the public sector than before. However, very few are said to understand the key concepts. Even some of the reports from the performance-based budgeting pilots—which should reflect a reasonable understanding of M&E—show a proclivity to buzzwords combined with some basic mistakes. Some reports lack *any* performance indicators (relying instead on generic definitions of efficiency, effectiveness, impact, etc.), and some others advance clearly unsuitable indicators. For example, the PVTD report uses as indicator of “productivity” the ratio between number of studies produced and number of consultants employed—implying that productivity will double if the bureaucratic client and the consultant split reports into two separate ones (which of course they will do if they are held accountable for such “results”). And, several reports define “efficiency” as the ratio between actual inputs consumed and inputs planned—which is, at best, a

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<sup>11</sup> One or two good candidates for new pilots should be sought in some of the “holding companies” which the Minister of Finance has succeeded in spinning off from line ministries. Indeed, it is perhaps only in some corporate environment, with the much greater degrees of freedom in personnel policies and resource management, than a new emphasis on accountability for results can be really credible in Egypt.

measure of discipline in budget execution but has nothing whatever to do with efficiency as commonly understood.

23. Thus, in addition to the closer link with ECD provided by a focus on performance indicators to the exclusion of the budget reform components of the pilots, deepening the M&E dissemination activities would have real utility. The first workshop, in 2002, was reportedly too large and too brief—indeed, too brief because it was so large. The standing-room-only attendance was a positive sign—although with the qualifier that most participants had been instructed by their ministers to attend—and the workshop certainly served to bring into the public sector discourse some of the concepts and terms of M&E. But future activities would appear to be best designed as a series of longer and more intensive affairs, with hands-on exercises, and very small groups of participants selected from among those with some prior exposure to M&E and institutional interest in it. Some of those participants would subsequently be able to carry on the ECD agenda in the future with minimal or no assistance from the Bank.

### ***Other Opportunities***

(i) The Center for Project Evaluation and Macroeconomic Analysis.

24. A local institution which was not yet functioning when OED began its involvement in Egypt now merits attention and assistance. In January 2003, the Minister of State for International Cooperation decided to revitalize the “Centre for Project Evaluation and Economic Analysis” (PEMA), and appointed a new Executive Director with substantial autonomy.<sup>12</sup> PEMA is already an efficient little outfit, staffed with 13 young professionals (two of whom “senior”) working on renewable annual contracts, and with salaries intermediate between civil servants’ salaries and those of local staff of international organizations.<sup>13</sup> The Director has flexibility in recruitment and setting terms and conditions of employment, and a lot of attention has been placed on the initial selection process. Despite its name, PEMA will not do any work in macroeconomic analysis in the foreseeable future, and most of its efforts will be on evaluating development projects. Four such projects are being evaluated and the final reports are expected to be issued in March. Although the Center is still in its infancy, it seems to have started on the right track and the initial track record is convincing. This is an institution where the type of small, intensive, hands-on M&E workshop recommended above would add high value. The next OEDPK mission should find the time to give such a workshop to the PEMA staff. It is recommended in any case that OED make contact soon with the Center, the only government institution in the country explicitly concerned with credible project evaluation. It may also be useful to nominate PEMA staff, in rotation, to participate in the WBI Introduction to Monitoring and Evaluation distance-learning course; and, possibly, to fund a scholarship for their two “senior” people to attend the IPDET course.

(ii) Poverty M&E in the Egypt Social Fund.

25. Finally, the Bank is launching a major effort to help develop the poverty monitoring and evaluation capacity of the Egypt Social Fund—which, started in 1992, has disbursed over \$3 billion to date—leading to an Impact Assessment of the Fund’s activities. This effort is joint between WBI

<sup>12</sup> A well-known economist and professor at the American University in Cairo, Talaat Abdel-Malek.

<sup>13</sup> The Center has one secretary and one messenger, and is located in cramped but well-organized and equipped offices. The working atmosphere is collegial and serious, and the young staff—given latitude for initiative and judgment—highly motivated. Each staff member is assigned to a major sector and an alternate sector, and projects are evaluated by teams of three or four, with a team leader responsible for assembling the final product.

and the Bank's Cairo office activity. OEDPK should seriously consider becoming actively involved, and the next ECD mission offers a timely opportunity to do so.

### **Selected Interlocutors**

#### ***Washington***

Richard Allen, Lead Public Financial Management Specialist , MNA

Osvaldo Feinstein, Advisor to the Director, OED

Ray Rist, Senior Evaluation Officer, OED

#### ***Cairo***

Mahmood Ayub, WB Country Director (by email)

Yomn m.h. el Hamaky, Professor of Economics, Ain Shams University (and consultant for OED-supported pilot project)

Jamaal Al-Kibbi, WB Lead Economist

Talaat Abdel Malek, Executive Director, Center for Project Evaluation and Macroeconomic Analysis (Department of International Cooperation)

Doha Mounir, Senior Policy Advisor, MOF, Coordinator of OED-supported pilot projects

Hoda Mohamed Sobhi, National Council of Women (and consultant for OED-supported pilot project)

## Annex F. Evaluation Criteria for Country-Level ECD

<p><b>Relevance</b></p> <ul style="list-style-type: none"> <li>• is ECD a Bank and country priority?</li> <li>• relevance of baseline diagnosis and action plan to country circumstances and priorities?</li> <li>• strength/quality of the window of opportunity in the country to pursue ECD?</li> <li>• extent to which the support provided has been consistent with stakeholder requests?</li> <li>• to what extent has OED focused on ECD interventions where it has a comparative advantage, and has taken account of the interventions of other donors?</li> <li>• have the ECD support activities adapted to cope with changing priorities?</li> </ul> <p><b>Efficacy</b></p> <ul style="list-style-type: none"> <li>• did activities lead to greater awareness and demand among senior country decision-makers for (more) M&amp;E? One indicator of this is “demonstrable increase in the political and financial support for evidence-based policy-making and management”. Another is whether or not the government has appointed an experienced senior official with responsibility for ECD</li> <li>• has communication increased between decision-makers and producers of M&amp;E (such as line ministries, national statistical offices, etc)?</li> <li>• have countries been assisted in developing / finalizing their own action plans?</li> <li>• have countries requested assistance in implementing their own action plans?</li> <li>• following the ECD diagnosis, have countries implemented follow-up actions?</li> <li>• have the ECD activities achieved results at the output, outcome and impact levels—as per the ECD country results chain?</li> <li>• are outputs from OED diagnostic work and other OED support valued and used?</li> <li>• did OED ECD work create leverage for other Bank ECD work?</li> <li>• to what extent have individual lending and non-lending interventions, IDF grants, and WBI programs achieved their intended output and outcome objectives? (This is applicable to Bank own ECD.)</li> <li>• to what extent have OED-supported activities (e.g. TA, training) contributed to ECD in intended ways? For example, in the case of training, were targeted skills gained? In the case of TA, was knowledge transferred to counterparts and applied?</li> <li>• to what extent have the results of all types of OED support, in the aggregate, advanced CAS capacity-building objectives?</li> </ul>	<p><b>Efficiency</b></p> <ul style="list-style-type: none"> <li>• have OED partnership funds, IDF grants, WBI programs, etc been integrated into ECD work so as to increase the efficiency of total interventions?</li> <li>• has OED concentrated its work on ECD issues where there is demand for its assistance and in ways supportive of country leadership of ECD efforts?</li> <li>• is there better coordination by donors in their ECD efforts, especially around country-owned M&amp;E improvement strategies (e.g. PRSP-related)?</li> <li>• is there an agreed country-level mechanism for donor coordination of ECD activities?</li> <li>• comparisons of cost of ECD diagnoses with other diagnostic work (e.g. CFAAs)</li> </ul> <p><b>Outcomes</b></p> <ul style="list-style-type: none"> <li>• judge <i>likely</i> impact— stated ECD objectives (if any) were / can be expected to be achieved</li> </ul> <p><b>Sustainability</b></p> <ul style="list-style-type: none"> <li>• strength of country demand for long-term ECD efforts?</li> <li>• is increased funding for ECD available from donors and government?</li> <li>• is there increased collaboration and partnership between government ministries/agencies concerning M&amp;E?</li> <li>• resilience to risk of changes in government or to changes in senior civil service management?</li> <li>• synergies with civil society initiatives?</li> <li>• resilience to changes in key personnel in Bank’s country team?</li> <li>• is experience and expertise being shared with other countries in the region?</li> <li>• likely or actual impact — extent to which OED will or has succeeded in helping the country build the capacity of the government and civil society organizations to conduct M&amp;E and to utilize the findings?</li> </ul> <p><b>OED Performance</b></p> <ul style="list-style-type: none"> <li>• approach and design appropriateness? Was assistance underpinned by a baseline diagnosis and an action plan? Quality of the diagnosis and action plan—extent to which it addresses issues covered in OED’s <i>ECD diagnostic guide</i> such as: (i) is the size and composition of any ECD operations consistent with CAS objectives and strategies? (ii) are they linked to the public sector management (including public expenditure management) reform program? (iii) strength of links established with civil society—NGOs, universities, research institutes, etc? (iv) quality of the country dialogue? (v) strength of links established with other donors? (vi) linkages with work to strengthen national statistical systems and FMISs? (vii) how well it is tailored to country circumstances?</li> <li>• timely identification and addressing of implementation problems?</li> </ul>
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## Annex G. OED Ratings for Uganda and Egypt ECD<sup>1</sup>

### Box G.1: Ratings for OED's Uganda ECD Work

Criterion	Rating	Rationale
Objectives	(No rating)	Improve monitoring of poverty reduction efforts while strengthening the overall M&E system - by rationalizing the multiplicity of initiatives and by helping define clearer lines of authority and accountability for the M&E agenda
Relevance	High	The relevance is demonstrated by the strong Ugandan ownership of the initiative as well as the fit with the thrust of the PRSC and the Bank strategy.
Efficacy	High	First, OED's ECD work influenced the reform agenda through its close coordination with the Bank's operational activities, especially in the preparation of the several PRSCs. Second, it was instrumental for the development of an integrated M&E agenda, including the needed clarification of organizational responsibilities. Finally, it had the "negative" but important outcome of halting the further proliferation of uncoordinated monitoring activities, which threatened to dilute accountability across the system.
Efficiency	Substantial	The total funding of \$310,000 over a period of almost four years was mainly through the Norway Trust Fund. The money was generally spent well, although perhaps the cost to OED could have been kept down by tapping other donor funding and obtaining from the PRSC team a more equitable share of the total expenditure.
Outcome	Satisfactory	Although outcomes are by definition affected also by factors outside the control of the task team, it remains the case that during the initial phase there was insufficient attention to bureaucratic realities and to the nuts and bolts of performance measurement. Were it not for this qualifications, the outcome of ECD work in Uganda would be rated Highly Satisfactory on all accounts.
Sustainability	Highly likely	The incorporation of the M&E work into the PRSC process; the strong ownership by the Government; the active cooperation of the key donors; the solid conceptual basis established; and the attention to individual accountability within government – all make it very likely that the ECD efforts will produce lasting results.
OED Performance	Satisfactory	Some early inattention to nuts and bolts issues was offset by decisive and successful intervention once the "abstractness" tendency of some of the work was identified. In hindsight (always easy), a closer ear to the ground might have spotted the emerging dissonance between the direction of work and the reality of problems a bit sooner. OED performance was very close to Highly Satisfactory.

#### Rating scales:

Relevance: High, Substantial, Modest, Low

Efficacy: High, Substantial, Modest, Low

Efficiency: High, Substantial, Modest, Low

Outcome: Highly Satisfactory, Satisfactory, Moderately Satisfactory, Moderately Unsatisfactory, Unsatisfactory, Highly Unsatisfactory

Sustainability: Highly Likely, Likely, Unlikely, Highly Unlikely

OED Performance: Highly Satisfactory, Satisfactory, Unsatisfactory, Highly Unsatisfactory

Ratings categories are defined in OED's Guidelines for Rating Projects.

<sup>1</sup> These ratings were made by Salvatore Schiavo-Campo (OED consultant), and are based on the in-depth reviews of OED's Uganda and Egypt ECD work reported in Annexes D and E. The ratings approach is similar to that used by OED in its standard project ratings work. ECD ratings are based on the detailed criteria presented in Annex F.



**Box G.2: Ratings for OED’s Egypt ECD Work**

<b>Criterion</b>	<b>Rating</b>	<b>Rationale</b>
Objectives	(No rating)	The initial rationale emerging from the OPCS “readiness assessment” mission comprised seven objectives, all related to M&E capacity. Although the linkage among the seven objectives was not as clear as it could have been, the objectives themselves were. However, the subsequent ECD work proceeded in a direction very different from that originally identified, and morphed into the separate “performance budgeting” agenda.
Relevance	Substantial	Relevance is relative. This rating rests on the very high relevance of the ECD work to the agenda of the Minister of Finance. Insofar as the work on the performance budgeting “pilots” may have a positive spin-off—through the backdoor—on the development of M&E in Egypt, the relevance of the work would be substantial in that broader sense as well. There is no evidence of such a spin-off at this time, but the rating should not prejudice the matter.
Efficacy	Modest	This should be seen as an “interim” rating. The fruits of the ECD effort are still very limited, with only 3 out of 10 pilots showing satisfactory progress, and a large number of stakeholders lacking an understanding of basic M&E concepts. These are long-gestating activities, however, and it is entirely possible that in due time those efforts will produce positive outcomes.
Efficiency	High	The cost-effectiveness of OED’s activities was very high. The OED resources expended were modest but were deliberately and substantially leveraged thanks largely to the ownership of the MoF and the cooperation of various components of the Egyptian bureaucracy.
Outcome	Moderately unsatisfactory	Again, this is an “interim” rating, for it is too soon to assess outcomes, or even their likelihood. However, in addition to the deviation from the original objectives, the chances of a positive outcome for the budgeting system are marred by the absence of specialist input from the Bank’s country team (despite the task team leader’s substantial personal understanding of the issues); and the lack of an institutional “bridge” to other ministries does not augur well for a positive outcome for M&E as a whole either.
Sustainability	Likely	The contradiction between this rating and those on Efficacy and Outcome is only apparent. The strongest asset of the ECD work in Egypt is the stalwart—in some cases enthusiastic—support by the MoF and by a good number of individual civil servants. Although, in light of the preceding comments, it is difficult to guess precisely what will be sustainable, there is little doubt that result-awareness has been raised in a permanent way among a large number of directly-concerned individuals.
OED Performance	Satisfactory	The dominant feature of ECD work in Egypt has been responsiveness to the client. Partly as a result, the activities have differed from the initial objectives; have spilled over into a technical field tangentially related to the M&E agenda and of considerable complexity of its own; and have shown very limited concrete results so far. Significant opportunities have been missed. However, “excessive” responsiveness to the client cannot be given a negative weight, and the OED TTL used the only opening available to him at that time in this country. In retrospect, the principal significant opportunity that has been missed was an assessment by management of whether the extremely scarce OED/ECD resources were best used in that country at that time. On balance, OED performance can still be rated as Satisfactory.

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