

Ex post evaluation – Bolivia

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Sector: Strengthening civil society (CRS code 15050)
Programme: Support Programme to the National Compensation Policy – BMZ No 2002 65 918*
Programme Executing Agency: Fondo Nacional de Inversión Productiva y Social/ (FPS)



Ex post evaluation report: 2014

		Project (Planned)	Project (Actual)
Investment costs (total)	EUR million	14.00	16.00
Counterpart contribution	EUR million	1.90	3.90
Funding	EUR million	12.10	12.10
of which BMZ budget funds	EUR million	12.10	12.10

*) Random sample 2013

Description: An open programme implemented in the provinces of Chuquisaca, Potosí, Santa Cruz and Tarija to support the implementation of the National Compensation Policy (NCP) - a national poverty reduction strategy which – until 2005 – adopted a highly decentralised approach. The programme aimed to cushion the negative effects of structural adjustment measures to the economy (in particular unemployment) as well as to strengthen local structures and increase participation in those structures. Support was provided for local government and for upgrading or rehabilitating social and economic infrastructure. Projects were selected by a total of 149 local authorities with the involvement of the local population. Measures comprised in particular small-scale irrigation schemes, schools, health stations, water supply projects and road construction. Complementary Measures to strengthen the project executing agency's (FPS) and the participating local authorities' managerial capacities were also put in place. Total costs amounted to EUR 16 million.

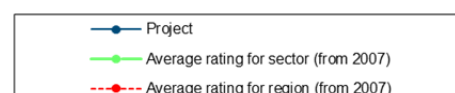
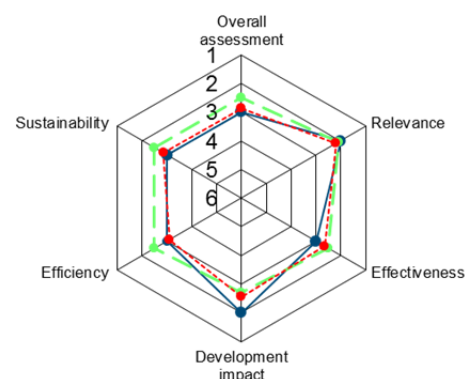
Objectives: The project aimed to support local authorities in the programme area as well as upgrading or rehabilitating municipal infrastructure and ensuring its sustainable use. Indicators for the programme objective (outcome) were: the adequacy of equipment, degree of utilisation and local maintenance capacities. This was to help improve living conditions for the local population and to strengthen administrative structures at a local level (the overall objective/ impact). Respective progress was to be measured against (1) at least 50 % of the beneficiary local authorities being capable of planning and implementing comparable infrastructure projects on an independent basis and (2) the results of a survey on improvements in living conditions.

Target group: The immediate target group comprised of around 420,000 people living in the programme region (Bolivian Chaco and Norte de Potosí), which has a predominantly indigenous population. The Norte de Potosí region remains the poorest region in Bolivia. Chaco, which is relatively sparsely populated, is similarly counted as one of the country's poorer regions.

Overall rating: 3

Rationale: --

Highlights: A decisive factor in this rating – which is still positive, despite some shortcomings – is the fact that the application of individual measures is high and the integration of disadvantaged, indigenous ethnic groups has been successful in an often challenging environment. At the same time, the target group's living conditions have improved noticeably.



Rating according to DAC criteria

Overall rating: 3

In summary, the programme has succeeded in substantially improving access to social and economic infrastructure facilities for poor population groups. Moreover, thanks to its high level of target group participation, the project has helped to advance the development potential of the population in the local authority areas covered by this programme. Having considered the individual criteria, we have assessed the project overall as still being satisfactory.

Relevance

The project supported efforts by the Bolivian government of the time to advance a process of decentralisation and to combat the country's predominantly rural poverty. In this respect, the project had developmental relevance. After the Morales government came to power in 2005, the function of FPS, the project executing agency, was fundamentally called into question. Since that time the FPS, due to its role in implementing social and economic infrastructure programmes, has gained recognition even within the new government setting. Admittedly, this has taken place in the context of a trend towards significantly greater centralisation. The programme's design faced significant constraints. These consisted of poor performance capacity of the municipal administrations in the programme area and a lack of basic social and economic infrastructure. Even from a retrospective viewpoint, these constraints were correctly diagnosed. The project was integrated well into other programmes, such as the Programa de Inversiones para el Desarrollo Campesino (PIDC). This was a nationwide programme supported by various donors.

Furthermore, with its participatory approach and its focus on poverty reduction, the project conformed to the developmental objectives and priorities of both the Bolivian and the German government, as well as complying with the Country Assistance Strategy of the Federal Ministry for Economic Cooperation and Development (BMZ). The project, by virtue of its intervention logic, was appropriately designed to achieve the intended results.

Relevance rating: 2

Effectiveness

There were a total of 275 individual projects which can be subdivided into the following categories: rural development (principally small-scale irrigation, but also some road construction – 141); educational facilities (97); health facilities (17); initiatives in the water/ sanitation sector (11); and others, which included electrification (9). Overall, the targets set were basically achieved. This particularly applies to the utilisation of facilities (which is broadly satisfactory) and to maintenance and repair (which is predominantly performed in a proper manner). At the same time, acceptance is generally high. However, in terms of adequate design and level of equipment, only slightly less than half of the facilities inspected by local experts conformed to the specifications. From an environmental perspective, the assessment has been adversely affected by some aspects of rural road construction (erosion effects in places), water supply (increased wastewater volumes) and health facilities (waste disposal). In addition, there are clear maintenance weaknesses and shortcomings of the rural roads funded by the programme. Maintaining these roads exceeds the local structures' capacity. That work is the responsibility of SEDCAM, the road construction authority. However, SEDCAM is slow to meet its obligations in this regard. The rest of the facilities are, for the most part, being operated satisfactorily, with levels of utilisation ranging from good to very intensive; in this respect the local authorities are, by and large, fulfilling their tasks properly. This suggests that the objective of strengthening local authority structures in key areas has also been largely achieved.

Indicator	Project appraisal target	As at Final Review, 2010	As at EPE, 2013
Proportion of local authorities in which the level of equipment or the design and use of the facilities is appropriate (in line with the average of a nationwide inventory)	70 % (no difference between design and use)	84 % (no difference between design and use)	Design: approx. 46 % Use: approx. 86 % ----- Assessment: Indicator for design: not fulfilled Indicator for use: largely fulfilled
Proportion of infrastructure facilities regularly maintained by local authorities.	70 %	50 %	approx. 85 % Assessment: fulfilled

After some weaknesses during implementation (see above), FPS, the project executing agency, is now once again enjoying recognition within government.

Effectiveness rating: 3

Efficiency

To a certain extent, the technical design or the level of equipment leaves something to be desired (see "Effectiveness" above). However, the overall construction quality was generally judged to be good. Based on a nationwide comparison, we assess the unit costs as being appropriate, as are administrative expenses of FPS. In some cases, the project's protracted execution time, principally attributable to the change in political outlook since 2005 (see above), has had negative consequences, because the target group's priorities had meanwhile changed.

We rate allocation efficiency as good, because the areas for intervention were chosen on the basis of a poverty map. Individual projects were largely chosen in a participatory manner. They also complied with the distribution criteria and standards set out in the sector policy.

Efficiency rating: 3

Impact

The programme's overall objective was to help improve living conditions for the local population and to strengthen administrative structures at local level. The attainment of this overall objective is borne out by mainly positive responses to a comprehensive qualitative survey on living conditions, conducted in 2010. Interviews undertaken on a random basis during the ex-post evaluation confirmed the findings of that survey. Back then, it was reported that over 80 % of the total of 149 local authorities benefiting from the programme had meanwhile independently launched comparable projects - either under implementation or completed. There was equal success in integrating disadvantaged indigenous ethnic groups in an often challenging environment. Due to the programme's design and the executing agency's capabilities, the concept is suitable for replication. However, due to its fragmented nature, the project had scarcely any potential for providing benefits beyond the local authorities which participated in the programme. Overall, developmental effectiveness is rated as good.

Impact rating: 2

Sustainability

With a few exceptions, the individual projects are in a satisfactory operating condition: as a rule, repairs needs that arise are addressed. On the other hand, preventative maintenance is only being undertaken sporadically. Maintaining rural roads that have been built is a challenge, as neither the local authorities nor the user groups are formally responsible for those (see above). No resolution to this problem can be expected in the short term. However, the positive effects achieved by the remaining project components are considered to be lasting.

Sustainability rating: 3

Notes on the methods used to evaluate project success (project rating)

Projects (and programmes) are evaluated on a six-point scale, the criteria being **relevance, effectiveness, efficiency** and **overarching developmental impact**. The ratings are also used to arrive at a **final assessment** of a project's overall developmental efficacy. The scale is as follows:

Level 1	Very good result that clearly exceeds expectations
Level 2	Good result, fully in line with expectations and without any significant shortcomings
Level 3	Satisfactory result – project falls short of expectations but the positive results dominate
Level 4	Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
Level 5	Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
Level 6	The project has no impact or the situation has actually deteriorated

Rating levels 1-3 denote a positive assessment or successful project while rating levels 4-6 denote a negative assessment.

Sustainability is evaluated according to the following four-point scale:

Sustainability level 1 (very good sustainability): The developmental efficacy of the project (positive to date) is very likely to continue undiminished or even increase.

Sustainability level 2 (good sustainability): The developmental efficacy of the project (positive to date) is very likely to decline only minimally but remain positive overall. (This is what can normally be expected).

Sustainability level 3 (satisfactory sustainability): The developmental efficacy of the project (positive to date) is very likely to decline significantly but remain positive overall. This rating is also assigned if the sustainability of a project is considered inadequate up to the time of the ex post evaluation but is very likely to evolve positively so that the project will ultimately achieve positive developmental efficacy.

Sustainability level 4 (inadequate sustainability): The developmental efficacy of the project is inadequate up to the time of the ex post evaluation and is very unlikely to improve. This rating is also assigned if the sustainability that has been positively evaluated to date is very likely to deteriorate severely and no longer meet the level 3 criteria.

The **overall rating** on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Rating levels 1-3 of the overall rating denote a "successful" project while rating levels 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") and the sustainability are rated at least "satisfactory" (level 3).