

TECHNICAL ASSISTANCE COMPLETION REPORT

Division : SLRM

TA No., Country and Name:		Amount Approved: \$350,000	
SRI TA4278 Poverty Assessment and Information Management		Revised Amount: \$350,000	
Executing Agency(ies): Department of Census and Statistics (DCS)	Source of Funding National Poverty Reduction Strategies Fund	Amount Undisbursed: 0	Amount Utilized: \$350,000
TA Approval Date: 18 December 2003	TA Signing 30 April 2004	Fielding of First Consultant(s): TA Completion Date Original: February 2007 Actual: 31 December 2007 Account Closing Date Original: 28 February 2007 Actual: 30 September 2008	
<p>Description: Sri Lanka has suffered from a civil war that has lasted more than 20 years. While much of the destruction has been concentrated in the north and east, the entire country has suffered in many ways. Many former middle income families, especially in the north and east, gradually moved into poverty. However, the government is unable to offer either a safety net or a way out for impoverished families given high public debt levels and fiscal deficits. This difficulty is compounded by poor targeting in many existing social programs. The TA was designed to help the Government, ADB and other key development actors to better understand the poverty context and improve targeting. Strengthening the understanding of Sri Lanka's poverty profile became even more urgent following the 2003 pledge of \$4.5 billion to fund Sri Lanka's Poverty Reduction Strategy.</p> <p>Expected Impact, Outcome and Outputs: The goal of the TA was to strengthen the effectiveness of poverty reduction programs in Sri Lanka. The purpose is to (i) build on work already done to improve instruments used to define and monitor the extent and dimensions of poverty, and (ii) to strengthen the capacity of key agencies to use these instruments to delivery better targeted programs.</p> <p>Delivery of Inputs and Conduct of Activities:</p> <p><i>Output (i) Analytical research (review existing analytical research on poverty):</i> The consultants produced over and above what was required: a study on the methodology of poverty assessments, a major compendium of poverty issues in Sri Lanka, including many, highly visible and effective workshops. However, the Asian Tsunami seriously delayed implementation of the TA, by which time some components had become outdated (more details below).</p> <p><i>Output (ii) Drafting/validating poverty instruments (prepare an improved definition of poverty and tools to assess the degree and nature of poverty in Sri Lanka) :</i> This component was outdated, as the World Bank had by then approved a major TA to strengthen the capacity of the DCS, with a revised poverty line and definition published by mid 2004.</p> <p><i>Output (iii) Capacity building (establish contacts with the relevant authorities to assess current state of their poverty information and analysis systems and their capacity building needs; devise training to address gaps and weaknesses, organize workshops for key aid actors to present methodologies for evaluating poverty impact of their projects):</i> This was one of the strengths of the selected consultants, the Center for Poverty Analysis (CEPA) –good workshops held with inter alia the Samurdhi Authority (which administers and implements the largest cash benefit scheme run by the Government) despite a difficult political environment. Work with Samurdhi focused creating the awareness (and political ownership) that it is important to assess the impact of cash benefit system. Other workshops and symposia focused on disseminating poverty research, and how to bring the academic debate into the policy arena. In addition, the TA reached out to stakeholders not usually involved in poverty discussions, such as trade unions and journalists, by making them aware of what the issues are, what definitions mean, and also how to engage trade unions in poverty related work.</p> <p><i>Output (iv) Poverty survey (organize a poverty survey of the 8 conflict-affected district):</i> Given the World Bank activities with the Department of Census and Statistics (DCS) that was approved almost in</p>			

parallel and consisted of \$28 million for, inter alia, improving poverty data, the TA was redirected towards the possibility of a panel study on poverty. However, this had to be discarded later as it would have been too expensive. This component was not successful.

Output(v) test of assessment tools (carry out an assessment of an ADB support project and two other aid projects selected jointly by the partner, SLRM senior management and DCS to test the appropriateness of poverty definitions: As this component of the TA was rather outdated (talking about assessing project, rather than sector intervention, it was decided to focus on ADB's activities in the agricultural sector. The evaluation was done by CEPA and key line ministries. This is one of the most important sectors of the economy, yet ADB's own independent evaluation done by OED in 2007 showed that it was not very successful. To really understand why, CEPA conducted an in depth analysis of the political economy of ADB's interventions in the sector. The study (also presented at various seminars) fed directly into the CPS formulation.

Changes made during implementation: the TA was supervised from SLRM, with regular contact with CEPA, including board meetings with the DCS every 3 months. The main changes were (i) the abandonment of the new poverty indicators, as the TA was outdated (a poverty line had been finalized by the DCS by mid 2004), (ii) the decision to provide support to the Government (National Planning Department/Ministry of Finance) in the formulation of its new development strategy, - also undertaken by the consultants; and (iii) an extension of the TA closing date from February to December 2007. The TA implementation was seriously delayed by the impact of the Asian Tsunami on local labor markets (leading to many people leaving both CEPA and key government agencies, as international donors were looking for skilled staff to help them implement their tsunami assistance).

Evaluation of Outputs and Achievement of Outcome:

The reports, seminars and symposia generated under this TA were of high quality and generated a substantial amount of discussion within Sri Lanka on poverty issues (generating informed discussions was one of the key outputs of this TA). CEPA's training of government officials and other stakeholders was also relatively successful, by focusing on the importance of participatory development planning, involving all stakeholders, especially the poorer ones. Disseminating research results, contributing to the poverty debate through regular seminars, and poverty symposiums attracted an international audience. Support to the Government's development strategy was also appreciated by the Government. The relationship with DCS was slightly less successful, partly because CEPA did not have the quantitative expertise that DCS was looking for. The TA also overlapped with a World Bank TA that provided much more extensive technical assistance to DCS. CEPA's strength is in its qualitative research. As a result, CEPA refocused on the Samurdhi Authority which in the end also received the equipment bought under this TA.

Overall Assessment and Rating : partly successful (on account of the unforeseen overlap with World Bank TA for the DCS which was due to amount of time lapsed between fact finding, TA approval, and actual TA implementation). (This was delayed because of change of project implementation staff).

Major Lessons: The actual outputs as specified in the TA were somewhat vague. However, while arguably not a very tangible output/outcome, all of CEPA's symposia and workshops attracted a wide audience, and the TA succeeded in giving the poverty debate in Sri Lanka a much higher profile than before.

Recommendations and Follow-Up Actions; None.

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