



Lessons from Evaluation of World Bank Support to Human Development

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Addressing Poverty through Social Safety Nets

Events of the past decade have underscored the vital need for social safety nets (SSN) - programs designed to protect the poor from shocks and contribute to reducing chronic poverty - in all countries, especially in times of crisis. Over fiscal year 2000–10, the World Bank supported SSNs with \$11.5 billion in lending and an active program of analytical and advisory services and knowledge sharing. IEG has recently evaluated the effectiveness of World Bank-supported SSN programs and found that while Bank support has largely accomplished its stated short-term objectives and helped countries achieve immediate impacts, key areas of Bank support need strengthening. Some of the recommendations and findings included the following:

- » **The Bank needs to engage consistently during stable times to help countries develop SSNs that address poverty and can respond to shocks.** Throughout the decade, countries and the Bank focused SSN support on addressing chronic poverty and human development and less on SSNs to address shocks. The financial and food crises pointed out weaknesses in countries' SSNs, as many

middle income countries found that their poverty-targeted SSNs were not flexible enough to increase coverage or benefits as needed while low-income countries lacked poverty data and systems to target and deliver benefits. Countries that had prepared during stable times by building permanent SSN programs or institutions were better positioned to scale up than those that had not. The Bank was most effective in helping countries in which it had been steadily engaged through lending, Analytical and Advisory Assistance, or dialogue over the decade.

- » **Continued emphasis is needed on building SSN systems and institutional capacity, particularly in low-income countries.** During the evaluated decade, the Bank began to make an important shift from a focus on projects that emphasize delivery of social assistance benefits to helping countries build SSN systems and institutions that can respond to various types of poverty, risk, and vulnerability. The Bank focused its lending, analytical and capacity-building support for SSNs significantly more on middle-income countries (MICs) than on low-income countries (LICs) throughout the decade, though attention to LICs increased after the crisis

facilitated by trust funding.

» **Short- and longer-term results frameworks for Bank SSN support need to be strengthened.**

The Bank's support for SSNs has been effective in helping countries reach short-term objectives, such as encouraging poor children to attend school or increasing households' short-term consumption; however, these SSN project objectives have not been adequately anchored in longer-term development objectives, such as improving learning and income earning potential.

» **Further effort is needed to ensure strong cross-network coordination of SSNs.** Internal World Bank coordination for SSN is challenging due to its multisectoral nature. Sources of tension exist with regard to budget arrangements, task management, and accountability.

For more information, please download the study, *Social Safety Nets: An Evaluation of World Bank Support, 2000-2010*.

In the past year, IEG also evaluated SSN projects in Colombia and Ethiopia. In 2005 the World Bank's **Social Safety Net Project** supported the *Familias en Acción* conditional cash transfer program (CCT) in Colombia to strengthen the country's safety net. The project set out to consolidate and expand the program and improve the monitoring and evaluation of the country's safety net portfolio. IEG's project evaluation found that support to the consolidation and expansion of the *Familias en Acción* helped to quadruple the number of beneficiaries, with 45 percent of benefits going to the poorest families. Consistent with needs, most of the benefits went to pre-school children and secondary school students. Due to difficulties with scale-up in urban areas uptake rates were lower than expected and compliance with health and education co-responsibilities did not reach its targets. Crucial "second generation" issues (such as (i) modification of the education benefits to emphasize secondary school incentives in large urban areas, as recommended by impact evaluations; (ii) incorporation of information technologies to reduce transaction costs) were addressed, contributing to the consolidation of the CCT program by making

it more inclusive and cost-effective. Monitoring and evaluation systems were also strengthened. Short-term education, nutrition, health, and food intake outcome indicators improved for program beneficiaries.

IEG's impact evaluation found that the program helped increase the likelihood that participant children complete high school and promoted high school completion rates among girls and rural students. The evaluation also found that the test scores of program recipients who graduated from high school were similar to the ones of poor non-recipient graduates. More information can be found in the Project Performance Assessment Report, *Colombia Social Safety Net Project*, and the Impact Evaluation, *Assessing the Long-Term Effects of Conditional Cash Transfers on Human Capital: Evidence from Colombia*.

In 2005, **Ethiopia's Productive Safety Net Program** (PSNP) was established to provide transfers to the population in chronically food insecure *woredas* (districts) in a way that prevents asset depletion at the household level and creates assets at the community level. The new safety nets approach focused on tackling chronic or seasonal hunger and sought to provide a more sustainable safety net system compared to the previous emergency appeal system. The Bank supported the PSNP through three Adaptable Program Loans (APL). Despite the problems associated with implementation, there is strong evidence that the lessons from APL1 have been critical in enabling improvements to be made to the program and to the system of programs that address food insecurity and poverty. The achievement of the objective was demonstrated by the transitioning away from ad hoc annual appeals for emergency food aid towards a more predictably resourced, multi-annual safety net system. A dialogue has emerged recently on what sorts of programming might achieve this. Such a dialogue would not have been possible in 2005 at the start of APL1. There was also progress reversing the upward trend in food insecurity during APL1 although a caseload of more than 7 million remained in the PSNP in 2010 due to population growth and

the impacts of food price shocks in 2008. Above all, the PSNP demonstrates what can be achieved in a low-income country with limited capacity and high levels of poverty. For more information, download the Project Performance Assessment Report, *Ethiopia Productive Safety Net Project*.

Learning from Health Reforms: The Experience of Argentina and Brazil


IEG conducted a project performance assessment on three health operations including a Sector Adjustment Loan (SECAL) in Argentina, and two first-phases of multiple-years APL1 in Brazil and Argentina. All three operations assisted the governments in developing reforms at the primary health care (PHC) level and disbursed earmarked funds for reforms to supplement the existing government budget. These operations also introduced financial incentives to the health sector to change the incentive framework and reward health authorities and staff for better results. In Argentina, the SECAL and the APL1 helped fund implementation of the key reform package, namely the Maternal and Child Health Insurance Program, which contains a supply-side subsidy to PHC providers. In Brazil, the APL1 supported the Government Conversion Program, which reorganized traditional PHC into family medicine facilities. While

the three operations have introduced innovative financing features and health care reforms, it is equally important to highlight the support these operations gave to strengthening monitoring and evaluation of patient-level data, and the building up of skills and institutional support, which contributed to the sustainability of the reforms.

In **Brazil**, comparative studies found better quality of care in family medicine than in the traditional primary care model. Municipalities could win a bonus and performance price if they improved health administration and financial management and made progress in family medicine implementation. Overtime, participating municipalities substantially improved their management performance as well as their family medicine coverage rates. Although Brazil did not add a financial incentive to the payment of providers, the use of health services in family medicine centers increased.

In **Argentina**, the SECAL supported policy actions and protected the financing for essential health programs during times of economic crisis. Consequently, use of these programs remained high and increased, including such services as directly-observed treatment, short course (DOTS) for TB and treatment for the prevention of mother-to-child transmission of HIV. At the same time, the APL1 in Argentina contributed to





improved quality of care by increasing the financial resources available for basic care and by training a large number of medical staff in the adherence to 80 treatment protocols. The fiscal transfer to the provinces was linked to Maternal and Child Health Insurance Program enrollment and results achieved in ten health indicators. The performance of ten relevant basic health indicators increased substantially over the project time.

Some of the lessons learned from the assessment were:

- » **Following policy-based lending** with an APL program can help the government stay on the course of the reform.
- » **Reliable information systems, analysis, and independent concurrent audits** are prerequisites for allocating resources based on population needs and service use.
- » **Strategic and substantial upfront investments** are needed if a country plans to modify the incentive system in health to stimulate better sector performance. These comprise investment in data analysis and reporting of results back to providers; provider readiness including staff training and possibly recruitment of additional staff; institutional capacity building in budget and financial management; and management capacity of the health system. In the case of Argentina, the provinces had to invest in detailed data collection and analysis to show their progress towards targets. To ensure the accuracy of the data, results were audited by an independent private audit firm and provinces and providers were fined for incorrect data reporting.
- » **There is a need for strong collaboration with local governments and providers** to ensure timely information transfer to define payment and implementation of corrective measures to improve results. This is important to ensure the effectiveness of linking disbursement from the center to provinces to results in decentralized health systems and for central governments to receive the relevant information from local levels on the use of funds.

- » **Pooling World Bank and government funds can build capacity in governance, but also increase transaction costs for governments.** Depending on the country context, institutional and governance adjustments may be needed. If municipalities are the final recipients of pooled funds, administrative staff may need training in planning and budgeting to be able to plan, access, and implement funds in a timely manner.

To learn more, download the Project Performance Assessment Report, *Results-Based Health Programs in Argentina and Brazil*.

Reforming Higher and Technical Education: The Experience of Zambia, Egypt, Jordan, and Yemen

The Zambia Technical Education, Vocational and Entrepreneurship Training Development Support Program, implemented between 2002 and 2008, aimed to comprehensively reform Zambia's Technical Education, Vocational and Entrepreneurship Training (TVET) system. The changes were made through granting financial and managerial autonomy to the publicly-owned training institutions; establishing an autonomous national training authority (TEVETA) responsible for regulation and quality assurance; financing training in all types of institutions through a competitive fund (TEVET Fund); and diversifying sources of funding through cost recovery (student fees) and a proposed payroll levy on enterprises. The implementation authority for TVET would be shifted from the central government to the new training authority and training institutions, with the central ministry focusing upon policy formulation and information management.

The Training Development Support Program made considerable progress towards raising the quality of the system, with the new quality assurance and curriculum development procedures implemented by TEVETA, which can be expected to improve the quality of training. Improvements were also made in increasing the demand orientation of training, by involving industry experts through TEVETA in setting

standards, reviewing curricula, and developing modular and in-service training capacity. However, strengthening the influence of the private sector through local management boards of training institutions, and the channeling of government and private finance for training through the TEVET Fund, were not successfully accomplished. After some delay, management boards were established, but they had limited authority and did not have an important role. Moreover, the TEVET Fund was briefly piloted with donor funding, without a contribution from the government or private sector.

Zambia's experience in attempting to shift its TVET system from supply- to demand-driven provides several lessons.

- » **Reforms of TVET should be based on in-depth analysis of the strengths, perceptions, interests, and incentives of different stakeholder groups**, since change in the governance structure of TVET needs buy-in by multiple stakeholders. Implementation of the project was substantially affected by insufficient consensus and willingness to cooperate between the various parties involved in implementation.
- » A competitive training fund under non-government management can be effective in addressing needs in the informal sector and the needs for in-service training, but **sustainability is a major challenge**.
- » **Payroll levies to finance in-service training are difficult to apply** in low-income countries as well as in the informal sector.

For additional lessons learned, download the Project Performance Assessment Report, *Zambia Technical Education Vocational and Entrepreneurship Training Development Support Program*.

In the **Middle East and North Africa Region**, IEG assessed the performance of three higher Education Projects in Egypt, Yemen, and the Hashemite Kingdom of Jordan. The projects had the objectives of improving the quality, efficiency,



supported reforms motivated by the World Bank-endorsed Higher Education Reform Model, which includes university autonomy with accountability, quality assurance, and accreditation; transparent financing; competition for research funds; increased use of Information Communication Technologies (ICT) for teaching; differentiated missions; diversified finance; cost recovery; and overall system coordination and oversight. Five of these features were adopted and relatively well implemented in Egypt and Jordan, namely quality assurance; competition for research/development funds; increased use of ICT; differentiated missions (less well implemented in Jordan); and overall system coordination (less well implemented in Jordan). None of the features incorporated in Yemen's Higher Education Project were implemented fully successfully, but there were some parts of the model not included in the Bank-supported Yemen project that were successfully instituted in the country during the project period (competition for funds; differentiated missions; cost recovery). Features such as formula financing and university autonomy met with resistance in all three countries.

The three projects were most focused and successful at creating inputs or immediate conditions (drawing from the higher education reform model) for improved quality. However, data was not collected in any of the countries to measure whether these inputs and outputs have made a difference in terms of student outcomes such as improved learning and/or better preparation for the labor market.

Egypt, Yemen, and Jordan's experiences provide lessons for other countries attempting to reform their higher education system:

- » **The introduction of a widely adopted change model needs to be preceded by sufficient sector analytic work** to create an appreciation of the complexities and implications of the proposed changes and of the likely sources of resistance. Such analysis could help determine the parts of the model that are appropriate to the context and the pace of adoption.
- » **Restructuring of higher education courses and programs and private sector participation in**

decision-making is not sufficient on its own

to ensure that the reforms will result in more employable graduates. Instead, higher education systems need to systematically monitor the labor market relevance of their offerings and the success of their graduates.

- » **Efforts to enhance the quality of higher education must focus on improving learning outcomes**, which implies the need for standardized assessments of student achievement.
- » **Decreasing graduate unemployment requires serious gate-keeping by the government**, shifting enrollments away from overloaded fields, and more serious incentive structures to study in needed fields.

For more information, download the Project Performance Assessment Report, *Higher Education Reform in the Middle East and North Africa: An IEG Review of the Performance of Three Projects*.

IEG recently assessed the experience of two education projects **in Jordan**: the Jordan Higher Education Development Project and Education Reform for Knowledge Economy I Program. The **Higher Education Development Project** was implemented from 2000 to 2007 and aimed to improve higher education quality, relevance, and efficiency by investing in ICT, scientific equipment, and faculty training needed to upgrade university academic programs and management information systems. The project also attempted to reform education sector governance by strengthening recently created governance structures such as the Higher Education Accreditation Council for quality assurance and the Higher Education Council for overall policy making. Additionally, the project had a goal of improving links to the labor market by reforming the system of community colleges under the oversight of Al Balqa Applied University (BAU).

The project accomplished the building of systems that can contribute to better management through improved ICT. Some improvements in quality resulted from the provision of much-needed ICT equipment for teaching and learning and some changes in teaching methods. However, the reforms of governance fell short



of most of their objectives. The formula for funding recurrent budgets was not implemented due to political and technical constraints. The competitive fund for new academic programs only became fully competitive near the end of the project, and the reforms of the community colleges under the oversight of BAU to improve labor market relevance were not completed.

The Education Reform for Knowledge Economy

Program was implemented from 2003 to 2009 and aimed to improve the quality, relevance, and efficiency of early childhood, basic, and secondary school education systems by developing a new comprehensive vision and strategy for basic and secondary education, developing new curricula, training teachers, upgrading the learning environment in schools, and promoting early childhood education. By the end of the project, 80 percent of Jordan's schools were connected to the Internet, and almost all schools had at least basic ICT equipment. Moreover, performance on learning assessments showed improvement from the new curricula, learning materials, and teacher training.

Jordan's experience indicates that the following lessons:

- » **The complexity of education reform requires sustained effort beyond the standard five-year project cycle.** The emphasis on critical thinking and creative problem-solving at each level means that some mutual adjustments are needed.

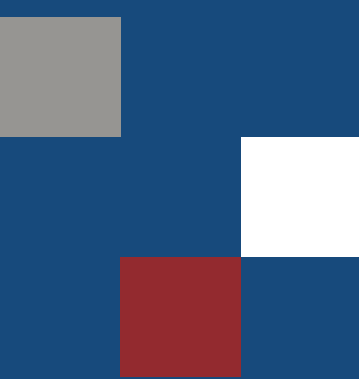
- » **Higher education curricula need to continue adapting to the new secondary graduates** while the admission procedures for higher education need to adapt to the criteria of the knowledge economy.
- » **The higher education system can do more to improve quality and relevance, including becoming actively linked in real time with the labor market and economy.** More up-to-date labor market information is needed as well as more private sector representation in the governance of universities and community colleges.

For more information, download the Project Performance Assessment Report, *Hashemite Kingdom of Jordan Higher Education Development Project and Education Reform for Knowledge Economy I Program*.

Upcoming evaluations

IEG is in the process of evaluating the **World Bank's Support for Youth Employment** over FY 2001-2011. Youth employment has become a major and costly issue in many countries. Young people encounter more difficulties than adults in finding quality work or becoming self-employed. In many countries, females entering the labor force face more social and labor market entry barriers than men. Instead of contributing to the economy, the young who are underemployed or unemployed, incur costs to the economy. This evaluation will identify what the World Bank is doing to promote youth employment, showcasing the international evidence on initiatives to promote youth employment and draw lessons emerging from the Bank's support in helping countries increase employment of young workers. The evaluation report is due in summer 2012.

IEG is finalizing an evaluation of the **World Bank Group's Response to the Global Economic Crisis: Phase II**. In addition to fiscal and financial sector support, the report analyzes the Bank's social protection response. The global crisis came on the heels of food and fuel price crises with which poor and vulnerable households had already had to cope.



It is estimated that the crisis increased the world's poor by an additional 53 million people in 2009. Consequences of the crisis for households were typically threefold: fewer jobs and lower earnings, lower remittances, and reduced access to basic social services. The aim of IEG's real-time evaluation is to assess how relevant and effective the Bank has been in helping countries use, scale up, and develop their social protection programs and policies to protect households and workers from the shocks of the global economic crisis. The evaluation report is due in fall 2011.

IEG is currently fielding a project performance assessment on **Technical and Higher Education in Colombia, Chile, and India** to help inform the Youth Employment evaluation. Findings and lessons from the evaluation of these projects will be available by June 2012.

For more information, visit the IEG webpage at <http://ieg.worldbankgroup.org>