

TA COMPLETION REPORT

Division: OEDD

TA NO./NAME: TA 2782-PHI: Pilot Implementation of the Project Performance Management System (PPMS)		TA AMOUNT APPROVED: \$250,000	SOURCE: TASF
		REVISED AMOUNT: —	
EXECUTING AGENCY: National Economic and Development Authority - Project Monitoring Staff (NEDA-PMS)		TA AMOUNT UNDISB.: \$33,662.3	TA AMOUNT UTILIZED: \$216,337.7 ¹
DATE: 24 Nov 1999	APPROVAL: 16 April 1997	SIGNING: 29 April 1997	FIELD: N.A.
		CLOSING ORIGINAL: May 1998	ACTUAL:

BACKGROUND/RATIONALE

The national monitoring and evaluation (M&E) system is evolving from merely tracking efficiency (disbursement rates, implementation milestones) to monitoring effectiveness (project impacts) within expected costs. Notwithstanding this, project monitoring and reporting systems continue to emphasize implementation performance. In addition, there are weak linkages between M&E and the process for identifying, appraising and selecting public investment projects. Based on this M&E experience, the Philippines was one of several countries selected by the Asian Development Bank (ADB) to pilot test what it terms the Project Performance Management System (PPMS)² approach to strengthen national M&E management processes and intensify feedback on performance experience.

TA OBJECTIVE AND SCOPE

The overall objective of the technical assistance (TA) was to improve the effectiveness of national development expenditures by enhancing Government M&E capabilities through a pilot implementation of PPMS in the Department of Agriculture (DA) and the Department of Health (DOH), with the National Economic and Development Authority (NEDA) as oversight and coordinating body. The TA comprised: (i) capability assessments of M&E units in NEDA, DA and DOH, (ii) PPMS pilot program, (iii) institutional strengthening of NEDA, DA and DOH to operationalize PPMS, and (iv) preparation of a program/strategy for broad-based implementation of PPMS.

INPUTS EVALUATION

One international consultant (6.5 person-months) with expertise in M&E and institutional development, and one domestic consultant (12 person-months) with similar expertise were engaged to carry out the TA. The terms of reference (TOR) of the consultants' were consistent with the TA objectives (see Overall Assessment). The performance of the consultants was satisfactory. The consultants conducted a series of short PPMS training workshops and on-the-job training covering project scope, identification of objectives with corresponding performance indicators and targets, data requirements and rapid appraisal survey and analytical techniques. The consultants completed their assignments in August 1998. The TA also provided NEDA with four desktop computers and two printers to strengthen logistical support for TA implementation. TA savings supported preparatory activities for possible ADB assistance to institutionalize results-oriented M&E.

OUTPUTS EVALUATION

The TA accomplished the following: (i) trained staff of NEDA, DA and DOH in PPMS concepts and an understanding of PPMS methodology/tools, (ii) assessed the capability of M&E units of these agencies, including NEDA offices in selected regions and provinces used as pilot test areas, and enhanced their capabilities to adopt PPMS, (iii) prepared a comprehensive guideline on PPMS that will serve as reference for its implementation, and (iv) devised several "Quick & Easy" tools and techniques to supplement standard evaluation methodologies and simplify data collection, processing and analysis for applying the ADB's PPMS concepts. PPMS was field tested in three regions of the Women's Health and Safe Motherhood Project (DOH) and three provinces of Cordillera Highlands Agricultural Resources Management Project (DA). The TA achievements were affected by implementation problems and external factors including: (i) *lack of project coordination within Implementing Agencies (IAs)* - while recognized as important conceptually, improved M&E is still not accorded high enough priority by line agencies; (ii) *poor compliance with project reporting requirements/requests* - in practice, there is no effective reporting discipline within line agencies; (iii) *extant Reporting system modification* - while there was some support to integrate PPMS indicators and results monitoring in NEDA's regional project M&E system, many regional offices expressed concern that further modification would overburden a system already experiencing lack of compliance by IAs, (iv) *no enforcement power for compliance with reporting requirements* - NEDA cannot impose sanctions for non-compliance with reporting requirements; (v) *inappropriate M&E structures within IAs* - there are overlapping of functions in the IAs, (vi) *log frame retrofitting difficulties* - the original log frames for the DA and DOH projects were poorly formulated during project design, with multiple objectives and lacking meaningful measurable indicators, baseline or target data, (vii) *Governmental perception on M&E* - evaluation at project implementation

¹ Balance as of 31 October 1999. Amount subject to change pending liquidation of outstanding obligations under the Advance Payment Facility with NEDA under the TA and an ongoing request for procurement of additional equipment using the balance for TA equipment.

² PPMS comprises an integrated approach to project implementation and development results monitoring. It focuses on the use of the logical framework and a system to generate regular and timely results-oriented performance reports on individual projects.

level is generally viewed as a fault finding process which poses a threat to the existing management structure; (viii) *adaptability of system/tools/techniques* – both the manual and future training program need to be refined to focus on fewer, more feasible techniques; and (ix) *sustainability of M&E knowledge* – it was originally envisaged to develop a core cadre of M&E trainers to institutionalize M&E capability but there was insufficient time to actually train trainers on how best to present their new found knowledge. The prevailing practice in implementing projects is to hire contractors with M&E capability, rather than do it in-house. Thus most of the M&E learning accrues to the benefit of the contractor and is lost at project end.

OVERALL ASSESSMENT AND RATING

The TA rationale and mix of components was sound. However while the immediate objective of pilot testing PPMS was met, the expectation of an operational system was not realized - in retrospect, this was an unrealistic aim given that when the TA started, PPMS was a system that the ADB itself had not fully developed nor adopted. The TA design underestimated the timeframe and administrative requirements for introducing such a system, which included field-tests on ADB projects where ADB staff themselves were not yet familiar with the concepts and procedures. Parallel to the ADB initiative, results-oriented monitoring and evaluation³ was also supported by a World Bank (WB) grant⁴ and together they achieved useful results for a national results monitoring and evaluation (RME) system. The consultants helped to develop knowledge and skills in RME techniques among the Government staff who participated in the TA (from national, regional, and local government levels). The TA helped raise awareness in Government of the merits of results-based monitoring and evaluation of projects, greatly facilitating the acceptance of its formal introduction. In addition, the experience and lessons learned have been invaluable in determining how to develop RME further and how to institutionalize it in the government system. PPMS together with WB assistance was able to advocate and establish a mechanism wherein RME could be integrated in the project development cycle, from project design to project completion, which NEDA plans to integrate in the National Government's guidelines for project approval. The guidelines prepared under both TA projects are to be source materials in developing an integrated training curriculum for sustained RME training. In view of the foregoing, the TA is rated partly successful.

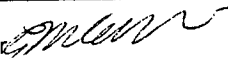
LESSONS LEARNED

The TA-specific lessons to be learned are: (i) a partial/piecemeal donor approach to implementing changes in national M&E processes will not be effective unless it is done in a broad M&E agenda/framework and sustained by institutional and leadership support at all levels of participating agencies; (ii) the exercise should have been less donor-driven and with stronger local initiative. NEDA should take a lead role in providing direction, training and on-the-job assistance and follow up to implement and replicate the PPMS/RME approach to projects in other Departments; (iii) manpower training must be institutionalized (cadre of core trainers; training institutions) in order to develop and maintain the necessary depth of understanding and competence in M&E concepts; (iv) a project should be designed using the log frame; (v) a project should not be approved for funding until the objectives, indicators and targets have been clearly defined and a M&E system established; (vi) funding for M&E should be anticipated and included in the project budget (additive costs for workshops, field surveys and report preparation); and (vii) it is difficult to undertake retrofitting of log frames for existing projects – they can perhaps be prepared as part of the ADB's midterm review process.

RECOMMENDATION AND FOLLOW-UP ACTION

The high degree of interest in and receptivity to promoting results-oriented monitoring and evaluation within the Government present in the previous administration (prior to June 1998) has been sustained and reemphasized. As follow-up, the Government further requested ADB assistance to refocus monitoring towards assessing outcomes, and reorienting evaluation from post-evaluation to concurrent evaluation during project implementation. Further ADB support towards operationalizing a practical, national RME system is needed to help NEDA in the following:

- (i) Ensure consistency of capacity building and training approaches, and in developing and establishing a standard RME system for national adoption.
- (ii) Establish processes and procedures for the monitoring and evaluation of projects within its RME framework.
- (iii) Create a non-sectoral "RME Support" Division, and recruit/reassign a core group of personnel to staff it. A Division Chief and Administrative Assistant should be assigned permanently with other staff detailed full-time on rotational basis.
- (iv) Follow-on consultancy to provide further intensive and extensive training for NEDA personnel and project EAs, to attain competency-levels in key RME subject matters.
- (v) Expand coverage of RME both vertically and horizontally – provide greater depth in DA and DOH and extend to other agencies such as the Department of Public Works and Highways.

Prepared by: Graham M. Walter  Designation: Senior Evaluation Specialist, OEDD

³ A development management approach aimed at enhancing the likelihood of achieving the desired outcomes and long term impact of development projects.

⁴ Capacity Building in Development Assistance and Results Monitoring (CBDARM). The total cost of the project is about \$502,000, of which \$375,000 was financed by a grant from the World Bank. The grant assistance focused on building project monitoring and evaluation skills within NEDA, line agencies and oversight agencies and included the preparation of a training manual on RME and draft guidelines for integrating RME into the project approval process