Evaluation Approach

Project Performance Evaluation Report for Loan 2167 and Grant 0006-SRI: Tsunami-Affected Areas Rebuilding Project
September 2015

Team Leader: Eunkyung Kwon, Principal Evaluation Specialist (ekwon@adb.org)
Contact: evaluation@adb.org

A. Introduction

1. This evaluation approach paper presents the background, issues to be addressed, a proposed approach, and schedule for preparing a project performance evaluation report (PPER) of the Sri Lanka Tsunami-Affected Areas Rebuilding Project. Findings of the PPER will provide an input to Independent Evaluation Department’s (IED) country assistance program evaluation for Sri Lanka planned for 2016.

B. Background

1. Country and Strategic Context

2. On 26 December 2004, a 9.0 magnitude earthquake off the Sumatran coast sent several tsunami waves radiating into the Bay of Bengal, Andaman Sea, and Indian Ocean. The waves caused widespread damage and destruction in Sri Lanka to dwellings, buildings, roads, fishing boats, and other infrastructure. More than 35,000 lives were lost, with thousands more missing or injured. More than 500,000 people lost their homes and livelihoods. About 1~2 million of the 19 million total population was directly or indirectly affected by the tsunami, of which 75% were the poor, working in the informal economy. About 60% of the damage occurred on the east and northeast coasts.¹

3. A joint tsunami needs assessment was undertaken by ADB, the World Bank, and Japan Bank for International Cooperation, in cooperation with the Government of Sri Lanka and the Task Force for rebuilding the nation. The tsunami-related financing needs for reconstruction were estimated to be about $1.5 billion in the short term. The majority of these resources were required for housing, transportation, institutional and community infrastructure, livelihood restoration for fishermen and small-scale farmers, and small and micro-enterprises. Based on this assessment, ADB prepared the project to contribute to the government’s overall rebuilding efforts, through (i) establishing legal identities and rights of the affected people, (ii) reestablishing livelihoods, (iii) restoring access to basic services, and (iv) reconstructing damaged infrastructure.

2. Project

4. The project’s intended impact was improved living conditions and well-being of a significant number of people in the tsunami-affected areas. Impact targets at appraisal were reduced poverty and improved living standards in the tsunami-affected areas. The intended

¹ ADB. 2005. Report and Recommendation of the President to the Board of Directors: Proposed Loans and Grants to Sri Lanka for the Tsunami-Affected Areas Rebuilding Project and the North East Community Restoration and Development Project II. Manila.
outcome was basic social infrastructure, community services, and livelihood restored in the project areas. Outcome targets at appraisal were (i) improved basic social infrastructure to over 150 villages, (ii) access to safe drinking water and sanitation facilities to over 5,000 families, and (iii) reduction in travel time in the rural areas by about 30%.

5. The project consisted of eight components: (i) Legal Assistance, Governance, and Anticorruption; (ii) North East Coastal Community Development; (iii) Road Rehabilitation and Reconstruction; (iv) Water Supply and Sanitation; (v) Southern Province Reconstruction; (vi) Coastal Resources Management; (vii) Rural Finance; and (viii) North East Community Reconstruction and Development–Tsunami. Output targets of each component were the following:

(i) **Legal Assistance, Governance, and Anticorruption**: (a) assistance given to 10,000 tsunami affected families to obtain documents and resolve disputes, (b) establish either tsunami mediation boards and/or division on tsunami in bribery or corruption commission and/or tsunami ombudsmen, (c) training provided to at least 60 staff, (d) computerization of tsunami related data in specified government departments, and (v) connectivity of computers in 30 districts established.

(ii) **North East Coastal Community Development**: (a) temporary jobs created for over 1,000 people, (b) jobs created for over 100 members of the vulnerable groups, and (c) management plan developed.

(iii) **Road Rehabilitation and Reconstruction**: (a) about 225 kilometers (km) of roads reconstructed, (b) one bridge reconstructed, (c) drainage improved for about 100 km in sections, (d) paved shoulders and corrective measures at black spots, (e) about 200 km of access roads reconstructed, and (f) drainage improved for about 50 km in sections.

(iv) **Water Supply and Sanitation**: (a) expansion of about three small and medium schemes, and (b) construction of about 10 community-based schemes and over 500 common wells.

(v) **Southern Province Reconstruction**: (a) assisting about 100 villages, (b) self-employment created for over 500 persons, (c) shelter given to about 2,000 families, (d) employment created for over 100 members of vulnerable groups, and (v) reconstruction of five facilities.

(vi) **Coastal Resources Management**: (a) protection increased to 150 km of coastal areas, (b) about three fisheries harbors repaired, (c) livelihood restarted for over 2,500 fishermen, and (d) temporary jobs created for over 500 people (fishermen).

(vii) **Rural Finance**: assistance given to more than 8,000 families with microcredit.

(viii) **North East Community Restoration and Development Project–Tsunami**: (a) construction of about five institutional facilities damaged by tsunami, (b) reconstruction of about five community infrastructures such as schools and health facilities damaged by tsunami and not undertaken by other agencies, (c) about two small and medium schemes reconstructed, (d) reconstruction of about five community-based schemes and over 200 common wells, (e) assistance given to over 100 villages, (f) self-employment created for over 200 persons, (g) over 50 village community-based organizations established, and (h) shelter given to about 3,000 families.
3. Major Findings and Recommendations of Project Completion Report and its Validation

6. No major issues were identified in the project completion report (PCR) and its validation report. The 2012 PCR rated the project highly relevant, effective, efficient, and likely to be sustainable, and successful overall. The 2014 PCR validation agreed with most of the PCR's assessments, but gave a lower rating to project relevance. The validation downgraded the relevance rating to relevant from highly relevant rating of the PCR due to scope changes made during implementation.

7. The PCR identified the following lessons from the project: (i) mobilizing community-based organizations was effective to implement activities restoring livelihoods or empowering women at the local community level; (ii) substantial time was required to mobilize community-based organizations and nongovernment organizations which were to implement the project at disaster-affected villages; (iii) flexibility is critical when providing emergency assistance because initial design are done quickly and this often makes adjustments in scope during implementation inevitable to ensure the project meets user requirements; (iv) it turned out to be unrealistic to comply with ADB’s requirement for the design of strengthened buildings and structures damaged by tsunami, as it took 3 years to prepare revised standards that were acceptable to ADB, by which time most structures urgently needing reconstruction had already been constructed based on the local design standards; (v) a formal complaint resolution process should be in place to improve transparency and credibility of implementation as part of projects, which involve a large number of vulnerable stakeholders of the population; and (vi) time frame for emergency assistances should be realistic, the 3-year timeframe was too short to adequately implement the numerous components of the project.

8. The PCR made the following recommendations: (i) continued monitoring should be done to ensure adequate use, repair, and maintenance of reconstructed infrastructure and facilities; (ii) to fully utilize the newly built facilities or maintain the new infrastructure, budgets for equipment, staff, and operations should be secured adequately; (iii) continued support should be provided to Women’s Rural Development Society; and (iv) for stronger resilience against disasters, international specifications should be applied to all structures, and not use local standards or provincial building codes.

C. Issues to be Reviewed in the Project Performance Evaluation Report

1. Achievement of Intended Outcomes and Outputs

9. The PCR did not adequately assess the extent if project outcomes were achieved. While the PCR presented actual achievement by showing numbers of beneficiary villages, there is a gap between the project’s targets and the actual achievements presented in the PCR. Further, it did not discuss in depth how and how much basic social infrastructure, community services, and livelihoods in the project area were restored in the project area. It will be necessary to carefully review how effectively the intended outcomes and outputs were achieved.

2. Institutional and Financial Capacity for Project Sustainability

---

10. The PCR stressed that to fully utilize the newly built facilities or maintain the new infrastructure, financing sources should be secured to operate and maintain the new infrastructure and facilities to sustain project benefits in the project area. However, the PCR did not fully assess the project’s institutional and financial capacity to determine whether its benefits can be sustained.

3. Project Benefits and Impacts

11. More than 4 years have passed since the project was completed in April 2011. As the PCR indicated, it is the right time to review the realization of intended impact targets at appraisal—reduced poverty and improved living standards in the tsunami-affected areas, to present lessons and recommendations insightful for other post natural disaster emergency assistance projects.

D. Evaluation Objectives, Scope, Approach, Resources Requirements and Schedule

1. Objectives

12. The proposed PPER will identify lessons and make recommendations for future ADB assistance for similar projects. It will assess various aspects of project formulation, design, implementation, and sustainability. Project performance will be assessed, taking into account outcome indicators realized since project completion. Some performance targets may not have been achieved at the time of project completion and hence, not captured in the assessments made in PCR. The evaluation findings will be fed into the upcoming country assistance program evaluation for Sri Lanka.

2. Scope

13. Following IED’s guidelines, the independent evaluation mission will review the PCR’s findings and expand on the PCR validation report by assessing project performance using the criteria of relevance, effectiveness and efficiency in achieving outputs and outcomes, sustainability of outcomes achieved to date, institutional development, and impact. An indicative evaluation framework is presented in the Appendix.

3. Evaluation Approach

14. The proposed evaluation will be undertaken through the following activities:

(i) Desk review of relevant documents in ADB, including but not limited to report and recommendation of the President, loan agreement, back-to-office reports, and previous evaluation reports, in particular, the PCR and validation of PCR of the project.

(ii) Review of the pertinent ADB country and sector strategy at appraisal and evaluation.

(iii) Consultation with concerned staff from the South Asia Department.

(iv) Independent evaluation mission to Sri Lanka to be undertaken in the third quarter of 2015 subject to government’s concurrence. This mission would involve consultations and/or meetings with relevant stakeholders (executing agency, implementing agencies, project beneficiaries, and local nongovernment organizations), and field visits to selected project areas.
(v) Perception surveys of some affected people on changes in livelihoods, poverty, and economic conditions.
(vi) Focus group discussions and social impact surveys in some of tsunami-affected villages.
(vii) Update of the project design and monitoring framework identified in the PCR according to the PPER guidelines.

4. Resource Requirements

15. The evaluation will be undertaken by a team led by a Principal Evaluation Specialist, and supported by an IED Evaluation Officer, an international evaluation consultant and two in-country national consultants. The international evaluation consultant will be engaged for about 30 working days while the two in-country national consultants will be needed for a total of 50 working days. The international consultant should have experience in the evaluation of projects, including disaster assistance operations. Familiarity with the Sri Lankan economy is desired for both international and national consultants.

5. Schedule

16. The following proposed schedule is subject to the Government of Sri Lanka’s clearance of the mission and the engagement of qualified consultants:

- Draft PPER for IED Internal Review: I Feb 2016
- Draft PPER Interdepartmental Review: II March 2016
- Draft to Editor: II April 2016
- Submission to Director General: I May 2016

6. Knowledge Dissemination Plan

17. A. Brubaker (Senior Evaluation Specialist) and J. Asquith (Senior Evaluation Specialist) will be the peer reviewers. The PPER will be made available to the public after approval of the Director General, IED. The report will be uploaded on ADB's external and internal websites and provide inputs to ADB's evaluation information system.

Appendix: Indicative Evaluation Framework
<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Evaluation Questions</th>
<th>Indicators/ Information Required</th>
<th>Source of Information</th>
<th>Methods</th>
</tr>
</thead>
</table>
| **Relevance**       | Was the project relevant to the country’s national priorities?  
                        Was the project aligned with ADB’s policies and strategies?  
                        Was the project design appropriate in addressing the envisaged impact, outcome, and outputs?  
                        Did the project inputs, outputs and outcomes follow the logical results chain to achieve the project’s objective?  
                        Were the relevant lessons learned from similar interventions earlier included in the design of the project? | SRI socio economic data and background materials  
                        Government development policies  
                        ADB’s country operational strategy  
                        Project design and monitoring framework | RRP, PCR, PVR and BTORs  
Minutes of Board meetings, Management review meetings  
Relevant government documents  
Discussions with project staff, government officials and other key stakeholders | Desk review  
Key informant interviews  
Analysis of program design indicators |
| **Effectiveness**   | To what extent were project outputs and outcomes achieved as indicated in the DMF?  
                        Were unintended outcomes and outputs observed?  
                        The extent outputs were a necessary condition for the achievement of outcomes (contribution or attribution issues linking outcomes to outputs) | Realized project outputs and outcomes in relation to the targets set  
Project monitoring framework Implementation process  
Issues and challenges related to achieving outputs and outcomes | RRP, PCR, PVR and BTORs  
Discussions with project staff, government officials and other key stakeholders  
Monitoring reports of outputs and outcomes | Desk review  
Key informant interviews  
Analysis of program design indicators |
| **Efficiency**      | How well were the project’s resources used in achieving the expected outcomes?  
                        Any delays? If so, what were the reasons of implementation delays? | Loan disbursement and fund utilization data  
Implementation and procurement arrangements  
Monitoring data on inputs and outputs | Project documents  
Discussions with project staff, government officials and ADB procurement staff | Desk review  
Key informant interviews |
<p>| <strong>Sustainability</strong>  | What is the likelihood that project benefits | Assessment of budget | Discussions with | Desk review |</p>
<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Evaluation Questions</th>
<th>Indicators/Information Required</th>
<th>Source of Information</th>
<th>Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>would be sustained beyond the life of the project?</td>
<td>available for operations, staff, and equipment</td>
<td>project staff, government officials, safeguard monitoring reports</td>
<td>Key informant interviews</td>
</tr>
<tr>
<td></td>
<td>Are there any institutional issues to affect the performance of the Project?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Are there any risks that may degrade the environmental protection and social benefits?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Are there any risks that affect the sustainability of the Project?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact</td>
<td>What are the socioeconomic impacts of the Project? To what extent poverty reduced and living standards in the project area improved?</td>
<td>Information on beneficiaries (e.g., extent of access to services, livelihoods and income earning opportunities)</td>
<td>Government reports and statistics, Discussions with project staff, government officials, stakeholders</td>
<td>Direct observation through field visits, Key informant interviews</td>
</tr>
<tr>
<td></td>
<td>To what extent have envisaged project impacts been achieved?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Did the project have any unintended or adverse impact on the society and economy?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>