



## ROOM DOCUMENT 10

### **CLOSING THE GAP: REGIONAL CENTERS FOR RESULTS BASED MANAGEMENT AND EVALUATION CAPACITY DEVELOPMENT: A PROPOSED INITIATIVE**

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**8th meeting  
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## **CLOSING THE GAP**

# **REGIONAL CENTERS FOR RESULTS-BASED MANAGEMENT AND EVALUATION CAPACITY DEVELOPMENT**

**A PROPOSAL FOR A MULTILATERAL INITIATIVE**

**THE WORLD BANK  
INDEPENDENT EVALUATION GROUP**

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## EXECUTIVE SUMMARY

Demand for Results-Based Management and Evaluation Capacity. Policy and budget reforms in OECD and partner countries have led to increasing focus on the measurement and evaluation of the results of public programs in recent years, and the use of the information generated for government accountability and decision making. At the same time, the Paris Declaration sets out a series of ambitious commitments for reforming aid delivery and management based on the key principles of “managing for results” and “mutual accountability.” The in-country reforms and the implementation of the Paris Declaration both require that partner countries have the capacity for results measurement and evaluation, as well as the ability to use this information for accountability and as feedback in the design of public programs and budgets – capacities that many governments have not yet achieved. Recognizing this gap, the Independent Evaluation Group (IEG) of the World Bank, with the World Bank Institute (WBI), is proposing a multilateral initiative to establish regional centers to assist countries in developing their results measurement and evaluation capacity and systems, and to provide a foundation for sustained support to maintain these capacities. This initiative is firmly embedded in a broader framework in support of good governance, accountability, and results-based management in the public sector.

Regional Centers for Building Results-Based Management and Evaluation Capacity. The proposed centers would be housed within existing institutions, selected on a competitive basis. The criteria for selection would include a clear demonstration of regional demand for results measurement and evaluation capacity building services for a variety of stakeholders, including government decision-makers and civil society. Based on demonstrated demand, they would provide knowledge, training, and advisory services in these areas, customized for specific audiences through a variety of modalities. IEG proposes that the initiative establish three lead centers, one each in sub-Saharan Africa, Asia, and Latin America, with other regions added over time. IEG is basing this proposal on a clear identification of supply gaps in these regions and on the experience with and lessons learned from the successful global International Program for Development Evaluation Training (IPDET) and the regional Shanghai IPDET (SHIPDET), both of which will be a source of expertise and knowledge. However, it should also be noted that the regional centers are expected to go well beyond training and to provide broad support for public sector institution-building in results-based management and evaluation. To bring this initiative to fruition, IEG is seeking approximately \$6 million per year from donors, the Bank’s Development Grant Facility (DGF), and in-kind contributions, for a period of five years.

Demand-Driven and Cost-Effective Services. The proposed approach is designed to ensure that the services address specific regional needs, are demand-driven, and reach a diverse audience cost-effectively. The services will support the use of results and evaluation information and decision-making by public sector agencies, parliamentarians, and civil society organizations, in addition to addressing the demands of public managers and evaluation professionals. By strengthening centers of knowledge located within partner countries, this proposal also aims to strengthen sustainable capacity to build capacity.

Support for the Initiative. The proposal was presented at the third High Level Forum in Accra in September and at the Africa Managing for Development Results conference in Mauritius in October. It also benefits from initial consultations with partner African countries and donor representatives, who validated the demand for evaluation capacity and endorsed the proposed initiative. The initiative has also been discussed with some partner countries, the Inter-American Development Bank (IDB), several bilateral donors, and internal Bank units working in the three regions. China already hosts a center in Shanghai for SHIPDET, and Mexico, Colombia, South Africa, and Uganda have also expressed an interest in engaging in the initiative for their regions.

**CLOSING THE GAP:  
REGIONAL CENTERS FOR RESULTS-BASED MANAGEMENT  
AND EVALUATION CAPACITY DEVELOPMENT**

**A PROPOSAL FOR A MULTILATERAL INITIATIVE**

This document outlines a proposal for a multilateral partnership to help developing countries strengthen governance and results-based management by enhancing their capacity to measure and evaluate the results of public programs and use this information for accountability and policy making. For governments to be accountable and to manage for results, they need to have the capacity and incentives to define goals clearly and to measure and evaluate outputs, outcomes, impacts, and cost-effectiveness of public programs. There has been significant donor support for capacity building in some dimensions of results-based management – notably upstream policy analysis and research, medium-term expenditure planning, and statistical capacity-building – but relatively little systematic support for strengthening in-country capacity for results monitoring and evaluation. This proposal seeks to redress that imbalance in donor support and to strengthen the ability of governments, the private sector, and NGOs to use statistics and rigorous analytic techniques to monitor and evaluate public programs, thus providing results information and feedback for the design of future public expenditure programs.

**The Demand Side: Growing Attention to Results**

Recent years have seen a rapid increase in demand for results measurement and evaluation knowledge in partner countries, due to a range of interrelated forces, both internal and external. This demand has created a serious gap in monitoring and evaluation capacity.

**Internal demand: Results-oriented reforms in partner and OECD countries**

Significant policy and budget reforms have been undertaken in both partner and OECD countries to help governments become more effective and responsive to the needs of their citizens. These reforms have underscored the need for sound information on government performance and are fueling the demand for relevant evaluation knowledge. The implementation and monitoring of Poverty Reduction Strategies (PRSs), decentralization, and the use of results-based budgeting all require reliable data and its appropriate use for decision-making. In Africa, about 70 percent of the countries are implementing PRSs and are designing institutional systems to meet the PRS monitoring needs adequately. They are experimenting with different financial management models, including assigning monitoring and evaluation responsibilities to multiple layers of the administrative system from national to district and community levels. However, an African Development Bank study conducted in 2006 showed that the demand for program feedback outstripped the supply of the skills and resources to conduct relevant evaluations and to use evaluation information for accountability and decision-making. Recent consultations with

government officials from Ghana, Niger, Senegal, South Africa, Tanzania, Uganda, and Zambia revealed a specific demand for practical, hands-on training utilizing case-based approaches to developing and implementing systems for monitoring, evaluation, and results-based management. Similarly, the Bank's Country Assistance Strategy papers recently completed for 12 African countries<sup>1</sup> all underscore the need to strengthen or create M&E systems, and three highlight explicit government demand for such services<sup>2</sup>.

Specific sources of demand for results information and evaluation feedback also include the Africa Peer-Review mechanism, Economic Community of West African States (ECOWAS), Parliamentarians, and civil society. Demand is being generated at the program level as well. For example, a discussion with the Africa Capacity Building Foundation (ACBF) revealed that all ACBF-funded programs will require an evaluation component and the ACBF will itself set up an independent evaluation function.

In Latin America, more than half of the countries are developing or consolidating their monitoring and evaluation systems at the national and sub-national levels, many as part of larger state and results-based budgeting reforms. For example, in recent years Mexico has mandated an annual evaluation of all federal programs to be presented to Congress. It created a National Evaluation Council (CONEVAL) to regulate government monitoring and evaluation activities and introduced a national Performance Evaluation System. In Colombia, recent state reforms have strengthened the national M&E system, fostered evaluation of public expenditures, and boosted the development of M&E activities at the sub-national levels, where the bulk of government spending is concentrated. Chile has consolidated a performance budgeting model based on contracting out a growing number of program evaluations each year. Finally, several Brazilian states (e.g., Minas Gerais, Ceara) and the Federal government have placed emphasis on M&E activities to support the achievement of development objectives.

Several countries are also engaged in rigorous impact evaluations of social programs (beginning with Mexico's acclaimed evaluation of the *Opportunidades* program and continuing with programs such as Brazil's *Bolsa Familia*). However, they rely on international experts for implementing such strategies and for developing their knowledge and skills in these advanced areas.

Similarly in Asia, several countries are undertaking reforms related to results-based management. In China, for example, the Ministry of Finance is using performance-based budgeting on an experimental basis. The Key Projects Inspectorate Office (KPIO) of the National Development and Reform Commission (NDRC) is also implementing a results-based monitoring and evaluation approach to its projects and has received technical support from the Asian Development Bank. Similar reforms are ongoing in the Philippines (at the National Economic and Development Authority), Vietnam, Lao PDR, and others to monitor and evaluate their poverty reduction and growth strategies.

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<sup>1</sup> Burundi, Comoros, Gambia, DRC, Malawi, Mauritania, Mozambique, Niger, Ethiopia, Ghana, Madagascar, and Mali

<sup>2</sup> Ethiopia, Ghana, and Mali

Other cases of internal demand can be cited from Colombia, Brazil, Rwanda, India, and other countries. Furthermore, partner country citizens also are increasingly demanding transparency in the use of public funds and accountability for results from their governments. This demand is evident in the growing use of citizen report cards (e.g., Bangalore, India; Philippines, etc.) and social monitoring.

### **External demand: Pressure to demonstrate aid effectiveness**

The demand for feedback through results measurement and evaluation of public programs derives from forces external to partner countries as well. Donors – including bilateral and multilateral aid agencies, foundations, and non-government organizations (NGOs) – have insisted on complete and accurate accounting for the results of development aid. The development community has long championed improvements in the results-orientation of development assistance. New impetus came from the agreement among most of the world’s governments in 2000 to the UN-sponsored Millennium Development Goals (MDGs), which put an emphasis on achieving measurable results in key development areas.<sup>3</sup> By adopting a results orientation, developing and donor countries alike committed themselves to improved results measurement and evaluation.

The Paris Declaration, agreed to in 2005, emphasizes country capacity development and management for results. On capacity development, partner countries have committed themselves to “integrate specific capacity strengthening objectives in national development strategies and pursue their implementation through country-led capacity development strategies where needed.” In parallel, donors are committed to “align their analytic and financial support with partners’ capacity development objectives and strategies, make effective use of existing capacities and harmonize support for capacity development accordingly.”<sup>4</sup>

At the same time, to improve management for results partners agreed to “endeavour to establish results-oriented reporting and assessment frameworks that monitor progress against key dimensions of the national and sector development strategies; and that these frameworks should track a manageable number of indicators for which data are cost effectively available.” Further, donors are committed to “work with partner countries to rely, as far as possible, on partner countries’ results-oriented reporting and monitoring frameworks”<sup>5</sup> through a system of mutual accountability.

This agreement to strengthen country systems, and in turn for donors to rely increasingly on country systems as capacity grows stronger, has increased the demand for results measurement and evaluation knowledge, advice, and training by developing countries.

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<sup>3</sup> United Nations, *United Nations Millennium Declaration*, Res. 55-2, 2000.

<sup>4</sup> OECD/DAC, “Paris Declaration on Aid Effectiveness: Ownership, Harmonization, Alignment, Results and Mutual Accountability,” 2005.

<sup>5</sup> Ibid.

The recent evaluation of the Paris Declaration concluded, however, that further strengthening of partner countries' capacities and systems will be required for advancing the reforms articulated in the Declaration.<sup>6</sup> Despite the rhetoric, the 2008 *Survey on Monitoring the Paris Declaration* noted that little progress has been made with respect to indicator 11, "countries develop sound frameworks for monitoring development results" and suggests that "an enormous change of pace will be required." (pg. 11). The document specifically recommended that "Donors should provide more support for evidence-based policy making by helping countries improve their statistical, monitoring and evaluation systems." (pg. 16). The discussions at the high-level forum in Accra highlighted the importance of incentives, south-south dialog, and peer learning in implementing the changes needed to measure results.

The evaluation and the Accra discussions culminated in the Accra Agenda for Action (AAA), which reinforces the notion of improving partner countries capacities and systems, including systems for results measurement, reporting, and evaluation. AAA emphasizes improving management for results by strengthening and coordinating various sources of information, including data from monitoring and evaluation.

### **The Supply Side: Need for Stronger Capacity Building**

The internal governance reforms and the development aid mandates and approaches discussed above have highlighted a gap in evaluation capacity. To meet the demand for evaluation knowledge, partner countries have indicated a need for strengthening of institutions, organizational know-how, and technical skills to carry out their results-based management and evaluation functions.<sup>7</sup> These countries are requesting specific kinds of assistance, such as "how to" guides for results monitoring and evaluation functions at various levels of governments and for various sectors and types of programs, embedding of evaluation functions within public management systems, customized short- and long-term training (including training of trainers) in technical skills, benchmarking information with respect to country results-based management and evaluation systems, detailed advice on how to build evaluation systems from national to subnational levels, guidance on how to use evaluation feedback for decisionmaking, and financial support for stand-alone projects on results-based management and evaluation capacity. Furthermore, the capacity building services are being requested for a broad range of audiences at the national and subnational levels (e.g., in South Africa and Brazil).

The current supply of evaluation capacity development services is limited primarily to formal, standardized training programs, which tend to be expensive if provided by external sources. They also tend to be narrow in scope -- focusing on technical aspects rather than institution-building and demand aspects of results measurement and evaluation. For example, programs provided by international entities cost on average three times those provided regionally in Africa, and six times those in Latin America

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<sup>6</sup> Wood, B. et al., (2008). *Evaluation of the Implementation of the Paris Declaration*.

<sup>7</sup> See for example, *Monitoring and Evaluation of Poverty Reduction Strategies in Regional Member Countries: Training Needs Assessment*. AfDB, 2006.

(although the quality of these programs is not established).<sup>8</sup> Consultations with the Bank’s Africa Region and partner countries in Africa also highlighted the often fragmentary, one-off, and costly nature of such programs.

This raises the question of how the gap between the supply and the demand for results measurement and evaluation capacity can be addressed most effectively and efficiently, and how it can be effectively embedded in a broader governance and results-based management framework. The program proposed in this note is based on experience with programs to date and a review of existing approaches and opportunities.

### **Proposed Program: Regional Centers for Results-Based Management and Evaluation Capacity Development**

The World Bank’s Independent Evaluation Group (IEG), in collaboration with the World Bank Institute (WBI), proposes to work with partners to begin addressing capacity needs on a more localized basis by establishing a multilateral partnership to support three regional centers (or consortia of centers) for results measurement and evaluation capacity development, embedded in broader programs of public sector administration and management. The objective of the program would be to build in-country capacity by providing regionally located, needs-based institutional analysis, training, knowledge, and technical assistance services to a variety of audiences, including government officials and civil society. The program would extend the expertise and experience gained through IPDET and SHIPDET to regional approaches in sub-Saharan Africa, and Latin America, and would expand on these narrower training models to include broader analytic support and technical assistance for institutional development, drawing on a wide range of experience and learning in results-based management and public sector institution-building in developing and developed countries alike. In the training area specifically, SHIPDET provides a model for a regional approach and could serve as a source for south-south learning. Thus, SHIPDET will provide a starting point in Asia but the capacity building approach would be broadened to include additional topics and modalities as well.

The proposal is to begin with three centers, the existing one in Asia (the Asia Pacific Finance and Development Center - AFDC) and one each in sub-Saharan Africa and Latin America, to be established in existing academic and/or policy institutions. Each “center” could also comprise a consortium of organizations (a limited number) that work together in specified areas of expertise. The centers would be supported for a period of approximately five years (beginning in mid-2009) and require an estimated US\$ 6 million per year in total. The partnership could be expanded to more centers and to centers in other regions in later years of the partnership

A key element of the proposed program is that it seeks to build the *capacity to build capacity* in developing countries. By strengthening regional centers of knowledge located within partner countries, this proposal aims to create a situation in which

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<sup>8</sup> IEGKE, rapid assessment. University-based programs also cost considerably less in Latin America and Africa.

institutions in those countries can deliver capacity development activities themselves, rather than relying on developed-country institutions. It is this capacity to build capacity that is a major benefit of this proposal.

The centers would be supported to develop and provide a range of customized learning and institution-building services, depending on regional priorities, including:

- The development and delivery of customized short- and long-term curricula on results measurement and evaluation for specific audiences: managers of government-supported or other social programs; managers of government planning and evaluation units/agencies; technical managers of evaluations; NGOs and other civil society organizations; parliamentarians; the media; and individual evaluators.
- The customization of results measurement and evaluation modules for mainstreaming into existing degree, diploma, or certificate courses for other curricular streams (e.g., training of civil servants, program managers, district administrators, and graduate students in public policy).
- The development and implementation of various modalities of learning, including e-learning, distance learning, and mixed-modality programs.
- The establishment of or engagement with a community of practice with technical support for application of results-based management and evaluation knowledge (e.g., a knowledge clearinghouse or an expert resource center).<sup>9</sup>
- The delivery of customized seminars for selected audiences, e.g., specific national government agencies, on a variety of topics, including institution-building for results-based management and evaluation.
- Organization of regional conferences on results measurement and evaluation-based decision-making.
- Provision of evaluation services.
- The development of a clearinghouse of evaluation reports, findings, and other publications.
- Training of trainers.

The technical content of the programs would be determined based on regional needs but will focus on both technical and institutional aspects: theory and methods for results-

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<sup>9</sup> Such communities of practice already exist in Latin America (supported by the Interamerican Development Bank and the World Bank). The Africa MfDR community of practice is supported by NORAD and the Bank. The CoP in Asia is supported by the Asian Development Bank.

based management, results measurement and evaluation; design and implementation of various types of evaluations; program and project monitoring techniques; indicator construction; feedback reporting and dissemination; use of evaluation feedback for policy and program formulation; and results-based budgeting and management. Knowledge-sharing activities would include peer-learning fora on approaches to establishing institutions for results-based management and evaluation, approaches to using evaluation data in government organizations, and so on. To ensure program relevance, the centers may need to conduct in-depth diagnostic work to assess specific country and regional needs and demand.

The engagement would require commitment and contribution (in-kind and financial) from the host government and the regional institutions (Annex A provides a list of the commitments and contributions expected from host governments and donors; Annex B provides a list of selection criteria for potential centers). In addition, IEG will seek major donor support through a partnership arrangement involving the Bank's Development Grant Facility (DGF).<sup>10</sup> Funding from the multilateral partnership is envisioned to play a catalytic role, enabling the new program to take root. Over a course of five years, the regional centers would be expected to become self-sustaining through course fees, consulting contracts, and provision of advisory services for pay (see section on "Identifying regional centers").

### **Benefits of a regional approach**

The initiative takes advantage of progress already made, namely, improved capacities in a number of regional institutions and developing countries to manage and evaluate development policies and funds. Using such capacities reduces costs, increases the potential outreach of training programs, and de facto materializes south-south learning. It also responds to the differences in contexts, capabilities, needs, and demands across the three regions.

The specific aspects of the regional centers approach uniquely beneficial for building capacity include:

- **Relevance to regional and country-specific issues.** The capacity needs and demands vary considerably across regions, and across countries within regions. The regions, and countries within those regions, will take ownership of the centers, as the services will be developed and customized on the basis of their demand and with attention to country contexts. The centers will be required to work closely with governments and other clients to customize their services to their needs and requirements. A rapid assessment of available programs for the Latin America and Africa regions showed that existing regional training endeavors focus mainly on public finance at a macro level but none addresses specifically monitoring and evaluation at a micro level. The courses available from universities are long and have a formal, highly theoretical approach, whereas at the courses available through multilaterals are shorter term and more applied but seemingly limited to a few

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<sup>10</sup> Annex C provides details on the Bank's DGF facility

countries' demands. The initiative will concentrate on practical approaches and applications, particularly with attention to the need for and uses of results measurement and evaluation by public sector agencies and civil society, where the gap seems to be most sensitive at the regional level. Customization and elaboration of the curriculum and capacity building approaches are likely to result in increased attention to country and institutional contexts, and to the preferred language of the participants.

- **Cost-effectiveness.** Regionally provided services could be significantly cheaper than those offered by multilaterals and other agencies. Comparisons based on a rapid assessment suggest that, on average, the cost of one week of international training provided by multilaterals could be six times higher than that of a Latin American institution and three times that of an African one.<sup>11</sup> Regional services would also benefit from a critical mass of locally-based professionals
- **Flexibility.** By virtue of its location, the regional institution would be able to provide services to several countries within the region and encourage south-south and peer learning. This approach would meet a large, currently unfulfilled demand for "how-to" knowledge. The centers will also engage Communities of Practice (CoPs) for launching, supporting, and sustaining the regional center endeavor. By doing so, the initiative would help multilateral and donor agencies to play a catalytic role, with gradual disengagement, thus increasing the leadership role by the participant countries and further mainstreaming efforts in the regions.
- **Expanded regional reach.** The center could provide services to clusters of several countries and reach a critical mass of professionals engaged in results-based management and evaluation applications.
- **Sustainability.** The initiative proposes to support public and private institutions, based on a business plan to work towards becoming self-sustaining after a period of seven to eight years. The business plan will capitalize on a regional market, basing its services on specific regional demand and lack of adequate supply for a relevant range of audiences and development actors, such as bilateral and multilateral donor agencies that support capacity building in M&E and results-based management. The centers would also be encouraged to develop their advisory capacity for income generation purposes.

In addition to the region-specific benefits, the proposed initiative brings with it other advantages of a significant multilateral effort:

- **Donor alignment and reduced fragmentation.** The initiative would change the way in which countries and donors could work together on the ground and reduce costly fragmentation of aid for results-based management and evaluation capacity development. Currently, many training programs are individually run or funded, thus

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<sup>11</sup> Internal rapid assessment

underestimating the potential to capitalize on strengths and counteract weaknesses of key region, country and donor stakeholders.

- **Branding and credibility of regional institutions.** Furthermore, by co-branding the capacity development services, and building them on existing IEG/World Bank and partner/client country materials, the partner institutions would obtain recognition in the program's startup phase. This advantage would allow them to broaden their experience and strengthen their own brand names over time.
- **Relationship with other efforts, agencies, and associations.** The proposed initiative complements, and could serve as a resource for, other ongoing efforts to support the aid effectiveness agenda.

### **Complementarities with other initiatives related to results-based management**

Results-based management encompasses several disciplines. Its implementation requires knowledge of, and capacity with respect to, a number of different areas, including planning and management, data and information, analytic tools, and decision-making processes. A number of initiatives are addressing critical aspects of results-based management. For example, the Marrakesh Action Plan for Statistics (MAPS) program is a significant effort to build statistical capacity of central agencies and line ministries. A related fund, the Statistics for Results facility, will provide grants for areas in statistical capacity not funded through other sources. The current initiative could complement these programs, both upstream and downstream, by collaborating on designing appropriate indicators and developing courses on the uses of statistical information, thereby bridging the core activities with consumer needs and demands. IEG is in consultation with the MAPS program regarding the synergies between the two initiatives.

Similarly, several donors support CoPs on managing for development results (MfDR), which encompass results monitoring and evaluation. These CoPs are supported through multilateral Banks and donor agencies. The regional centers would coordinate with these CoPs, potentially serving as the secretariat and provider of services in knowledge dissemination.

Finally, the regional centers would also work with professional associations such as the African Evaluation Association (AFREA) to identify demand, engage their members in capacity building services, and collaborate on knowledge-exchange activities. Several such associations (17) exist in Africa, but most are weak and inactive.

The international development community is also supporting several initiatives in impact evaluation (IE), including the Networks of Networks for Impact Evaluation (NONIE), with IEG as the secretariat, and the International Initiative for Impact Evaluation (3IE). NONIE was established to provide support for and collaborate on IE, bring coherence and relevance to the initiatives from the perspective of policymakers from developing countries, optimize resource allocation, and build and disseminate knowledge. 3IE was similarly established to increase the number of impact evaluations in the development

arena. 3IE plans to commission evaluations on key areas that are identified through a broad consultative process and invite proposals for evaluation. The Spanish Impact Evaluation Fund (SIEF) was established by the Spanish Government with the World Bank's Human Development Network anchor for supporting evaluations in pre-specified areas, and the Bank's Africa Impact Evaluation initiative assists governments in conducting impact evaluations.

These programs place a premium on the engagement of partner countries in conducting rigorous evaluations, and the centers would support the initiatives by collaborating on training and providing support to the in-country evaluators. The centers would be encouraged to build a systematic collaborative relationship with these programs.

The initiative would also support broader governance-related programs, such as the Governance Partnership Facility, through its work on strengthening institutions of accountability and enhancing monitoring skills of civil society organizations.

### **Identifying possible regional centers**

IEG anticipates that the centers in sub-Saharan Africa and Latin America will be chosen based on a competitive process requiring potential centers to submit a proposal and a credible business plan. Further work of AFDC in China will also be based on demand, and additional centers may be chosen in the Asia region. The potential institutions will also be screened against a set of criteria comprising seven organizational dimensions (see Annex B for an example of the dimensions to be considered): organizational governance, management practices, human resources, financial resources, evaluation capacity, regional capacity, and sustainability. Other factors will include: geographical location, name recognition of academic centers, and financial contributions from the host government and academic institutions.

Based on discussions with experts in development, representatives of partner countries in sub-Saharan Africa and Latin America, and the World Bank and IDB staff working in these two regions, IEG has provisionally identified a list of candidates in sub-Saharan Africa and Latin America. These centers (and others) could be invited to submit bids based on a specific request for proposal.

In sub-Saharan Africa, the Makerere University Institute of Social Research (MISR) in Uganda has a significant program in public management, including courses in results measurement and evaluation. A number of MISR staff have been trained through the IPDET program. Another possible institutional partner is the Ghana Institute of Management and Public Administration (GIMPA), which has offered courses on evaluation and has experience conducting training of trainers. Several South African universities also have programs that could be considered as regional centers. The University of Cape Town offers a master's degree in Monitoring and Evaluation; the University of Witwatersrand confers a Masters Degree in Public and Development Management; and Stellenbosch University offers a Postgraduate Diploma in Monitoring and Evaluation Methods. Kenya Institute of Management is another possibility, as is

Ashesi University (a private university in Ghana). A center for Francophone countries would also be identified through consultations.

In Latin America, the Centro de Investigacion y Docencia Economicas (CIDE) and the Instituto Tecnológico Autónomo (ITAM) de México provide periodic evaluation courses and seminars. The Universidad de los Andes in Colombia also conducts specialized programs on evaluation of social projects and annual short term courses on impact evaluation. Universidad Católica de Chile and the Universidad Torcuato di Tella in Argentina similarly provide evaluation courses. These academic institutions also have research departments that are currently undertaking impact evaluations at the country and the region levels. In addition, the Economic Commission for Latin America (CEPAL), headquartered in Chile, is a UN organization that provides training on impact evaluation, performance management, monitoring, indicators, and other aspects of evaluation. Another multilateral-supported program is the Inter-American Institute for Social Development, which provides training on performance management.

It should be emphasized that the institutions discussed above are cited only as examples of organizations that could be considered for inclusion among the regional centers. Additional consultations and review of the programs and administrative capacities of these and other institutions will be conducted as part of the process of selecting regional centers. The main point here is to note that there are extant academic and/or policy centers with programs that offer *prima facie* evidence of an ability to take on the role of regional centers, suggesting the plausibility of the regional centers approach.

We will continue to identify potential centers in consultation with donors and partner countries.

### **Governance of the Partnership**

One of the key issues in establishing the partnerships for regional centers is the governance structure. A governance model is suggested below, although the final decisions on governance issues will need to be worked out among the partners.

#### **Recipient organization**

First, there needs to be an organization that can be the recipient of the grant funds. If the initiative receives a Bank DGF grant, this organization must have an independent legal identity from the Bank. We propose to establish a secretariat initially housed in the Bank, with the centers being designated directly as recipient agencies.<sup>12</sup> There are substantial start-up costs associated with setting up a new secretariat, including the need to find staff, set up systems, and get agreement from the partners on the organization and operation of

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<sup>12</sup> One example would be the Information for Development (*infoDev*) program. This is a partnership of bilateral and multilateral development agencies to assist developing countries and their partners to use information and communications technology effectively. The program is housed in the Bank, which provides a secretariat and a program manager to oversee its operations. Another example is MAPS, the secretariat for which is also housed in the Bank.

the fund, and we believe that these can be managed effectively and efficiently by relying on Bank expertise to help establish such secretariat functions. The Bank would also provide contributions to the secretariat through staff time and expertise. An additional advantage would be the ability to coordinate the regional effort with existing programs, including IPDET, SHIPDET, and broader institutional- and capacity-development programs.

The role of the secretariat would be to coordinate funding of one or more centers in each region. This is the model used by the Marrakech Action Plan for Statistics (MAPS) program. It could be an attractive model in this case where the intention is to have a center (or several centers) in each region, and where it is not an objective to develop a uniform global approach but a region-centric set of programs.

IEG and WBI propose a two-level structure for the organization: a governing board (broad oversight, strategy-setting and decision-making body), and a secretariat (smaller group responsible for overseeing day-to-day program implementation).

### **Governing Board**

IEG and WBI propose that the organization be governed by a Board that meets annually to set broad policy directions and goals for the program. The Board would include members representing donors, senior government officials from partner countries (based on rotation among countries), regional centers, and other stakeholders (e.g., representatives from civil society and subject-matter expert groups). IEG and WBI could join with other interested Bank units in representing the Bank on the Board. Civil society clearly has an interest in the quality of results monitoring, reporting, and evaluation on development work, and many NGOs have expertise in development evaluation that could prove useful. Many developing countries also have national evaluation associations, and at the regional level there are such organizations as the African Evaluation Association (AfREA), the South African Management and Evaluation Association (SAMEA), and Red de evaluación de América Latina y Caribe (ReLAC). These organizations could contribute their knowledge of regional issues in evaluation and results-based management to the deliberations of the Board.

An Executive Committee of the Board, comprised of lead donors (those contributing \$1 million or more), government representatives from the three regions (based on rotation among countries within regions), Bank regional units (based on rotation), WBI, and IEG, would be responsible for setting the strategy and specific goals for the initiative, soliciting and reviewing proposals for participation in the program, and granting awards to the regional centers. It would also commission work program reviews and evaluations. This group would be expected to meet approximately six times a year.

Once the centers are selected the Committee would also comprise representatives from the selected centers. Representatives of the centers however would not participate in determining budget allocations and commissioning evaluations.

## **Secretariat**

The Secretariat would handle the day-to-day administration of the initiative. As mentioned above, the Bank proposes that the Secretariat be housed in the Bank initially. This would expedite implementation of the program and take advantage of existing expertise with the management of DGF and Trust Fund resources, as well as expertise with results-based management and evaluation capacity development. The Secretariat would be expected to move outside the Bank in subsequent years (potentially the third year of the initiative).

The initiative would identify one recipient institution in each region. This institution would also be designated as the lead institution and would collaborate with other institutions in a consortium to support those elements of the program for which they have a comparative advantage. For example, the lead institution might have a strong applied program in uses of evaluation, while another institution in the consortium may have in-depth expertise in the technical aspects of evaluations. Taking advantage of these different areas of competency would strengthen the overall program without requiring a complicated financing process.

Other governance structures are possible, and the Bank is open to ideas and discussion regarding the most effective and innovative ways to operate the partnership.

## **Monitoring and evaluation of partnership**

The initiative will be subject to systematic and rigorous monitoring and evaluation. The implementation of the overall initiative will be monitored on a regular basis through its secretariat and be subject to two independent evaluations – mid-term and final – that will be outsourced to an independent agency by the Executive Committee, subject to the Board's approval. Due to its involvement, IEG will recuse itself from evaluating this initiative.

As part of the monitoring and evaluation system, each participating center or consortia of centers will be required to develop its own monitoring and evaluation framework, based on its specific objectives and activities. Such an M&E scheme should allow countries and donors to measure results and potential impacts of this initiative at different levels (targeted audiences, countries, and regions). It should also provide feedback for improving the performance of their programs.

The initiative will be evaluated against its objective: to establish centers for providing M&E capacity building services on a demand-driven, sustainable basis. The main outcome indicators (draft) are as follows:

- three centers of monitoring and evaluation capacity building established and providing regional services by 2015; and
- the capacity building services provided by the centers are utilized and rated highly by its clients and key regional constituents.

The evaluation, however, will not be limited to the stated objectives but also assess both the intended and unintended results. The methods for evaluating global programs will apply.

### **Indicative Funding Requirements**

We have estimated indicative costs for a period of five years for three regions (see Table 1). The yearly cost assumes three or more customized training programs in each region; an annual conference or similar major event in each region; a research agenda; and a system for delivering timely advice to several countries in each region. Within this scope, the initiative would cost approximately \$29.3 million over five years.

IEG is seeking two to three lead donors who would contribute \$1M to \$2M each per year, and three to five donors who would provide \$250 to \$500K each per year, initially. The Inter-American Development Bank has already pledged an initial \$1.5M for the first year. These contributions are projected to decline beginning in 2012 if only three centers are supported. DGF provides funding for a period of three years only. However, if the initiative is broadened, the funding needs would remain steady or increase between 2012 and 2014.

**Table 1: Indicative sources and uses of funds in USD, total and by year  
(in thousands)**

	2010 (Year 1)	2011 (Year 2)	2012 (Year 3)	2013 (Year 4)	2014 (Year 5)	Total
<b>Source of funds</b>						
Total World Bank	1600	1650	1450	550	550	5800
DGF	1000	1000	900	0	0	2900
Bank Budget	600	650	550	550	550	2900
Donor Partners*	4550	4450	4130	4130	3930	21,190
Govt. and Institutions (in-kind)	135	275	350	450	500	1710
Africa	25	25	50	100	150	350
Asia	55	125	150	175	175	680
LCR	55	125	150	175	175	650
Income (institutions)	0	70	100	150	300	620
<b>Total</b>	<b>6,285</b>	<b>6,445</b>	<b>6,030</b>	<b>5,280</b>	<b>5,280</b>	<b>29,320</b>
<b>Use of funds</b>						
Curriculum development	2950	2500	1400	900	700	8450
Curriculum Delivery (inc. scholarships)	1500	1845	2450	2400	2560	10755
e-learning tools and modules**	450	500	460	300	300	2010
Advisory services	285	350	500	530	570	2235
Conferences	400	500	500	500	500	2400
Research	300	350	320	250	250	1470
Administrative costs (including secretariat)	400	400	400	400	400	29320
<b>Total</b>	<b>6,285</b>	<b>6,445</b>	<b>6,030</b>	<b>5,280</b>	<b>5,280</b>	<b>29,320</b>

\*IDB has already pledged US\$1.5 million in the first year. Funding for the remaining years is contingent on a US\$200 million grant that will be established once China joins the IDB. DFID has also committed to support the initiative.

\*\* The e-learning modules will be based on curriculum development. In addition, the centers will develop internet-based tools to facilitate networking and knowledge-exchange.

As the table shows, DGF resources would disappear after year three, but the Bank budget would remain steady, maintaining a catalytic presence for the Bank. Donor funding is slightly higher in the initial years to help finance the centers' start-up costs, particularly

curriculum and materials development. Over time, however, donor contributions are expected to decline, with the centers generating higher operating income than in initial years and governments and the institutions themselves shouldering a higher proportion of the costs. Although the centers are not likely to be self-sufficient at the end of five years, especially in sub-Saharan Africa, we expect that they would aim for self-sufficiency in seven to eight years, and rely more on direct funding and in-kind support rather than through the initiative. Different centers will require different degrees of support after the initial five years.

The largest proportion of the budget is for curriculum development and delivery. In the early years, substantial resources would be needed for developing curriculum and teaching materials, but more resources would be devoted to delivery in later years. The delivery costs include funding allocated for scholarships. The yearly conferences will focus on practitioner-to-practitioner knowledge-exchange on key, cutting-edge topics of interest to the regions. The conferences will also facilitate south-south and inter-regional learning.

### **Why is IEG Coordinating this Initiative?**

IEG is committed to this initiative for several reasons. First, in its evaluation work IEG routinely identifies the need for improved results measurement and evaluation capacity for development programs. This finding has been consistent in IEG's country, sector and thematic, global, and corporate evaluations. Thus, IEG's evaluations have positioned it to understand the issue from a variety of perspectives.

Second, IEG's mandate includes the development of evaluation capacity in partner countries. IEG's services include providing on-demand advice and technical support to governments regarding results-oriented monitoring and evaluation systems; evaluation training through IPDET (which has trained 1500 participants from over 100 countries); and the creation, management, and dissemination of knowledge related to building evaluation capacity and systems, including dissemination of good practices. IEG's advisory and technical support work has been highly selective, focusing intensively on a few countries, where it has played a catalytic role in helping to establish good practices, and providing lower intensity support to a wider range of countries.

Third, IEG has some experience in establishing regional programs of evaluation capacity development. IEG began partnering with the Ministry of Finance (MoF) of China in 2007 to provide regional training in evaluation, based on the highly successful IPDET model. Thus far, the program has provided training to Chinese staff and to government officials from other countries in the region through the Asia-Pacific Finance and Development Center. The partnership also includes technical assistance to MoF for the development of an improved results measurement and evaluation system for the government's five-year national plan.

However, there is a need for localized, customized evaluation capacity building services and for opportunities to learn from peers on a regular basis. IEG is therefore interested in

supporting an initiative that builds local capacity with support from IEG's experience, but one that engages the regional units of the Bank and other stakeholders as partners in the process.

### **Contacts for More Information**

The Independent Evaluation Group is headed by Vinod Thomas, Director-General.

This initiative is coordinated by IEG-World Bank under the leadership of Cheryl Gray, Director, IEG-WB ([cgray@worldbank.org](mailto:cgray@worldbank.org)) with the support of Arup Banerji, Senior Advisor, IEGWB ([abanerji@worldbank.org](mailto:abanerji@worldbank.org)).

For specific information, please contact:

Nidhi Khattri, Sr. Evaluation Officer, IEG/KE  
(202) 473-5255  
[nkhattri@worldbank.org](mailto:nkhattri@worldbank.org)

Manuel Fernando Castro Quiroz, Sr. Evaluation Officer, IEG/KE  
(202) 458-5674  
[mcastroq@worldbank.org](mailto:mcastroq@worldbank.org)

## **Annex A**

### **Expected Actions from Host Governments and Donors -Draft-**

#### Expectations from host governments and institutions

- Government (MoF, Planning or Evaluation Agency) commitment to use the center's services
- Specific demand for evaluation capacity development
- Contributions (in-kind and financial) for the initiative
- Channeling of demand from other sources (e.g., subnational governments) for services to the center

#### Expectations from donors

- Three to five years of financial support
- Technical assistance for building up the program
- Catalytic and brokering role for channeling demand from donor-supported projects and programs
- Advice and co-branding of the training products

## **Annex B**

### **Proposed criteria for selecting organizations that could become regional centers**

#### **-Draft-**

The following draft criteria covering seven dimensions could be applied to the initial selection process. However, the criteria would not be applied mechanically or to produce a final outcome that ‘requires’ an organization be selected as a regional center. The technical decisionmaking committee would also exercise its professional judgment, based on other sources of evidence, as well as the proposals submitted by the institutions interested in participating in the initiative. The criteria are adapted from previous work completed by IEG, USAID, and the IMF<sup>13</sup>. The method of applying the criteria and rating the organizations would need to be developed further.

#### I.     Organizational Governance

- Legal basis/status of the organization
- Governance structure (Board, Trustees, etc.)
- Board composition
- Leadership structure
- Mission statement & fit with regional services

#### II.    Management Practices

- Organizational structure.
- Organizational culture
- Incentives in the organization to reward quality performance
- Clarity of organizational procedures
- Strategic plan for the organization
- Reporting of organizational results
- Extent of sub-contracting of services and training
- Recent history of re-organization or re-structuring

#### III.   Human Resources

- Number and structure of professional/substantive training for staff
- Structure of salaries and benefits
- Average time for professionals in the organization
- Turn-over rate among professionals
- Record of publications indicating evaluation capacity.

#### IV.    Financial Resources and Practices

- Financial stability
- Ratio of hard to soft money

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<sup>13</sup> The criteria are build on IEG’s 1997 notes on regional centers and the IMF AFRITAC’s independent mid term evaluation, 2005.

- Transparency of accounting system
- Audits and auditing standards
- Experience with receiving consulting contracts
- Experience with billing for services
- Where are funds held (bank, university account, etc.)
- Soundness of financial reports
- Experience with managing contracts with multiple funders

V. Evaluation Capacity

- Management of evaluation function
- Experience in designing and conducting evaluations
- Experience in designing and building monitoring and evaluation systems at the local, regional, or national levels.
- Sectoral expertise in evaluation.
- Methodological expertise in evaluation at the project, program and policy levels.
- Experience in qualitative and quantitative approaches to evaluation.
- Experience in training in evaluation ('training of trainers?')

VI. Regional Capacity

- Current capacity for a regional approach to building evaluation capacity
- Capacity for organizing conferences/workshops
- Training and distance learning facilities in the organization or easily accessible
- Capacity for an electronic network
- Existence of regional collaboration or formal partnerships
- Experience in evaluation consulting/technical assistance/training outside the country in past 3 years
- Knowledge of and experience in working with regional stakeholders for evaluation
- Friction between country of location and other countries in region that would inhibit collaboration and cooperation
- Relations between this organization and any national or regional evaluation associations
- Means of dissemination of evaluation finding

VII. Sustainability

- Evidence of financial sustainability
- Evidence of sustainable social science work is available (contracts, grants, endowment, etc.)
- Evidence of sustainable evaluation work is available (contracts, grants, etc.)
- Evidence of similar functions and their duration

**Overall Assessment:**

The areas noted above could potentially be weighted as follows to obtain an overall score.

Organizational Governance	10 points
Management Practices	10 points
Human Resources	10 points
Financial Resources and Practices	15 points
Evaluation Capacity	30 points
Regional Capacity	15 points
Sustainability	10 points
<b>Total Score</b>	<b>100 points</b>

## **Annex C**

### **The Development Grants Facility of the World Bank**

#### **Objectives and Timeline**

(Summarized from the DGF website)

The Development Grants Facility of the World Bank was established in 1997 to integrate the Bank's grant-making activities funded from its administrative budget. It uses grants to encourage innovation, catalyze partnerships, and broaden the scope of Bank services.

Over the past 10 years, the DGF has supported 150 programs and provided US \$1.8 billion, catalyzing about US\$1 billion annually from the Bank's partners, including bilateral donors, other financial institutions, foundations, and private sector.

Initiatives are considered for DGF funding on a competitive basis and must meet minimum eligibility criteria. The initiative must:

- further the Bank's development objectives but not compete with regular Bank instruments,
- operate where the Bank has a distinct comparative advantage and not replicate the role of other donors,
- encompass multi-country benefits or activities not appropriate to undertake at the country level,
- reinforce partnerships with key players in the development arena,
- provide significant leverage for generating financial support from other donors, and
- have an explicit disengagement strategy tailored to its individual circumstances.

#### Level of Financial Contribution

The Bank's presence is intended to provide leverage for generating financial support from other donors and assurance of program effectiveness and sound financial management and administration. Any single grant to a recipient should generally not exceed 15 percent of expected funding over the life of Bank funding to a given program, or over the rolling 3-year plan period, whichever is shorter. Where grant programs belong to new areas of activities (involving, for example, innovations, pilot projects, or seed-capital) some flexibility will be introduced to allow for the Bank's financial leverage to build over time. The target for the Bank grant not to exceed 15 percent of total expected funding will be pursued after allowing for an initial start-up phase (maximum 3 years).

#### Management and Governance

The grant is normally given to an institution with a record of achievement in the program area and financial probity. A new institution may have to be created where no suitable institution exists. The management of the recipient institution is independent of the Bank Group.

However, the Bank may have a role in the governance of the institution through membership in its governing Board or oversight committee. The arm's length relationship with the Bank's regular programs is appropriate in most cases, and will be maintained. In cases of highly innovative or experimental programs, Bank involvement in supporting the recipient to execute the program will be allowed. This will provide the Bank with an opportunity to

benefit from the learning experience, and to build operational links to increase its capacity to deliver more efficient services to client countries.

More information is available at the DGF website:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/EXTFININSTRUMENTS/EXTTRUSTFUNDSANDGRANTS/EXTDGF/0,,menuPK:64161791~pagePK:64161828~piPK:64161823~theSitePK:458461,00.htm>

#### DGF Timeline for Fiscal Year 2009

Consultations with the Development Grants Facility and internal partners – ongoing through November 2008

Consultations with donors and partner countries – ongoing through early December 2008

Internal partnership review meeting with the DGF group – mid-December 2008

Applications completed and submitted for review – mid-January 2009

Review completed by sector boards and submitted to Heads of Bank Networks – early February 2009

Network councils complete their reviews and rank proposals according to their priorities – early March 2009

Review by DGF Council and provision of proposed budget to Board – March to May 2009