

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: CWAE

Division: CWAL

TA No. and Name TA 4072-KAZ: Capacity Building of National and Local Governments to Implement the Poverty Reduction Program			Amount Approved: US\$676,000		
			Revised Amount: -		
Executing Agency: Ministry of Economy and Budget Planning (MEBP)		Source of Funding: Technical Assistance Special Funding Program (TASF)	TA Amount Undisbursed US\$12,704	TA Amount Utilized US\$663,296	
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			Original 31 January 2004		Actual 14 February 2005
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Description. This technical assistance (TA) was a follow-through activity of TA 3550-KAZ: Preparation of a Comprehensive Medium-Poverty Reduction Strategy, which helped the Government formulate the Strategy for a Poverty Reduction Program (SPRP) for 2003-2005. While the SPRP identified the policy, institutional, and investment actions as well as the monitoring indicators, it did not provide for the development of a monitoring and evaluation (M&E) system. Specifically, a holistic approach to an M&E system is required that will (i) clearly define and put into operational terms the roles and responsibilities of concerned central agencies and local governments in tracking the government's performance in poverty reduction at the national and provincial (oblast) levels; (ii) identify the sub-indicators that reflect the diverse features of poverty at the oblast levels and relate these to the national-based indicators as specified in the SPRP; (iii) build the technical and institutional capacity for monitoring and evaluating the progress of the poverty reduction program as implemented at the ground level; and (iv) develop feedback and advocacy mechanisms. The TA addressed these lacunae by providing support to the Ministry of the Economy and Budget Planning (MEBP), the Executing Agency (EA) for the TA, to pilot-test in Pavlodar and Almaty oblasts the M&E system and the feedback and advocacy mechanisms. The Departments of Economy and Budget Planning (DEBP) in Pavlodar and Almaty served as the implementing agencies (IAs).					
Expected Impact, Outcome, and Outputs. The desired impact of the TA is an improved delivery of Government's poverty reduction measures so that they are efficient, transparent, and accountable, thereby helping in reducing income and nonincome poverty in Kazakhstan. The expected outcome of the TA is an efficient and transparent national and local SPRP M&E and feedback and advocacy system pilot-tested in two oblasts. The specific outputs of the TA are: (i) a results-based and custom-developed M&E system, (ii) feedback and advocacy mechanisms for disseminating the findings from the M&E and impact and beneficiary assessments, and (iii) enhanced analytical skills in M&E.					
Delivery of Inputs and Conduct of Activities. ¹ Key inputs of the TA were consulting services, information technology equipment and services, small-scale and beneficiary-focused surveys, and training and workshops. The Government provided office space and staff at both the MEBP in Astana, and the DEBP offices in Almaty and Pavlodar oblasts. Consulting services were recruited through a firm using the Quality-Based Selection method. The results-based M&E system comprised of provision of hardware, custom-developed M&E software, and technical training. Complementing the results-based M&E system would be the activities for the feedback and advocacy mechanisms: (i) 4 impact studies on specific poverty reduction projects in Pavlodar and Almaty; (ii) report card assessments that would record the nature and degree of satisfaction of the end-beneficiaries on the poverty-related programs/policies; (iii) a communications and advocacy system through bulletins, web site, media conferences, and workshops; and (iv) additional training on pro-poor budgeting in Pavlodar.					
<p>Inputs and activities relating to the provision and delivery of the advocacy and feedback-related outputs were done in a timely manner, and ensured highly satisfactory performance level. However, the provision and delivery of timely inputs and activities relating to the establishment of the M&E system were below par in terms of performance. The consulting firm placed much emphasis on collecting and standardizing the data requirements for the monitoring indicators at the oblast levels but did not put equal effort and resources on (i) the establishment of a user-friendly and custom-developed M&E software, (ii) the training in the use and application of the software, and (iii) on capacity building for the technical evaluation of the indicators and policy analysis. The completion of the poverty M&E software and the manual was done during the extended period of TA implementation using the remaining uncommitted TA funds. The EA was dissatisfied with the consulting firm's failure to address the M&E software and the training. Upon the urgent request of the EA to ADB, competent international consultants were engaged to complete the software and manual. Unfortunately, because of the inadequate time left during the extended TA period; the limited resources available to ensure that more testing can be done on the software; the continued problem of lack of motivation and low computer literacy of the oblast-level technical staff; the unreliable and low capacity of internet programs at the oblast levels; and the unfortunate illness of the consultant in the field – all these factors contributed to an M&E system that was not fully validated. In sum, the TA underestimated the time and resources required for capacity and institutional development.</p>					
<p>Technically proficient national consultants at oblast levels were difficult to recruit because of dearth of specialists. There were also problems with the international consultants: in the initial months of the TA, the TA team leader had to be replaced due to health reasons; her subsequent replacement was not as technically proficient in the development of the M&E system, feedback, and advocacy mechanisms. One of the international consultants was not at par with the requirements of the TA.</p>					
<p>The EA's performance had lapses. Weak cooperation and support from the technical staff and management of government at the oblast levels, as well as the lack of strong leadership in the MEBP to ascertain that concerned ministries and local governments at the oblast levels would cooperate in the sharing of information contributed in the delays in the development of an effective results-based M&E system. There was no buy-in especially on the technical and management staff of the department level staff at the</p>					

¹ The assessment on this and subsequent sections was based on the project evaluation report (PER) for the consulting firm, individual consultants, and the EA for TA 4072-KAZ. The PER was submitted on 26 October 2006.

oblasts. The staff members assigned to learn the M&E system was not motivated at all and were in the opinion that the use of the system was an additional burden to under-paid workers like them. Technical staff turnover rate was high; and computer proficiency even on basic use of internet programs of the technical staff was low. Furthermore, while the EA showed sincere interest in the M&E system and its potentials for providing adequate information on the status and progress of the SPRP, it had no political clout over other ministries and local government offices that input in the SPRP. This resulted to problems in the collection, interface, and standardization of data from various ministries/agencies and local government offices. The EA was likewise still dominated by central-planning tradition as it did not put equal value on the other equally important aspects of the TA such as the policy evaluation analysis, feedback, and advocacy mechanisms. Moreover, the dissolution of the inter-ministerial poverty reduction task force during TA implementation was a major drawback as it left a vacuum in terms of ensuring appropriate feedback and policy actions at the central level. Lastly, on TA operations, it took months before the EA and its oblast-level representatives could provide adequate office space and focal persons who were directly in-charge of data base management and use of the M&E system.

Evaluation of Outputs and Achievements of Outcome. There were three outputs to be delivered by the TA: (i) a results-based custom-developed poverty M&E system, (ii) feedback and advocacy mechanisms for disseminating the findings from the M&E and impact and beneficiary assessments; and (iii) enhanced analytical skills in M&E. Delivery of these outputs was partially successful because of the following reasons: Firstly, on the TA design, the TA approach to M&E (as reflected by the three-pronged approach of the TA to M&E) was holistic, highly relevant in the context of providing guidance to government on the progress of its SPRP, and participatory as it involved stakeholders in the evaluation process. The framework also correctly identified the activities and inputs, monitoring indicators, and the risks and assumptions. However, the TA's success to delivery of quality outputs hinges on government's actions in addressing public-induced constraints (e.g., lack of incentive and buy-in from the technical staff users from government, internet access, etc.), its openness to apply the holistic approach to M&E (EA was not interested in the feedback and advocacy mechanisms), and the strength of EA's political clout (e.g., requiring agencies to share information). Unfortunately, addressing these bottlenecks was beyond the scope of the TA.

Secondly, delivering quality outputs hinges on effective and efficient provision of the inputs and the undertaking of the ancillary activities to assure the sustainable use of the holistic M&E approach. On the first output, a results-based custom-developed M&E software and their English and Russian M&E manual versions are in place but not fully tested and verified. Hardware equipment for the M&E system is sufficient, but will require periodic maintenance and upgrading, as well as reliable internet connection. There was also misplaced priorities on the side of the consulting firm (which spent too much time on data collection and not on training and software development) and the EA (which wanted only the monitoring (and not the evaluation) software and the training). On the feedback and advocacy mechanisms, all the activities (web site, bulletins, beneficiary surveys, and impact studies) were done and findings were disseminated but, the EA was not interested in this particular output. Thus, it remains to be seen if these mechanisms will be sustained and replicated. Lastly, on the capacity and institutional building aspects of the TA, transfer of knowledge was done, but because of lack of motivation and buy-in from the technical staff at the oblast and national levels and the lack of coordination of the concerned agencies, there is doubt that these will be applied on a sustainable basis.

The involvement of nongovernment agencies (NGOs) in the TA is perhaps the major success story of the TA. The NGOs that were subcontracted to conduct the beneficiary and impact assessments have shown keen interest to continue these types of analytical work and advocacy instruments. If provided more support, NGOs may also be veritable institutions for the engagement in the M&E of poverty reduction programs.

In view of the confluence of circumstances and un-conducive environment for effective transfer of technical know how under which the TA was implemented, the attainment of the TA's outcomes and impact may be feasible to achieve at this stage only if the EA takes the initiative to disseminate the existing M&E software, and the feedback and advocacy mechanisms as well as provide the incentives for the local staff to learn the skills. The EA has in its possession all the essential inputs required to operate the holistic M&E system.

Overall Assessment and Rating. Overall, the TA can be rated as partly successful. On the basis of its relevance, it is highly relevant and is an important tool for tracking the poverty reduction program. On the basis of effectiveness and efficiency, delivery of quality outputs and TA implementation arrangements were marred by difficulties relating to human resource constraints that were beyond the scope of the TA; the EA's relative ineffectiveness in addressing the constraints that are public-induced; and the misplaced priorities of the EA and the consulting firm. Finally on the basis of sustainability, the TA was partly successful because of the involvement of the NGOs in the feedback and advocacy mechanisms. The NGOs became aware of their value-added role in society, which is to serve as objective "watchdogs" of the government's poverty reduction programs and policies, and may become the major stakeholders who will carry out on a sustainable basis the feedback and advocacy mechanisms. It was not however successful in encouraging the EA to look at the M&E system from a holistic approach and to be more proactive in providing a leadership role in getting the outputs achieved as were originally designed.

Major Lessons Learned. (i) Invest on NGOs. The NGOs that were subcontracted to conduct the beneficiary and impact assessments have shown keen interest to continue these types of analytical work and advocacy instruments. The NGOs, while still fledgling institutions in the country, manifest potentials in becoming active advocates for substantive pro-poor reforms. (ii) Supervision of the TA was facilitated by the effective and efficient liaison work of the resident mission. And (iii) considering the political economy context of Kazakhstan, a holistic approach to a results-based poverty M&E may be premature to initiate at this stage but may be appropriate for small-country transition economies with EA/s that have a clear mandate to undertake the poverty M&E system and has political leverage and openness to initiate reforms.

Recommendations and Follow-Up Actions. The TA design has potentials for ensuring a close watch of the progress and status of poverty reduction in the country. It should be tried again perhaps in a smaller and well-defined country like Kyrgyz Republic. NGO involvement in M&E, feedback, and advocacy mechanisms should be given more prominence. Closer coordination with resident mission is important to ensure on-the-ground presence of ADB.