

TA COMPLETION REPORT

Division: PEWD

TA NO./NAME: 1967-NEP: Strengthening Postevaluation Capability of National Planning Commission Secretariat					TA AMOUNT APPROVED: \$100,000	SOURCE: TASF
					REVISED AMOUNT: —	
EXECUTING AGENCY: National Planning Commission Secretariat					TA AMOUNT UNDISB.: \$11,919.10	TA AMOUNT UTILIZED: \$88,080.90
DATE: 10 Dec 1997	APPROVAL: 22 Oct 1993	SIGNING: N.A.	FIELD: N.A.	CLOSING	ORIGINAL: 28 Feb 1995	ACTUAL: June 1996

BACKGROUND/RATIONALE

The Government of Nepal has given increased attention to enhancing efficiency in the utilization of resources (generated internally or received from external sources). In this context, while the Government is trying to improve its projects/programs performance evaluation capabilities both in the National Planning Commission Secretariat (NPCS) and in line ministries, it is also aware of its limitations in terms of its technical expertise. With a view to helping the Government in this, a TA grant of \$100,000 was provided to strengthen the evaluation capability of NPCCS' Central Monitoring and Evaluation Division (CMED), the unit responsible for the planning and coordination of performance evaluation activities at the central level, and to provide postevaluation-related training to major line agencies.

TA OBJECTIVE AND SCOPE

The major objectives of the TA were to strengthen the postevaluation capability of the NPCCS and key line ministries and agencies, and to sensitize them to the importance of performance evaluation of completed projects and programs as a management and planning tool. The scope of the TA included: (i) a study of the existing sectoral performance indicators developed by NPCCS, and of the institutional arrangements within NPCCS and other Government agencies for project monitoring and evaluation during implementation, with a view to making recommendations for improvement; (ii) a review of NPCCS's internal system, procedures, and institutional arrangements for conducting postevaluation and impact assessment; introduction of appropriate methodology, techniques and procedures to improve the system; and recommendation of suitable mechanisms for NPCCS to coordinate with other agencies in postevaluation and to ensure timely feedback of postevaluation findings to key project planners and policy makers; (iii) assistance in designing a computerized postevaluation information system (PEIS) for collection, storage, and retrieval of performance evaluation findings, aimed at ensuring effective feedback of evaluation results into decision making; (iv) a six-week training program for 24 staff from NPCCS, Ministry of Finance (MOF), and selected line ministries; actual postevaluation of two selected Bank-financed development projects, including fieldwork, report writing, and presentation under the direct supervision of the international consultant; and four subsequent evaluation studies by trained CMED staff and/or domestic consultants to serve as hands-on training; (v) training of two NPCCS staff in the Bank's Post-Evaluation Office in Manila; and (vi) provision of microcomputer, ancillary equipment, software and training of NPCCS staff by the equipment supplier to support the computerized PEIS.

All components were successfully completed as envisaged. The request for training was overwhelming and could not be fully accommodated in the training program. Responding to the formal request of the Government and in view of the TA savings (about \$20,000), the TA scope was expanded to include: (i) carrying out a second training program (similar in nature and substance as the first one) to impart the postevaluation skills on more officials from various Government and semi-Government agencies (including those which could not be accommodated during the first training program), thereby helping the country develop its performance evaluation capability; (ii) procurement of a photocopying machine to facilitate the reproduction of postevaluation and other relevant reports; and (iii) a study tour program for two senior NPCCS officials to orient them with the Bank's postevaluation procedures and system and feedback mechanisms.

INPUTS EVALUATION

The services of a team of one international consultant and one domestic consultant (eight person-weeks each) were engaged to design and develop for NPCCS a postevaluation system and methodology, and also to design and conduct the first training program. Another domestic consultant was recruited to conduct the second training program. The two training programs were well-designed and were successfully completed. In addition, four local consulting firms were contracted to conduct postevaluation studies of four projects. The performance of all the consultants was generally satisfactory.

OUTPUTS EVALUATION

The major TA outputs included: (i) a manual for postevaluation system and methodology; (ii) postevaluation reports of four projects, namely, Primary Education Project (Dang), Mahakali Irrigation Project, Phase I, Second Aquaculture Development Project (Dhanusha), and Cotton Development (Banke); (iii) a computerized PEIS; and (iv) 39 trained Government staff and eight officers (two each) from four nongovernmental consulting firms on postevaluation methodology and concepts.

OVERALL ASSESSMENT AND RATING

The TA contributed to creating positive awareness on the importance of institutionalizing postevaluation systems in various line ministries and in the CMED of NPCS. The well laid out evaluation units that have now been established in various central and line agencies and the increased interest shown by the decision makers in postevaluation activities are reflections of the TA's success. Under the TA, a manual for postevaluation was prepared and distributed to various line ministries together with two separate sessions of training for staff from the line agencies and CMED and four nongovernment consulting firms (namely, New Era, Agriculture Project Services Center, Management Associates of Nepal, and Center for Economic Development and Administration). CMED in the NPCS has now been upgraded and is headed by a high official at the level of Special Secretary. The need for its further strengthening is categorically recognized in the NPCS' concept document for the Ninth Five-Year Plan (1997-2002). More importantly, CMED, since fiscal year 1996/97, has been allocated an annual budget of about NRs900,000 for postevaluation. Such an appropriation for carrying out postevaluation of completed projects is rare in the Bank's DMCs.

The only shortcoming in the effectiveness of the TA is that some of the staff of CMED and the line agencies who benefited have been transferred. However, the manual prepared and the installation of PEIS have helped establish a lasting postevaluation base in CMED. As a result, CMED can make use of these TA outputs in exposing new staff to the principles, methods, and approaches of postevaluation. CMED can also utilize those trained from consulting firms for carrying out its postevaluation-related activities. The TA has thus achieved its intended objectives and is rated as generally successful.

LESSONS LEARNED

The focus of the TA on training staff from CMED and line agencies, and also from consulting firms, was appropriate. This experience highlights the importance of needs assessment as a basis for formulating programs to build institutional capacity.

Strengthening postevaluation capability at the national level will be effective only to the extent that a similar capability is created at the important line agencies as well. Future TAs should take this into consideration.

RECOMMENDATION AND FOLLOW-UP ACTION

While total elimination of staff turnover from postevaluation units at CMED and line agencies is not possible (and perhaps not necessary as well), too frequent transfer does create the problem of sustaining benefits gained from staff training exercises. Introducing some incentives and measures for staff motivation (in terms of career development for instance) could be one possible way to retain staff for a longer period after their training.

The manuals prepared and the equipment, postevaluation-related documents and literature provided to CMED, should be used regularly in providing training to new staff.

To ensure that the appropriated budget for CMED is properly utilized, CMED could consider, in carrying out postevaluation-related activities, seeking assistance from the nongovernment consulting firms which have benefited from training under the TA.

To further ensure the effectiveness of development efforts and assistance, the Government should, apart from strengthening its postevaluation capability, consider the establishment of a project performance management system, and seek further support from external donor agencies where needed.