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**Saravane Governance, Public Administration Reform and Decentralized Service
Delivery Project (GPAR SP)**

Mid-term Evaluation

Terms of Reference

Country:	Lao PDR
Programme Number:	00032148 (former: LAO/03C01)
Programme Title:	Saravane Governance, Public Administration Reform and Decentralized Service Delivery Project (GPAR SP)
Executing Agency:	UNDP Lao PDR
Implementing Agencies:	Office of the Governor of Saravane Province
Programme approval date:	03 March 2005
Programme Start Date:	April 2005
Programme End Date:	March 2010
Total programme cost:	USD 2,860,523 (based on the latest revision) Attached - Copy of Initial Programme Budget: Copy of latest Budget Revision:
Financing breakdown:	UNCDF: USD1,999,410; UNDP: USD224,981 and EC: USD636,132 (Euro500,000)
Mid-term evaluation date:	18 October – 20 November 2008 (tentative)

A. Purpose and Timing of the Mid-Term Evaluation

a) Purpose

The **objectives of a UNCDF Mid-term Evaluation (MTE)** are to provide a strategic review of project performance to date, in order to:

- assess overall progress (or lack of thereof) and detect early signs of success or failure,
- validate (or fill in the gaps of) the initial project design,
- assess project relevance,
- examine project management arrangements to ensure that they are adequate for and consistent with the attainment of assigned project outcomes and the implementation of agreed project activities,
- assess the level of satisfaction of project stakeholders and beneficiaries with the results achieved thus far,
- indentify outstanding issues,
- assess sustainability of implemented activities,
- set the course for the remaining duration, and
- draw initial lessons learned about project design, implementation and management.
- comply with the requirement of the programme document/funding agreement and UNCDF Evaluation Policy.

b) Evaluation timing

The MTE is tentatively expected to take place from 18th October to 20th November 2008.

B. Programme profile

a) Country context/status of decentralization in terms of strategy, policy and implementation:

Context: UNCDF has been providing support to Lao PDR for over twenty years. During the period from 2000-2004 it worked on microfinance programme in the northern provinces of the country. Given the limited success and other factors, UNCDF withdrew its support to Lao PDR in 2004.

Upon the exit of its support to the Northern Province, UNCDF realigned its strategy to focus more on local development aiming at building capacity and at strengthening of the sub-national government under the governance and public administration reform programme (GPAR) in one of the provinces – Saravane province, under the Saravane Governance, Public Administration and Decentralized Service Delivery (GPAR SP) project UNCDF aims at building capacity and strengthening the sub-national government under the governance and public administration reform programme (GPAR) and UNCDF support is in the form of financing local planning and budgeting through a district development fund (DDF) modality. Given circumstances, the project startup was delayed and implementation began in the fiscal year 2006/2007 (Lao Government Fiscal Year starts 1 October and ends 30 September). The project will run until mid 2010. There are 7 outputs including project support.

Status of Decentralization: Following the implementation of the Decree No. 01/PM on Instruction of the Prime Minister, the province became the strategic unit, the district the budget-planning unit and the village the implementation unit. So far the implementation of the Decree has not been very successful due to a lack of empowerment, capacity and support from the central government. Under the new state budget law, planning and budgeting is decentralized to local authorities but final decisions are still in the hands of the central agencies. The administration of revenue is re-centralized and revenue collected split into 3 pots, namely: a central pot, a local pot and a shared pot. Budget norms will be applied under new budget law. In terms of political decentralization, there is no major change as some provincial governors are more powerful than ministers. The revenue and expenditure administration is centralized and formula-based.

b) Project hypothesis, scope and intervention strategy to achieve the intended results:

The underlying assumption of the project is that empowering local authorities and developing their capacity with regards to the decentralization of service delivery will contribute to poverty reduction. It is expected that by the end of the project, the provincial and district authorities will understand and apply the knowledge and expertise to improve the ways to provide public services in a transparent, accountable, effective and efficient manner.

The project results and resources framework (RRF) included in the original project document is as follows:

UNDAF Outcome:

1. Deepening Participation and Broadening Partnerships
2. Building Institutional and Administrative Capacity.

Expected Outcome / Indicator:

1. Improved local level provision of public goods and services in Saravane province.

Expected Outputs / Indicator:

1. Procedures for inclusive and pro-poor planning and budgeting of local public service delivery are established and applied.
2. Transparent and effective procedures for sustainable production/delivery of public services are established and applied.
3. Financing and financial management of local public service provision are improved.
4. Provincial and district administrative organizations are rationalized / right sized on the basis of clearly defined mandates.
5. HRM procedures and practices (and selected individual capacities) are improved.
6. National policies on decentralization, public administration reform and poverty reduction are informed by Saravane experience.

The project is implemented in the Saravane Province located in southern part about 800 kilometres from Vientiane Capital.

c) Programme status:

Progress has been made with regards to DDF operations in 6 out of 8 districts in the province through capacity development via a series of training courses, seminars and workshops. Local authorities understand how to set and select development priorities in consultation with villagers. Planning and budgeting follow bottom-up and consultative processes for DDF investment planning and budgeting. Local communities and authorities have been empowered to identify and decide on their own needs through the participatory planning approach developed by the Ministry of Planning and Investment.

C. Content and Scope of the Evaluation

a) Key Evaluation Questions

Taking into account the implementation status of the programme and the resource disbursements made to date, the mid-term evaluation will explore the following questions:

1. Overall Results Achievement at the mid-term stage

- 1.1 Has the programme made satisfactory progress in terms of achievement of programme outputs (as per RRF/logframe indicators and annual workplan targets) and related delivery of inputs and activities?
- 1.2 How effectively and efficiently have results been achieved, and to what quality? (analysed by output).

2. Results at the output level

Outputs 1-3

- Appropriateness of the DDF mechanism as specified in the DDF guidelines: the allocation formula, the positive/negative menus, the fund flow mechanism (as defined in the MoU);
- Appropriateness and adoption of the planning procedures from Ban to Kum Ban to District: openness to local community participation, usefulness for screening & prioritization, consistency with District planning & budgeting procedures;
- Appropriateness and adoption of the institutional innovations: the enlarged Kum Ban planning committee, the enlarged District Planning Committee, the District Planning team;
- Appropriateness and adoption of the procurement and implementation procedures.

Outputs 4-6

- Appropriateness and adoption of innovations in local organizational development and in personnel management and rationalization.

3. Results at the outcome level

Local Outcomes:

- District investment plans & their implementation: reflection/distortion of community priorities; pro-poor sectoral composition (cf NGPES priority sectors); soundness of individual investment proposals (design, costing, etc); efficiency/timeliness of implementation;
- Equity & Social Impact issues: equity and targeting of investments and benefits; gender-related issues; issues related to involuntary re-settlement; issues related to provision of community labour;
- Comparison of DDF to PRF: analysis of differences and similarities, and their respective impacts on infrastructure & service delivery, local institutional development, and policy implications.

National Outcomes:

- Current/potential impact on national policy in regard to local financing and local public expenditure management (especially in view of revised State Budget Law and PFMSP);
- Current/potential impact on other development partners and replication.

General Issues:

- Clarity, relevance & local ownership and adoption of planning, financial management, procurement, implementation procedures, and training modules;
- Improving access to infrastructure and services constructed by the project by local communities;
- Achieving more equitable participation and distribution of benefits across gender, ethnic and socio-economic groups;
- Strengthening local economic development (where this is an intended programme result)
- Influencing policy reforms and implementation that support effective decentralization in terms of planning and budgeting;
- Replication of the approach by Government and/or other donors.

4. Factors Affecting Successful Implementation and Results Achievement

Was programme implementation and results achievement according to plan, or were there any obstacles/bottlenecks/issues on the UNCDF/Government/programme partner side that limited the successful implementation and results achievement of the programme?

4.1 External Factors:

- Has the policy environment had consequences for programme performance?
- To what extent does the broader *policy environment* remain conducive to the replication of the lessons learnt from the pilot programme?
- Are there *any other factors external to the programme* that have affected successful implementation and results achievement, and prospects for policy impact and replication?

4.2 Programme-related (internal) Factors:

Programme design (relevance and quality):

- Was the programme logic, design and strategy optimal to achieve the desired programme objectives/outputs, given the national/local context and the needs to be

addressed?

- Relevance and appropriateness of the strategy, in view of the prevailing policy context in 2004 (PM Decree 01, etc.) and the broader GPAR strategy at the time, and especially the clarity and relevance of the “policy-piloting” strategy;
- Clarity and consistency of the design and results framework (6 Outputs and Activities)
- Adequacy of resources allocated and management arrangements;
- Adequacy and usefulness of the baseline/inception report;
- Relevance and appropriateness of the strategy, in view of the prevailing policy context in 2004 (PM Decree 01, etc.) and the broader GPAR strategy at the time, and especially the clarity and relevance of the “policy-piloting” strategy;
- Clarity and consistency of the design and results framework (6 Outputs and Activities);
- Adequacy of resources allocated and management arrangements;
- Adequacy and usefulness of the baseline/inception report;
- In assessing design consider, among other issues, whether relevant gender issues were adequately addressed in programme design;
- Is the programme rooted in and effectively integrated with national strategies (e.g. poverty reduction strategy) and UN planning and results frameworks (CCA, UNDAF) at country level?
- Have the programme’s objectives remained valid and relevant? Has any progress in achieving these objectives added significant value?

Institutional and implementation arrangements:

- Were the programme’s institutional and implementation arrangements appropriate, effective and efficient for the successful achievement of the programme’s objectives?
- Where there any institutional obstacles hindering the implementation and management/operations of the programme?

Programme management:

- Were the management arrangements for the programme adequate and appropriate?
- How effectively has the programme been managed at all levels? Is programme management results-based and innovative? Has financial management been sound?
- Have the programme’s management systems, including M&E, reporting and financial systems functioned as effective management tools, and facilitated effective implementation of the programme.
- Efficiency and effectiveness of mobilization of the GPAR-SP team and establishment of PMU arrangements?
- Have the programme’s logical framework, performance indicators, baseline data and monitoring systems provided a sufficient and efficient basis for monitoring and evaluating programme performance? Has the M&E system supported effective programme management, corporate decision-making and learning?

Technical backstopping:

- Is technical assistance and backstopping from UNCDF appropriate, of good quality and timely to support the programme in achieving its objectives?

5. Strategic Positioning and Partnerships

- Has UNCDF, through this programme and any other engagement in the country, optimally positioned itself strategically, with respect to:
 - ✓ UNDP and other UN/donor/government efforts in the same sector in the country?
 - ✓ Implementing national priorities, as reflected in national development strategies?

- ✓ UNCDF corporate priorities?
- Has UNCDF leveraged its comparative advantages to maximum effect?
- Has UNCDF leveraged its current/potential partnerships to maximum effect?

6. Future UNCDF role

- What are the remaining challenges and gaps in the area of decentralization in the country? How are various actors positioned to address these? Is the environment conducive for further progress on decentralization? In light of the above, is there a future opportunity for UNCDF to add value following the end of the current programme? In what capacity?
- Analyse and comment on any emerging vision, strategy and measures proposed for disengaging or continuing UNCDF's programming in the country.
- What are alternate strategic decisions need to be taken to realign the project objectives and directions to ensure more effectiveness, efficiency and impact?
- What are findings and lessons from the MTE of the current programme that should influence any decision on a future role for UNCDF and its partners?

D. Evaluation process, methodology and instruments

a) Evaluation Process

The evaluation process will consist of eight steps:

1. Pre-mission Briefing (via telecon):

Briefing of the Evaluation Team by UNCDF personnel: Initial briefings by UNCDF & EU HQ, UNCDF Asia Regional Technical Advisors.

2. In the Vientiane Capital City:

Hypothesis formulation workshop for team orientation: internal workshop lead by team leader in country to ensure a common understanding among evaluation team members of the design and intent of the project.

Interviews by the team with stakeholders; Initial consultations in Vientiane with UNCDF Programme Officer and UNDP Resident Representative, ARR/DRR; GPAR SBSD team; PACSA, MoF, MPI, EC, WB, Lux-Dev, PRF.

3. In the implementation area(s) - provincial level:

- Launch of the evaluation in an area via a kick-off workshop with local level, key stakeholders such as government and programme officials, and community representatives;
- One-on-one interviews with some of the stakeholders from the kick off workshop; GPAR SP: NPD, PM and team, Provincial authorities including line departments, selected districts authorities, selected Ban and Kum Ban representatives, local LWU representatives, selected local communities.
- Stakeholder report-back and participatory appraisal workshops at regional level at end of fieldwork.

4. In the implementation areas – local level:

- Interviews with local government political representatives and officials;
- Interviews/Focus Groups with infrastructure and associated service providers and users;
- Interviews with private sector operators involved in construction and maintenance;
- Interviews with knowledgeable informants;
- Focus Group Discussions with group representative of broad population and with a group representative of the poor;
- Assessment of physical infrastructure projects.

5. In the Vientiane Capital City:

- Additional interviews as required;
- Debriefing of the UNDP Resident Representative, Governance Unit Chief, UNCDF Programme Officer

6. National Debriefing organized by UNCDF PO:

- Report back workshop with programme stakeholders, to present and validate the initial findings and draft recommendations for national, provincial and district stakeholders of the draft Executive Summary (via Aide Memoire and PowerPoint presentation);
- Submission of draft annotated Contents

7. Global Debriefing organized by UNCDF Evaluation Unit New York

- Global debriefing via teleconference from HQ. Participants from UNCDF HQ, UNDP Laos, UNDP Regional Bureau and BDP.

- 8. Completion of final report and executive summary** incorporating feedback as well as observations from stakeholders during national and global debriefing. The final report should also contain a matrix of recommendations to be used for the Management response and action. The team leader will also be requested to provide a 500-word synopsis of the evaluation and key finding and recommendations.

The Management Response will be prepared by UNCDF and UNDP management in conformity with current Evaluation Policy of UNDP for inclusion in the Evaluation Resource Centre database

b) Evaluation methodology and tools

Guide to the use of the evaluation tools

The following table provides a summary of the evaluation instruments for each step in the evaluation process which are spelled out in further detail in the UNCDF Evaluation Manual (which will be made available to the team).

1: Use of instruments in the evaluation process

Proposed Instrument	Evaluation team meetings	National, provincial and local stakeholder interviews	Kick off workshop	Provincial & Local stakeholder meetings	FGDs	Surveys ¹	Physical infrastructure structure assessment	Local and national report back workshop
Team Hypothesis Workshop Guide	✓							
Key informant interview Questionnaires		✓		✓			✓	
Stakeholder Participatory Appraisal Guide			✓					✓
Focus Group Discussions (FGD) Guide					✓			
Survey Questionnaires						✓		
Presentation format on Key Findings			✓					✓

E. Composition of the Evaluation Team

a) Consultant profiles and responsibilities

The Mid-term Evaluation is to be conducted by a team of 4 consultants, 2 international and 2 national with the profiles outlined below.

1. EVALUATION TEAM LEADER – Expert in Decentralization and Local Government (International) - 30 working days

The lead international consultant shall be an expert in Decentralization and Local Government with extensive experience in undertaking evaluations.

Profile and Qualifications:

- Master's Degree or higher on governance specializing in public administration, decentralization, local governance and other relevant fields;
- At least 10 years or more of international comparative experience in the field of

- decentralization and local development, especially in the developing countries;
- Excellent experience in leading evaluations of decentralization and local development support programmes.
- Sound knowledge and experience in evaluation of the development programme/project;
- Strong ability for data collection and analysis and writing a good report;
- Sound knowledge and understanding of gender sensitivity and ethnic cultural sensitivity;
- Skills and expertise in institutional setup are assets;
- Understanding of Lao political and cultural situations is an advantage;
- Sound interpersonal and communication skills.
- Substantial track record in the formulation, implementation or evaluation of decentralization and local development support programs that address the following:
 - The policy and legal framework for decentralized local governance encompassing fiscal decentralization, civil service, planning and sector decentralization and other service delivery policies.
 - Local authority institutional structures and operating systems.
 - Local authority capacities in public expenditure and asset management encompassing the strengthening of participatory systems, participatory needs assessment, integrated planning, budgeting, procurement, project implementation management, monitoring and reporting.
- Experience in assessing the effectiveness with which gender has been mainstreamed into the local authority system and its outputs and outcomes.
- Thorough understanding of key elements of results-based programme management.
- Knowledge of decentralization in Laos PDR and/or regional experience in the area of decentralization an asset.
- A good level of experience in the strategic positioning of decentralization and local development programs in relationship to the host national government, donors and local authorities.
- Ability to assess the effectiveness and sustainability of program structure and implementation modalities to inform UNDP/UNCDF as they work on structuring the next phase of GPAR SP.

Responsibilities:

- Documentation review and framing of evaluation questions
- Leading the evaluation team in planning, execution and reporting (Hypothesis workshop).
- Deciding and managing division of labour within the evaluation team
- Use of best practice evaluation methodologies in conducting the evaluation
- Leading presentation of the draft evaluation findings and recommendations in-country
- Conducting the debriefing for UNDP UNDP Country Office Yemen Country Office UNCDF HQ
- Leading the drafting and finalization/quality control of the evaluation report

2. EXPERT IN PLANNING, CAPACITY BUILDING & RURAL DEVELOPMENT/INFRASTRUCTURE (International) – 25 working days

- Master's Degree or higher on local/rural development, capacity building, planning and other relevant fields;
- At least 5-10 years of sound experience in the field of local development, planning, capacity building, preferably in the Asian developing countries;

- Sound knowledge and experience in evaluation of the development programme/project;
- Strong ability for data collection and analysis and writing a good report;
- Sound knowledge and understanding of gender sensitivity and ethnic cultural sensitivity;
- Skills and expertise in institutional setup are assets;
- Understanding of Lao political and cultural situations, especially the sub-national systems is an advantage;
- Sound interpersonal and communication skills;
- Ability to data collection, analysis and writing reports.

This expert will be responsible for evaluating the:

- institutional and capacity building outputs and results of the project;
- the infrastructure and service delivery outputs to date.

3.NATIONAL EXPERT – SOCIOECONOMIST – 20 working days

The national consultant should be a socio-economist with experience in undertaking evaluations. This expert will also pay attention to the gender dimensions of the project (or lack thereof). S/he will have the following qualifications:

- At least Bachelor's Degree or higher in economics, business administration, social science or relevant field;
- 3-5 years experience in social and economic development in Lao PDR;
- Sound knowledge and understanding of Lao local/rural development and community development work;
- Understanding of political structure and sub-national government systems;
- Understanding of gender awareness and sensitivity as well as ethnic cultural environment;
- Strong interpersonal and communications skills;
- Fluent in English language both speaking and writing;
- Ability to collect data, data analysis and write report

4.NATIONAL EXPERT – FINANCE, ADMINISTRATION AND INSTITUTIONAL- 20 working days

The national consultant should be an expert in finance/administration and an institutions specialist.

- At least Bachelor's Degree in financial management, public administration, institutional development and other relevant fields;
- Sound knowledge and understanding of Lao local/rural development and community development work;
- Understanding of political structure and sub-national government systems;
- Understanding of gender awareness and sensitivity as well as ethnic cultural environment;
- Strong interpersonal and communications skills;
- Fluent in English language both speaking and writing;
- Ability to collect data, data analysis and write report

Roles and Responsibilities of the National Consultants:The national consultants will play the following roles and responsibilities:

- Provide overall assistance the team in terms of data collection and data analysis;

- Administer the focused group discussions at all levels;
- Conduct interviews at all levels
- Attend the briefing and debriefings with UNDP CO and government agencies both at central and local levels;
- Provide translation and other assistance to the team;
- Be responsible for report writing covering their areas of competence.

b) Deliverables

The lead consultant and his/her team will be responsible for preparing and submitting the following deliverables:

In-country

- Aide Memoire (max 15- 20 pages) which contains key findings and recommendations
- Power Point presentation (20 slides) of the key points contained in the Aide Memoire for presentation at the National Debriefing
- Annotated Contents section of the draft Evaluation Report (maxi 5 pages)
- The team leader is responsible for consolidating the inputs of team members, and taking into consideration comments received at the in-country evaluation meeting, the UNCDF Debriefing to produce a coherent Draft Evaluation Report and Evaluation Summary and to be submitted to UNDP and UNCDF;

Post- mission

- Executive Summary (max 6-8 pages)
- Final Evaluation Report (max 40-50 pages including standard data tables/graphs for which template will be provided)
- Brief synopsis of evaluation and key findings (500 words for corporate communications use)
- Completed matrix for the Management Response to be prepared at country level
- Based on comments received on the drafts, the team leader will finalize the deliverables, with input from other evaluation team members, as required. and submit to the UNCDF Evaluation Unit by the agreed date.
- The Evaluation Unit is responsible for circulating the finalized report to all concerned parties, for inclusion on the UNCDF website and the UNDP Evaluation Resource Centre database.

F. In-Country Conditions

The project is located in Saravane Province which is about 800 kilometers south of Vientiane Capital City. There is adequate accommodation in provincial capital town.

In terms of transportation, there are two methods of transportation: 1). By road from Vientiane but it is a long drive around 8-12 hours or more. Usually, people travel by air where there are 3-4 flights a week from Vientiane to Pakse (Champasack Province). From Pakse to Saravane by car will take about 2 hours. If we choose to travel by air, the project car will be available to pick the team from Pakse.

The Evaluation Team's contractual obligations are complete once the UNDP and UNCDF have reviewed and approved the Final Evaluation Report for quality and completeness as per the TOR.