



ROOM DOCUMENT 3

JOINT EVALUATION OF GENERAL BUDGET SUPPORT – UPDATE OF PROGRESS

Item 2: ii

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1st meeting

15 – 16 January 2004

JOINT-EVALUATION OF GENERAL BUDGET SUPPORT: UPDATE OF PROGRESS

1. Introduction

The purpose of this note is to follow up on the decision at the latest DAC Evaluation Network meeting (Paris 24-28 March 2003), to create a technical working group for preparing a joint evaluation of General Budget Support (GBS), and to update the Network on the current status of the evaluation.

2. Background

The decision to create a *Technical Working Group* followed on an informal two-day workshop on 'Evaluating General Budget Support' in Glasgow, 3-4 March 2003, hosted by DFID's Evaluation Department (EvD) under the aegis of the DAC Evaluation Network. The purpose of the workshop was to present an evaluation framework for GBS, resulting from an evaluability study of GBS commissioned by DFID.

The evaluation framework details the expected intermediate effects and the process through which GBS is intended to have an impact on poverty reduction, and implies a major step forward for the understanding of how GBS works and for the possibilities to evaluate GBS.

The framework was also presented at a one-day workshop in Kampala, 28th May 2003, hosted by the Ministry of Finance, Planning and Economic Development of Uganda, where preliminary testing of the framework had been undertaken.

The workshops clearly indicated that *aid agencies and partner countries have an interest in further evaluation activities on GBS*. The importance of GBS has increased both financially and politically the last years but there have been few comprehensive evaluations providing evidence on the actual results of GBS and its relevance, efficiency and effectiveness in different country contexts. Participants also strongly supported the view that the evaluation should be conducted jointly, as GBS is a joint-partner instrument, based on the partnership approach and the financial support is "pooled" making it difficult (impossible) to distinguish one donor from the other.

3. Important steps since the latest DAC Evaluation Network meeting

The Technical Working Group met for a first informal discussion in London 6th May 2003.

The key conclusion of the meeting was that *a planning workshop should be organised in October/November to discuss and agree on the broad scope, focus and approach and management of a joint evaluation of GBS*.

Furthermore, the working group agreed: 1) to conduct *an inventory of programme aid* based on the DAC database (commissioned by the Netherlands); 2) to further *develop the evaluation framework* (commissioned jointly by DFID and the EC); 3) and to develop *an issues and options paper* elaborating on the different choices for the scope, focus and management of the planned joint evaluation.

Following on the above decision and actions the planning workshop was hosted by DFID Evaluation Department in Brighton 14-15 October 2003.

4. Results of the Planning Workshop

The workshop brought together over forty evaluation specialists, economists and policy makers from a range of bilateral and multilateral agencies, many having also attended the Glasgow meeting.

It was agreed to move forward quickly commissioning an evaluation to include at least 6 *country studies* (including Africa but also other regions), *thematic evaluations* and a *synthesis report*.

It was also agreed that the evaluation should *focus on GBS*, defined as funds provided in support of government programmes for growth, poverty reduction and institution building and spent using partner governments' own financial management and accountability systems with normally no, or only notional (virtual) earmarking.

Furthermore, it was agreed that the purpose is to evaluate to what extent, and under what circumstances (in what country contexts), GBS is relevant, efficient and effective for achieving sustainable impacts on poverty reduction and growth. The focus of the evaluation should be on *lessons learned* while also addressing *joint donor accountability* on country level study. The evaluation cannot and should not seek to identify the specific contributions of the different agencies, but should evaluate the effectiveness of different approaches to GBS.

The participants agreed that *Partner Country Governments should be invited* to participate in the Steering Group and should have the opportunity to influence the terms of reference.

Furthermore, *the evaluation framework was found to be an appropriate tool for analysis* and it was agreed that it should constitute the methodological basis for the evaluation. The evaluation should also follow the recommendations of the authors of the framework and evaluate the effects of GBS up to the outcome level (3) and discuss plausible linkages to the impact level (4 and 5).

Workshop delegates mandated a *Steering Group (SG)* and a *Management Group (MG)* to plan and initiate the evaluation. DFID's Evaluation Department was appointed chair of the SG. It was also suggested that the DAC Evaluation Network consider hosting a "Learning Platform/Forum" for sharing lessons and experiences on evaluations of programme aid more broadly.

A first Steering Group meeting was held in the afternoon of the second day. All delegates were invited to attend this meeting if they planned to actively participate in the evaluation through contributing time, information, funds, logistics or expertise. Over half the delegates (26) opted to attend this meeting, and 15 agencies expressed interest in actively supporting the proposed study.

DFID, Sida, the Netherlands and the EC volunteered to form the MG under the lead of DFID.

5. Current status of the joint evaluation of GBS

Since the workshop in Brighton the MG has prepared the second SG meeting, to be held the 14th January 2004, focusing on 1) drafting a terms of reference, 2) identifying a recommended country sample, and 3) suggesting a feasible design and approach of the evaluation, including financing issues.

Next step after the SG meeting is to contact and invite partner countries to join the evaluation. As soon as the terms of reference is agreed by the SG, including the partner countries, the tender process will begin. According to the *tentative* time schedule:

The contracted Evaluation Team should start working in July 2004;

- The Inception Report should be accepted by October 2004;
- Country Evaluation Reports should be accepted by February 2005;
- The Synthesise Report should be finalised by June 2005 and published in September.

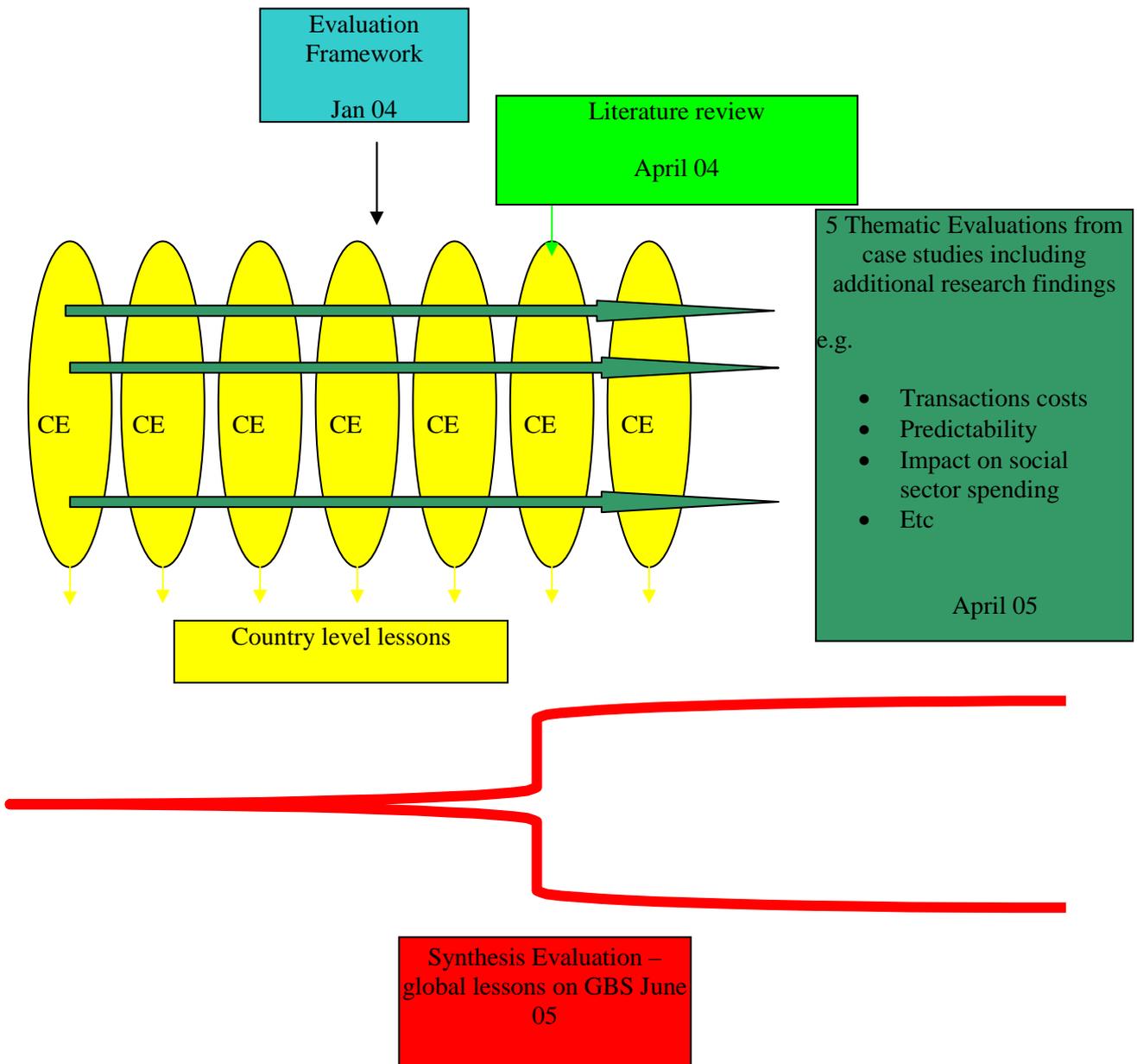
Based on the list of countries and criteria resulting from the Brighton workshop the MG has suggested, to the SG, to invite the following countries to join the evaluation: *Burkina Faso, Malawi, Mozambique, Nicaragua, Rwanda, Uganda and Vietnam*. These countries can not be seen as a representative sample of their regions or of all partner countries that receive GBS, but they illustrate different experiences of GBS and different country contexts. The aim of the country sampling is to maximise the lessons learned of the evaluation.

Furthermore, the MG has suggested that they could conduct *a literature review* summarising the main findings, lessons and recommendations of recent studies and evaluations in relation to the different levels of the evaluation framework. The purpose of the review is to feed into the inception phase, to further guide the choice of approach and method and to guide the identification of key issues and themes for the evaluation.

The MG has also suggested that the *thematic evaluations*, on e.g. transaction costs, predictability, selectivity etc., should be carried out in parallel to the country evaluations. These thematic evaluations will be conducted mainly from the desk and should feed into the final synthesis report. The suggestion is to contract and finance these evaluations separately from the basket fund to allow agencies that can not basket fund to contribute to the evaluation.

The decision on the country sample, the preliminary terms of reference and the overall design and approach will be made at the SG meeting 14th January.

TOWARDS A MODEL FOR THE EVALUATION.....



Key:
CE – Country Evaluations