

Ex-post evaluation

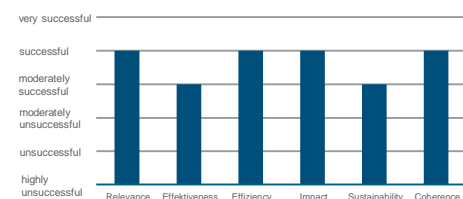
Social protection, Bolivia

Title	Social protection in Bolivia		
Sector and CRS code	Decentralisation and support to subnational government (CRS code: 1511200)		
Project number	2007 65 636		
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)		
Recipient/Project-executing agency	Ministerio de Planificación del Desarrollo / Fondo Nacional de Inversión Productiva y Social (FPS)		
Project volume/ Financing instrument	EUR 10.38 million grant		
Project duration	2012–2020		
Year of report	2023	Year of random sample	2022

Objectives and project outline

The objective at outcome level was to strengthen the competences and capacities of the autonomous municipal administrations and the project-executing agency FPS (structural level), the sustainable use of the financed infrastructure in the rural municipalities and the existence and use of maintenance plans (material level). At impact level, the aim was to support the Bolivian regional bodies (Departamentos) and FPS, to fulfil their mandate for local development and thus improve the living conditions of the population. The project consisted of supporting the municipalities in project preparation and operation of sustainable investments in municipal economic infrastructure as well as the institutional strengthening of FPS.

Overall rating:
successful



Key findings

The project was highly effective in terms of development policy, but its sustainability is at risk in certain aspects. The project has been rated “successful” for the following reasons:

- The FC project was characterised by a clear focus on poverty through the selection of beneficiary municipalities and a strong focus on the needs of the communities, as well as flexibility in the selection of investment types that were most in demand in the municipal development plans (high relevance).
- This led to a very high level of usage of the infrastructure and a high level of beneficiary satisfaction (development effectiveness).
- In addition, the project was very well integrated into the Bolivian government’s national development plans (coherence).
- Compared to the predecessor project, it was possible to increase efficiency by increasing the individual project sizes. In addition, the municipalities’ own high monetary contribution demonstrates a high level of ownership (efficiency).
- In order to guarantee the sustainability of the project, it was particularly important to create operation and maintenance plans, which are handed over to the municipalities after completion of the infrastructure. The project was negatively impacted by reduced municipal budgets and high staff turnover in the local administrations.

Conclusions

- Open programmes, which allow flexibility in the choice of investment types, are more oriented towards the needs of the beneficiaries and are therefore very well received by communities.
- Due to their decentralised structure and proximity to the municipal level, social investment funds are well suited to realising poverty-oriented investments.
- Sufficient budget and expertise are crucial for the adequate maintenance of local infrastructure.
- Due to politically-related high staff turnover – both at the project-executing agency and in the municipal administrations – strengthening the institutional level is very difficult in the long-term.

Ex post evaluation – rating according to OECD-DAC criteria

General conditions and classification of the project

Despite significant economic development in recent years – since 2010 Bolivia has been one of the middle income countries with constant annual economic growth rates of over 4% – Bolivia remains one of the poorest countries in Latin America with its 12 million inhabitants.¹ Close to one third of the population (36.4%) lives below the national poverty line (2005: 60.6%)² and there is a very unequal income distribution (Gini Index 0.409 in 2021 compared to 0.466 in 2012).³ In terms of decentralisation, Bolivia was a pioneer in Latin America in the 1990s. Since 1994, the Bolivian municipalities have taken on essential tasks that were previously the responsibility of central government authorities with the law “*Ley de Participación Popular*”.⁴ The framework law on autonomy and decentralisation adopted in 2010 also provides for an even stronger role for municipal administrations in the fight against poverty. In contrast to these decentralisation efforts, however, the central government also has tendencies to secure political influence and to acquire more tasks and decision-making power again. In the government’s current promotional policy, strengthening sub-national levels no longer plays a clear role. For example, it is not mentioned in the current development plan (*Plan de Desarrollo Económico y Social 2021–2025*, PDES). Public investment focuses on strengthening the country’s economic capacity and continuing to reduce poverty. In addition, the decentralised implementation of projects is made more difficult, as municipalities are experiencing a significant drop in income.

Municipalities currently have the following funding sources: (a) their own taxes (e.g. property tax, trade tax), (b) transfer payments from the state budget, (c) funds from the fuel tax and (d) funds from the *Fondo Nacional de Inversión Productiva y Social* (National Fund for Productive and Social Investment, FPS) and the *Fondo Nacional de Desarrollo Regional* (National Development Fund, FNDR). Transfers from the state budget are by far the most important sources of income for small municipalities (80–90%), as tax revenue or other revenue is hardly possible. Between 2005 and 2009, increased government revenues from the rise in commodity prices have enabled public investment spending to triple, of which around 34% was implemented at sub-national level.⁵ However, this trend has reversed in recent years with the downturn in oil prices and led to extreme funding shortages in municipalities.

Brief description of the project

A commitment to the FC programme “Social Protection” in Bolivia evaluated here was made in 2007 and was subjected to a project appraisal (PA) in 2012. However, implementation only started at the beginning of 2017, after it was possible for the contract to be signed with the implementation in October 2016. Implementation lasted a total of 2.5 years (until June 2019). Building on the FC-financed predecessor projects National Compensation Policy I and II (NCP I and II), this is an open programme that was implemented via the Bolivian National Fund for Productive and Social Investment (FPS). The borrower is the Ministry of Planning (*Ministerio de Planificación del Desarrollo*, MPD). The aim of the project was the promotion and strengthening of local self-government competencies and capacities to improve the provision of sustainable economic services and goods at municipal level. The intent was to contribute to economic development and eradicate extreme poverty in rural municipalities. The target group was around 70,000 beneficiaries living in the 40 particularly poor municipalities in the departments of La Paz, Oruro, Chuquisaca and Cochabamba. As in the previous project, the application principle applied within

¹ Source: Instituto Nacional de Estadística de Bolivia: “Bolivia: Proyecciones de población de ambos sexos, según edad, 2012–2022”, <https://nube.ine.gob.bo/index.php/s/4HGAF9gp5E6k68z/download>.

² Source: Instituto Nacional de Estadística de Bolivia: “Bolivia: Indicadores de pobreza según departamento, 2011–2021”, <https://www.ine.gob.bo/index.php/estadisticas-economicas/encuestas-de-hogares/>.

³ Source: World Bank: “GINI Index – Bolivia”, <https://data.worldbank.org/indicador/SI.POV.GINI?locations=BO>.

⁴ Bolivia is divided into nine departments. The departments are divided into a total of 112 provinces (Provincias), which are managed by the respective elected sub-governor. The provinces, in turn, are divided into 339 autonomous municipalities. Municipalities encompass a number of towns and are further divided into districts. The autonomous municipalities (Gobiernos Autónomos Municipales) are the local planning authorities responsible for drawing up the municipal development plans. There are also elected mayors (Alcaldes), and in larger cities and municipalities there is also an elected city council (Consejo municipal). Locally, there is what is known as the Organizaciones Territoriales de Base (OTB, local grassroots organisation). They were established in 1994 and consist of citizens. They prioritise projects in their area, request services in the areas of health, education and infrastructure, as well as reports from local governments on the use of funds.

⁵ Source: Instituto Nacional de Estadística de Bolivia

these preselected areas, according to which the organisations known as *Organizaciones Territoriales de Base* (OTB) submitted applications to the relevant municipalities, which forwarded the selection they made to the FPS regional offices for approval. They decided on the applications in consultation with the regional authorisation committees consisting of representatives of municipalities and local civil society. After approval of the individual investment projects, the contracts for the construction work were concluded by the community. The community was also responsible for the supervision of the implementation, the use of the funds and the final acceptance of the individual projects in cooperation and with the support of the project-executing agency FPS. A total of 55 investment projects in the sectors of irrigation, bridges, routes and roads, water retention basins and erosion control measures as well as tourism sectors were financed within the scope of the project. In addition, the updating or creation of operating and maintenance plans as well as training courses for institutional strengthening of the FPS programme executing agency were financed.

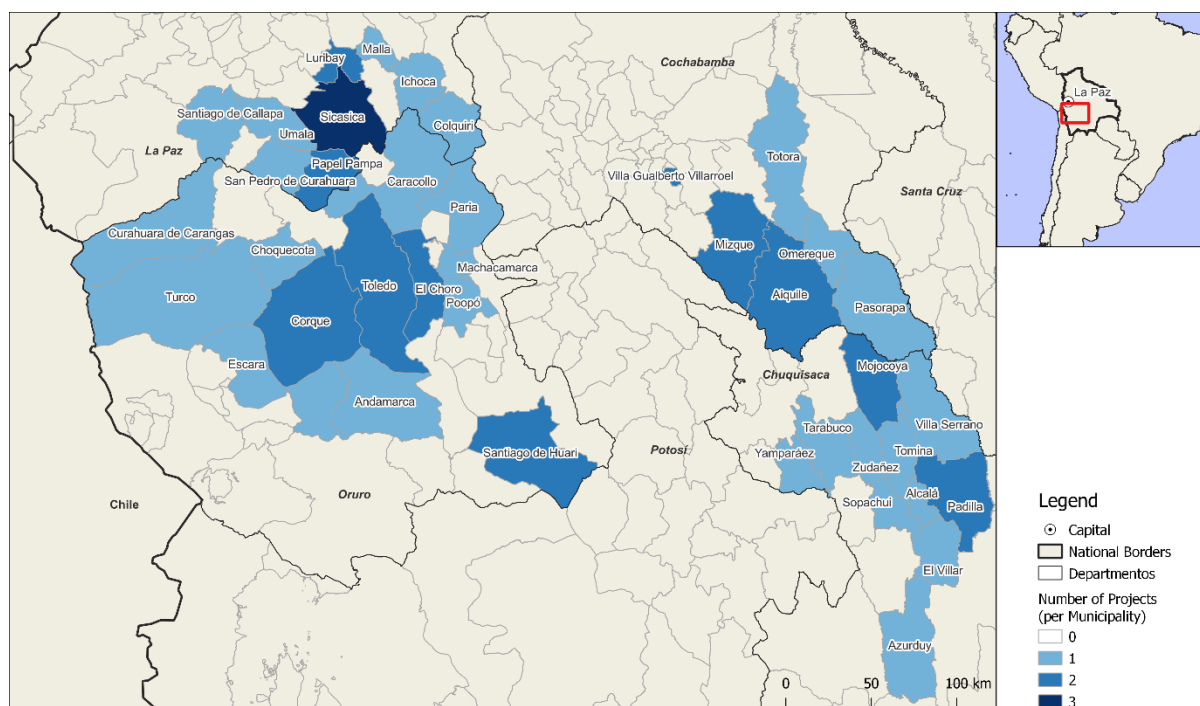
Breakdown of total costs

The total costs of the project amounted to EUR 13.76 million and were almost equal to the costs of EUR 13.77 million envisaged in the programme proposal. The costs for creating operating and maintenance plans amounted to EUR 0.78 million, while the costs for financing investments in municipal economic infrastructure amounted to EUR 11.03 million. Both values were thus slightly above the costs of EUR 0.7 million and EUR 10.7 million envisaged at the time of the project appraisal. The actual costs for consulting services (EUR 0.38 million) were slightly above the planned value of EUR 0.3 million.

The Bolivian state's own contribution of EUR 1.05 million consisted of the assumption of the operational costs of FPS, contributions to the institutional strengthening of FPS and proportionate financing of the implementation consultant. Communities made their own contributions to the investments, which varied between 15% and 35% depending on the poverty situation of the communities. Participating municipalities' own contribution totalled EUR 2.33 million.

In EUR million	Inv. (planned)	Inv. (actual)
Investment costs (total)	13.77	13.76
Counterpart contribution	3.40	3.38
Debt financing	10.38	10.38
<i>of which BMZ budget funds</i>	<i>10.38</i>	<i>10.38</i>

Map/satellite image of the project country including project areas⁶



Rating according to OECD-DAC criteria

Relevance

Policy and priority focus

At the time of the project appraisal, Bolivia was the poorest country in South America. On the Human Development Index, it was ranked 108th out of 187 countries in the global mid-range in 2011. Although the poverty indicators had gradually improved, 50.6% of the population still lived in poverty in 2009, measured at the national poverty line⁷, of which 26.1% lived in extreme poverty (2007⁸: 37.4%). In addition, there was extremely unequal income distribution (Gini Index of 0.49⁹). The richest 10% of the population received 45.4% of the income, while the poorest 20% only received 2.6%. Poverty particularly affected the rural population (around 33% of the total population lives in rural regions) and the inhabitants of the marginal zones of the cities. For example, about 68.6% of the rural population lived in poverty (48% in extreme poverty), while this figure was 41.3% (14.8% in extreme poverty)¹⁰ in cities. In addition to the low income level of the affected population, the main characteristics of the poverty profile were insufficient employment opportunities and deficits in the supply of social and economic services. In terms of general human development, no major changes have been identified since the project appraisal in 2012 (HDI 0.674 (2012) and 0.692 (2021)).¹¹ Even from today's perspective, the deficits in the provision of local public services due to insufficient human and financial resources in the districts and the resulting poor performance capacity – particularly in smaller municipalities – are a clear hallmark of the poverty profile. The

⁶ Source: UN OCHA and GADM (maps), FPS (project sites).

⁷ The national poverty line is calculated on the basis of a shopping cart for basic needs. For 2009, the poverty line was set at USD 86.4 in cities and USD 60 in rural areas. People who have to live in rural areas for less than USD 34.20 and in cities for less than USD 45 per month are classed as extremely poor.

⁸ Source: Instituto Nacional de Estadística de Bolivia: "Bolivia: Indicadores de pobreza según departamento, 2011–2021", <https://www.ine.gob.bo/index.php/estadisticas-economicas/encuestas-de-hogares/>.

⁹ Source: World Bank: "GINI Index – Bolivia", <https://data.worldbank.org/indicator/SI.POV.GINI?locations=BO>.

¹⁰ Source: Instituto Nacional de Estadística de Bolivia: "Bolivia: Indicadores de pobreza según departamento, 2011–2021", <https://www.ine.gob.bo/index.php/estadisticas-economicas/encuestas-de-hogares/>.

¹¹ Source: Country Economy: "Bolivia – Human Development Index – HDI", <https://countryeconomy.com/HDI/bolivia>.

described core problem is comprehensible and also highly relevant for large parts of Bolivia, even from today's perspective.

The project fit into the 2010–2015 programme framework of the government, which had launched the Plan Vida programme to eradicate extreme poverty. Later, the programme was included in the National Economic and Social Development Plan 2016–2020 (Plan de Desarrollo Económico y Social, PDES). Fighting extreme poverty was the main objective, with the government focusing its activities on the municipalities with the highest poverty indices. However, the focus on decentralisation, in particular, became less important during the political transition brought about by the Morales government starting in 2006. A framework law on autonomy and decentralisation was recently adopted in 2010. However, this was in contrast to the Morales government's attempts at the time to reacquire more tasks and decision-making power in order to secure political influence. At the time of the project appraisal, these tendencies were already recognisable. However, this only became increasingly evident during the implementation phase of Plan Vida II. The priority of alleviating poverty, on the other hand, was retained, although Bolivia was no longer oriented towards achieving the Millennium Development Goals (MDGs), but rather a different concept of poverty (Necesidades Básicas Insatisfechas (NBI)) based on basic unmet needs. The FC project was therefore aligned with Bolivia's poverty reduction strategy and thus with the partner's priorities. Even today, the FC project's objective is still in line with the current Bolivian Economic and Social Development Plan (PDES) 2021–2025, as it focuses on "eliminating material, social and spiritual poverty". In addition, the production capacities of the various regions of the country are to be strengthened in order to promote a policy of productive development.

With its poverty orientation and promotion of local development, the project also corresponded to the focus of the German-Bolivian development cooperation and the development policy guidelines of the German Federal Government. In addition, the intention was to contribute to the achievement of MDGs 1 to 5 (including eradicating extreme poverty and hunger, achieving universal primary education, reducing child mortality and improving maternal health) in line with the 2015 action programme of the German Federal Government ("Securing Basic Social Services" and "Involvement of the Poor and Good Governance").

Focus on needs and capacities of participants and stakeholders

The integration of FPS as an executing agency and implementation mechanism was appropriate and ensured the implementation of the programme. After the role of FPS was called into question in the early years of the Morales government, and during this period the majority of staff were replaced and the salary structure deteriorated, the government once again carried out a gradual revaluation of FPS from 2008 onwards. This was demonstrated by the request to FPS to implement numerous programmes in the areas of social and economic infrastructure and rural water projects. With the support of the World Bank and through the implementation of German FC programmes in the areas of water and decentralisation (NCP I and II), numerous reforms were carried out in FPS, which contributed to organisational and procedural strengthening.

FPS was able to guarantee the implementation of the multi-sectoral project portfolio, while also ensuring a high degree of technical expertise, a focus on the relevant sector policies and experience in implementation. Nevertheless, in view of its dual role as an organisation for both financing and implementation, it is questionable if the approach was suitable for strengthening municipal structures. FPS is recognised by the municipalities as a strong partner, which is also because it takes over tasks from the municipalities instead of providing training or reinforcement.

In terms of its concept, alignment with the processes and structures of FPS, and the executing agency's high standard of qualification, the project is easy to replicate. Since the appraisal, the executing agency has implemented a number of other programmes with similar structures, a fact that also confirms the relevance of the selected approach.

Appropriateness of design

The FC project focused on the financing of eight possible types of investment in the area of municipal infrastructure: building, extending and improving (pedestrian) bridges under municipal responsibility; improving neighbourhood roads; building, extending and improving small-scale irrigation systems; building fortifications (gabions) to protect and extend productive land; building ponds for agriculture and fish farming; building, expanding and improving markets for agricultural products; the construction, expansion and improvement of buildings, barns and fences for the operation of livestock markets, and the building, expansion and improvement of public

infrastructure for the promotion of tourism. The eight investment types were selected based on the infrastructure needs reported by the OTBs. These were collected in a participatory manner in the municipalities. Another aspect for the selection of investment types was the potential to establish self-generated revenue. Subsequently, the municipalities had to apply for inclusion in the programme (with the support from FPS) and were able to choose freely between the eight investment types according to their own needs. This is an advantage over programmes that focus only on one type of investment. This participatory selection of project types and their own selection of individual investments ensured that the investment types offered were relevant, albeit to varying degrees depending on the local context. The municipal plans that define the investments were drawn up in a participatory manner with the involvement of the population. This ensured that the FC project was strongly aligned with the needs of the target group. Geographically, the FC project also focused on the rural municipalities of the departments of Cochabamba, Chuquisaca, La Paz and Oruro. Three of the four departments in the Plan Vida II programme region showed higher poverty indicators than the national average at the time of project appraisal. In the selected municipalities, over 90% of the population lived in poverty and close to 60% lived in extreme poverty.¹² Thus, the project had a very high poverty relevance and was designed according to a holistic approach to sustainable development, with a focus on social and economic development.

As is typical for the target system in decentralisation projects, the project pursued dual objectives. On the one hand, the intent was to strengthen local self-government structures and the project-executing agency itself (FPS) (structural target dimension) and, on the other hand, to improve the provision of local public services and goods (material target dimension). Providing socio-economic infrastructure promotes local economic cycles and can improve the living conditions for local populations. At the same time, municipal self-government structures become stronger as the municipalities bear responsibility – with external support – for planning and implementing infrastructure projects. These measures contribute to an improvement in local governance and a stronger decentralisation process. This argument is mainly logical at the time of the ex post evaluation. However, the expansion of capacities at a municipal level does not automatically strengthen decentralisation on a comprehensive scale, i.e. in all dimensions. The components (infrastructure projects, institutional strengthening of the municipalities and the project-executing agency FPS, creation of operating and maintenance plans, consulting support) were selected appropriately. The concentration on measures for economic municipal infrastructure also seems generally appropriate with regard to the municipalities' low self-generated revenues, as the project indirectly provided potential revenues through improved market access to sell the produced products. The only exceptions were small-scale irrigation projects, which were primarily important for subsistence farming. Thus, the design was based on the most urgent needs of the beneficiaries. Overall, the selected target system is also plausible from today's perspective.

Response to changes/adaptability

Adjustment of the FC project during implementation due to changed framework conditions was not necessary.

Summary of the rating

Overall, the project fit very well into the country's national economic and social development plans. It was designed to be highly poverty-oriented and target group-oriented by selecting municipalities based on poverty criteria. In addition, FPS was well suited to implementing the programme. The relevance of the project is considered to be high, even if the goal of decentralisation no longer corresponded to the national priorities during the course of implementation.

Relevance: 2

Coherence

Internal coherence

The project was assigned to the DC priority "Development of the state and democracy". At the start of the project's implementation phase, the old DC programme was revised so that the DC programme objective no longer corresponded to the DC programme at the time of the appraisal. The adjusted DC programme objective was:

¹² Source: Instituto Nacional de Estadística de Bolivia: "Bolivia: Indicadores de pobreza según área, 2005–2018", <https://www.ine.gob.bo/index.php/estadisticas-economicas/encuestas-de-hogares/>.

“Democratic processes and institutions and improved public services promote political, social, economic and cultural inclusion”. The FC project contributed to two dimensions of the DC programme objective. On the one hand, the financed infrastructure measures increased the social and economic participation of the population and thus improved people’s living conditions. On the other hand, the intent of strengthening the capacities of the Bolivian local authorities (*Departamentos*) and FPS was to contribute to improving public services and thus fulfilling their mandate for local development.

The project was implemented at the same time as the TC follow-up project to support autonomy and decentralisation (AIRAD), which was implemented between 2015 and 2019. Cooperation between TC and FC took place selectively and focused on the geographical overlaps in the departments of Chuquisaca and Cochabamba. There was no specific division of labour, which was also due, among other things, to the lack of coordination between the Bolivian project-executing agencies (Ministry of Autonomy and FPS). Synergy potentials remained untapped due to different focal points, durations and lack of coordination.

The project was implemented in a manner consistent with international norms and standards. The do-no-harm principle envisaged during the project appraisal was taken into account in the implementation.

External coherence

The FC project was integrated into the National Economic and Social Development Plan 2016–2020 (PDES) and supported the “*Plan Vida*” programme, which bundled activities for alleviating poverty as part of the national development plan. The same structures were used for the implementation of the FC project as for the two previous phases – the established funding mechanisms of FPS (programme executing agency). Thus, there was compliance with the principle of subsidiarity, and the FC programme successfully supported Bolivia’s own efforts.

The activities of the various donors were generally coordinated in donor rounds – subdivided into sectors. For the decentralisation sector, there was also a subgroup during the implementation period through which learning experiences were exchanged. This group included the World Bank, GIZ, KfW and the European Union.

The World Bank’s “*Proyecto de Inversión Comunitaria en áreas Rurales (PICAR)*” programme was also established as part of Plan Vida and was implemented between November 2011 and April 2017. Thus, there were only minor overlaps with the KfW programme, which was implemented between the beginning of 2017 and June 2019. PICAR offered direct support for production in the form of public investments and direct grants. Geographically, it was also implemented in the departments of Oruro, La Paz, Cochabamba and Chuquisaca. There was a regional division by municipality for the two projects to exclude overlaps/duplicate financing. However, there was no further coordination with the World Bank. Furthermore, there were no common systems for follow-up, evaluation or accountability.

Summary of the rating:

Overall, the project successfully adapted to the Plurinational State of Bolivia’s own efforts and used the existing structures through implementation via FPS. There was a division between the World Bank PICAR programme and KfW, so that the measures were differentiated. However, further synergy potential between donors also remained untapped within DC.

Coherence: 2

Effectiveness

Achievement of (intended) targets

The project objective underlying the EPE was to support and strengthen the competencies and capacities of autonomous municipal administrations and the project-executing agency FPS (institutional level), as well as the sustainable use of the financed infrastructure in the respective rural municipalities and the existence and use of maintenance plans (material level).

The target achievement at outcome level is summarised in the table below:

Indicator	Status during PA	Target according to EPE	Actual value at EPE
(1) Indicator 1:			
1a) The annual municipal investment budgets are implemented.	n/a	80%	Not achieved: 70%
1b) Municipal development plans that have been drawn up in a participatory process are available.	n/a	80%	Achieved: 100%
(2) Indicator 2:			
2a) Three years after the start-up of operation, the infrastructure is used as planned.	n/a	75%	Achieved: 95%
2b) Three years after the start-up of operation, the new infrastructure is run and maintained in an acceptable manner.	n/a	75%	Not achieved: 66%
(3) Indicator 3:			
Once the programme is complete, the operation and maintenance schedules will continue to be updated annually. The required costs for operation and maintenance are budgeted in the annual municipal budgets.	80%	80%	Partially achieved: 77%

Contribution to achieving targets

A total of 55 individual projects were financed under the FC project. A grab sample of 19 locations were visited as part of the EPE. The outputs of the measure were delivered in full, as planned. The infrastructure created is freely accessible to all residents – with the exception of the small-scale irrigation systems. The majority of local beneficiaries surveyed stated that they were very satisfied with the infrastructure and that they had gained an economic benefit or improved access to health and education facilities from the financed infrastructure (see also Impact). For example, 75% of infrastructure measures were also suitable for promoting local economic cycles. Roads and bridges make it easier for farmers to access markets, while reservoirs and small-scale irrigation systems enable fields to be watered, thereby increasing production. Overall, local public services and goods were improved through the implementation of the 55 infrastructure projects.

Indicator 1: With regard to the achievement of the objectives at municipal level, it can be noted that all participating municipalities have a community development plan that was drawn up in a participatory manner (Indicator 1b). This is set up for a legislative period and is updated with each new autonomous municipal administration (*Gobiernos Autónomos Municipales*, GAM). This is a legal requirement and was already established before the Plan Vida II programme. The value is 100% met in the grab sample of projects visited, which is to be highlighted positively, as the local level's right to participation is also used here. In addition, all municipalities also have annual budget plans, known as *Planes Operativas Anuales* (POA), which are also all published. These define the use of the annual budget funds. A deviation from the POA is not possible.

In 70% of the municipalities involved, the annual municipal investment budget is also fully implemented (Indicator 1a). This means that the value is below the target level of 80%. However, it should be noted that 33 autonomous municipalities have improved their implementation of the investment budget. This is 82.5% of the beneficiary communities. Overall, this kind of development can be assessed as very positive, speaks for an improvement in local self-government structures (structural dimension of decentralisation) and indicates a partial improvement in the capacities of the GAMs to implement their budgets. However, some municipalities still ask FPS to implement their projects, even though responsibility for use of funds has been transferred from a national to a municipal

level. This indicates that local capacities are still too low in some cases to implement municipal infrastructure projects independently – despite the fact the situation has improved since the project appraisal.

Indicator 2: Overall, the impressions gained during the on-site evaluation show that the infrastructure is still being used as planned (Indicator 2a). This is true in 95% of the individual projects, which is well above the target value of 75% and an exceptionally high degree of utilisation. This allows conclusions to be drawn about the high priority and necessity of the infrastructure created, which is also reflected in the high contributions made by the municipalities. All projects visited are also operated and in 66% of cases also properly maintained (Indicator 2b). This value is below the target level of at least 75%. This is still due to the lack of sufficient financial resources and technical staff in the communities. Although finances are transferred from a national to a municipal level, the majority of these funds are generated from the country's sale of raw materials, making them subject to heavy fluctuations. In some instances, staff turnover is high and there is also a lack of institutionalised task delegation and training, which makes it more difficult to expand institutional knowledge and also threatens to undo the success of the established administrative capacities in some places (see Impact). It is worth highlighting that, as part of the Plan Vida II project, operating and maintenance plans were drawn up and made available to the municipalities. Despite high staff turnover, there is therefore a certain degree of consistency in knowledge of the operation and maintenance of the respective infrastructure.

Indicator 3: 77% of the communities had a general budget for maintenance and operation. This is not formulated on a project-specific basis, but in general terms, as otherwise it cannot be used flexibly. The communities have no way of accruing estimated liabilities for possible repairs or replacement investments. In a further 18%, the beneficiaries are responsible for the maintenance and operation of the infrastructure. This only applies to small-scale irrigation projects. Thus, only 5% of communities did not have a budget for maintenance and operation. It should be pointed out that the funds allocated to the maintenance of projects in 2020 were on average twice as high as in previous years. The value is declared as partially achieved.

The results of the FC project show that many of the main risks already identified during the project appraisal also occurred. These main risks included the project-executing agency's lack of financial resources, the recentralisation of the government, which already showed tendencies toward reversing the decentralisation steps at the time of the appraisal, the downturn in raw material prices and thus also a downturn in allocations to municipalities and shortcomings in operation and, above all, maintenance. With the exception of the project-executing agency's financial resources, all programme risks have materialised. However, the government's efforts to re-centralise had little direct impact on project implementation. Thus, the downturn in allocations to municipalities, leading to significant income losses, which also impacted budgets for operation and maintenance, as well as deficiencies, especially in maintenance, remain. The downturn in raw material prices is to be regarded as an external factor that could not have been influenced by the project. In addition to the lack of financial resources, the lack of maintenance is also due to the lack of staff expertise.

There were no measures that specifically addressed gender impact potential. Women and men benefited equally from the project. On site, it was found that women are increasingly involved in the community structures and act as elected representatives of the community.

Quality of implementation

After the start of implementation at the beginning of 2017, the project was implemented quickly, which indicates a high quality of management by the project-executing agency. There were minor delays in the awarding of construction contracts and in the provision of the municipal contributions. The quality of the built infrastructure can be rated consistently as good to very good. Overall, FPS proved to be a reliable and high-performing executing agency. In particular, the decentralised and regional setup with offices in all nine departments of Bolivia proved to be an advantage. In addition, FPS has extensive experience in implementation, which was confirmed by the rapid implementation after the implementation phase began.

Unintended consequences (positive or negative)

No unintended direct consequences of the project could be documented as part of the EPE.

Summary of the rating

The project demonstrates a high degree of utilisation, good to very good structural quality of the infrastructure, improved implementation capacities of the municipal administrations and strong commitment from the municipalities. It should be noted that the lack of budget for maintenance work and the high staff turnover after the end of a legislative period should be mentioned. Since two of the indicators were achieved, one indicator was classified as partially achieved and two as not achieved, the effectiveness is rated as moderately successful.

Effectiveness: 3

Efficiency

In total, around EUR 10.4 million in the form of an FC grant was used for infrastructure projects and support for these projects. As a result, around 70,000 beneficiaries were reached and 55 individual measures were financed. The average costs per individual project are EUR 190,000 and per beneficiary around EUR 135 and are therefore comparable with the costs of similar FC projects. In addition, there were only minor cost overruns, which shows that the empirical values applied for the costs of the individual investments were correct and appropriate. The appropriateness of the funds used in relation to the outputs achieved appears to be given. For reasons of efficiency, the individual project sizes were set at a minimum of USD 150,000 in contrast to previous phases, which was also maintained during the project selection. Thus, on a relative scale, fewer but larger projects were financed than in the previous phases. The individual project sizes ranged from USD 150,000 to USD 444,040. The project funds were distributed according to a transparent distribution key that took into account poverty and vulnerability criteria. The 55 financed projects are distributed across the following sectors and departments:

Departamento	Number of projects	Sector				
		Irrigation	Bridges	Paths and roads	Water retention basin and erosion control measures	Tourism
Chuquisaca	14	8	4	1	1	0
La Paz	14	1	6	7	0	0
Cochabamba	9	3	4	1	1	0
Oruro	18	5	4	8	0	1
Total	55	17	18	17	2	1

Production efficiency

The data collection by an independent consultant as part of the project completion confirms that almost all individual projects remained within the original cost framework or even below it. Only 8% of the funded individual measures were more expensive than planned, which can be assessed as acceptable and as efficient for the number and small scale of the funded projects. The additional costs could be attributed to additionally required construction measures. The specific investment costs are typical for the sector and can be rated as appropriate according to the consultant's reports and final inspection. Normally, they are based on the standard costs defined by the Bolivian government as well as empirical values of the project-executing agency FPS for the respective region and type of investment. Since the standard costs were very low and did not always correspond to real prices, DC financed a study to update the standard costs within the scope of Plan Vida I. The updated standard costs were approved by the MPD in 2018, but it was already too late to take it into account for the implementation of Plan Vida II. This had no impact on the project, as it was mainly based on FPS' own empirical values for the costs of the individual investment types and site-specifics, which led to very accurate estimates. The costs for consulting services (EUR 0.385 million) were slightly above the planned value of EUR 0.3 million. The total represents a share of around 2.8% of the total costs, which can be assessed as low overall compared to other projects in the same sector.

The technical expertise and management capacities of FPS at that time are described as professional and transparent. The respondents (especially in autonomous municipal administrations) underlined their satisfaction with the institution, the staff and the support provided. For the implementation and administration of the programmes,

FPS received between 5% and 7% of the total investment costs for the respective programme. This is determined centrally by the responsible planning ministry (MPD) and is assessed by FPS as a very tight margin. Despite this close-to-value remuneration, no deficiencies in the quality or implementation time of the construction measures could be identified. This indicates that there were no significant bottlenecks in FPS capacity that could have influenced the implementation of the project. In addition, the municipalities made their own contribution to the investments, which varied between 15% and 35% depending on the poverty situation of the municipalities. The participating municipalities' contributions totalled EUR 2.33 million. This is estimated to be very high, as under today's conditions (strongly reduced municipal revenues) contributions in this amount would probably no longer be possible. This also makes regular maintenance of the infrastructure more difficult (see Sustainability).

In terms of time, the programme was implemented within 2.5 years (beginning of 2017 to June 2019), which was below expectations of 3.5 years at the time of the appraisal. However, there were delays of four years at the start of the programme, after the international competitive bidding process for the selection of the implementation consultant stretched over three years due to the critical attitude of FPS as the programme executing agency towards external consultants. For example, the earliest the consulting contract could be signed was in October 2016. The delay in the start of the implementation consultant had no impact on the costs of the project. Despite initial delays in the award process, the implementation is therefore regarded as efficient.

Allocation efficiency

FPS's processes (project cycle) served as an important reference. Standardisation is regarded as an important source of added value. It is reflected in the high-quality building standards and the management structures, which have been described as professional. As a result, the project managed to improve access to economic infrastructure for previously disadvantaged population groups with a reasonable amount of outlay on balance (particularly given that some of the locations were exceptionally difficult to access). The distribution of the projects corresponded to Bolivia's poverty map. All 55 projects were implemented in the 40 poorest municipalities (data from the 2012 census). In addition, the intent was to finance projects in municipalities that had not previously benefited from KfW's Plan Vida I programme or the parallel World Bank programme. This was also implemented. As such, the criterion of allocation efficiency is regarded as sufficient.

Summary of the rating

Overall, we rate the efficiency of the project as successful. Compared to the predecessor project, it was possible to increase efficiency by increasing the individual project sizes. Only 8% of the financed individual measures were more expensive than planned, which can be assessed as efficient for the number and small size of the financed projects and for the extremely difficult accessibility of the locations in some cases. In addition, the municipalities' high monetary share indicates a high level of ownership and the implementation time was shorter than estimated at the time of the appraisal at 2.5 years.

Efficiency: 2

Impact

Overarching developmental changes (intended)

The underlying objective at impact level of the EPE was: By strengthening their capacities, the Bolivian regional bodies (Departamentos) and FPS can fulfil their mandate for local development and thus improve the living conditions of the population.

Target achievement at the impact level can be summarised as follows:

Indicator	Status PA	Target value at EPE	Actual value at EPE
(1) Financial resources:			
1a) The financial resources of FPS have increased.	n/a	Increase of at least 20% compared to the year of the PA	Achieved: 54%
1b) The municipalities' financial resources have stabilised.	n/a	Compared to 2016 (start of implementation)	Not achieved: Reduction of financial resources by 12–50%
(2) The development of municipal plans and the budgeting of the municipalities involved in the programme shall be carried out with the participation of citizens.	n/a	100%	Achieved: 100%
(3) Poverty rates in the communities with interventions have fallen.		Lower poverty rates during the programme period	Partially achieved: in three out of four regional bodies where interventions took place
(4) Satisfaction of citizens in the programme target region with the quality of municipal services.		At least 75% of respondents	Achieved: 80%

Contribution to overarching developmental changes (intended)

Indicator 1 a): FPS financial resources: FPS is an instrument of the Bolivian government to implement programmes for productive public infrastructure. As a social fund and implementation organisation, FPS' financial resources depend on the national government's programmes, which the relevant ministries launch and delegate implementation to FPS. The source of income is therefore volatile. Typically, 5–7% of the total investment costs for the administration and implementation of a specific programme are paid to FPS. This covers their administrative expenses. In the year of the project appraisal, FPS funds amounted to around BOB 875 million (approx. EUR 113 million). In 2022, FPS had around BOB 1,357 million (EUR 174 million) available. This corresponds to an increase of 54%, which significantly exceeds the inflation rate in the same period. This means that FPS' financial resources have increased due to its role as an implementation organisation. Overall, however, due to its dependence on policy programmes, FPS' long-term financial stability is not secured.

Indicator 1b): Municipalities' financial resources: The municipalities' financial resources deteriorated between the start of implementation in 2016 and the end of implementation in 2019 for all municipalities involved in the FC project. Income losses in comparison ranged from 12% to 50%. This means that the indicator is not achieved.

Indicator 2: The municipal plans and annual budget plans (POA) were prepared in a participatory manner with the participation of the OTBs and implemented in all participating municipalities (target achievement of 100%). This allows citizens to contribute their own suggestions or needs to the drawing up of these plans. After adoption, the municipal plans and the POA will also be published and are freely accessible for inspection in the community centre. The municipalities also had to apply for the financing of their chosen type of investment themselves and make their own contribution. This ensured that only the investments that were really needed were made. This is also reflected in the very high degree of utilisation of the built infrastructure (see also Effectiveness).

Indicator 3: The country's poor population is named as the central target group both in the programme objective and in the target group definition. The programme was therefore implemented in Bolivia's 40 poorest municipalities (see Efficiency). Even though the ability to reach the target group alone is not evidence for the effects at impact level, it is plausible that the programme contributed to alleviating poverty. In three out of four departments, poverty rates fell during the programme period under review (2012–2021). Only in the Oruro department did the rate increase slightly from 33.6% in 2012 to 35.2% in 2021. In La Paz, the poverty rate fell from 44.2% to 39.6%, in Chuquisaca it fell from 67.2% to 53.3%, and in Cochabamba the poverty rate fell from 46.6% to 37.0%.¹³ The period under review is dependent on the data situation, as data is not available after 2021. Overall, the poverty rate across Bolivia fell from 43.3% in 2012 to 36.4% in 2021.

Indicator 4: As part of the evaluation, the beneficiaries' perceptions of the quality of municipal services and changes in living conditions were surveyed on a random basis. In this survey, the majority said that municipal services and their living conditions had improved (six out of seven municipalities surveyed). With regard to the FC project, there were also immediately identifiable improvements for the beneficiaries. For example, respondents indicated that access to healthcare facilities during the rainy months improved significantly due to the bridges built. Cases have been reported in which pregnant women previously died because they were unable to cross the river due to very high water levels and thus could not receive medical care. This also significantly improved access to educational facilities for children during the rainy months and reduced the risks of children crossing the river.

In addition, the financed infrastructure was predominantly suitable for strengthening local economic cycles e.g. through production increases or by facilitating access to markets (cf. Effectiveness). In the case of irrigation projects, subsistence farming was strengthened so that participating families were able to supply/ provide themselves with food. However, the projects were usually not enough to increase production in order to be able to sell produce. Farmers were very interested in further expanding the irrigation system to achieve this in the future.

Contribution to (unintended) overarching developmental changes

No overarching unintended development policy changes could be documented by the project as part of the EPE.

Summary of the rating

Overall, the developmental impact of the FC project is rated as successful due to the strong participation of citizens in the development of municipal plans and annual budgets, the poverty effects in the departments where interventions took place and thus the improvement of living conditions as well as the high satisfaction of citizens with the quality of municipal services. The reduced financial resources of the municipalities should be noted. In addition, while FPS was able to increase its financial resources by over 50%, this is volatile as it is highly dependent on government programmes.

Impact: 2

Sustainability

Capacities of participants and stakeholders

When considering sustainability, it is relevant that the FPS programme executing agency transfers liability for the financed infrastructure back to the communities themselves after completion of the construction measures. This means that FPS subsequently has no further contractual commitments for the operation or maintenance of the infrastructure. According to FPS and the municipalities surveyed, FPS is, however, on hand to provide advice if there are specific questions from the municipalities. This is made possible by the regional and decentralised setup of FPS, as there is also constant contact between the regional FPS offices and the municipalities.

Municipalities' financial capacities have declined due to the sharp downturn in municipal revenues (between 12 and 50 per cent) in recent years. The annual municipal budget is determined in a participatory manner in the budget plan known as the POA (*Plan Operativo Anual*). It defines a certain percentage for maintenance or in the

¹³ Source: Instituto Nacional de Estadística de Bolivia: "Bolivia: Indicadores de pobreza según departamento, 2011–2021", <https://www.ine.gob.bo/index.php/estadisticas-economicas/encuestas-de-hogares/>.

event of an accident or emergency. Since it is not possible to change the budget during the year as part of the POA, however, the share for maintenance is not assigned to a specific project. This provides more flexibility in the use of the available funds. However, this can also ultimately lead to there being no remaining funds for the maintenance of the infrastructure financed under Plan Vida II. However, there are also municipalities where the funds are not sufficient to provide budget funds for maintenance.

During the on-site visit, it was found that the irrigation projects are independently maintained by their users, who also raise their own funds. They organise themselves independently and are independent of the financial capacities of their municipalities. Maintenance of all other types of projects is the municipality's liability. In addition to funds, the municipality often also provides the petrol and equipment for the maintenance and repair of infrastructure (especially roads and bridges) and/or workers.

However, since municipalities often do not have the technical expertise or staffing capacity to maintain the infrastructure on a regular basis, future programmes should consider an FPS commitment beyond the end of construction. For example, FPS could integrate this into the project cycle through what are known as inspection visits by the regional offices. This is not intended to remove the municipalities' liability for maintenance and operation, but rather to provide technical support.

With regard to the capacities of FPS, no deficiencies in the quality or the implementation time of the construction measures could be identified despite the close-to-measure remuneration of 5–7%. The municipalities also described FPS as a reliable and competent partner. This indicates that the institutional strengthening of the executing agency was successful and that FPS will continue to be a good implementation partner for the municipalities in the future.

Contribution to supporting sustainable capacities

Compared to the previous project, maintenance plans were drawn up for each investment type as part of Plan Vida II and handed over by FPS when the infrastructure was handed over to the municipal administration. This is an important new instrument for sustainably improving the maintenance and repair of the financed infrastructure, as it has already been technically refurbished, which includes maintenance.

With regard to the strengthening effects in the municipal administrations (which mainly took place through training of staff), it should be noted that a lot of knowledge was lost at a decentralised level due to high staff turnover and poor documentation resulting from weak knowledge management. Continuity of technical staff in local governments was described as one of the central challenges in all discussions. Normally, a change of mayor results in a change to the entire government team. The exodus of staff therefore has a very adverse effect on the capacities and knowledge established. However, on-site interviews were able to verify that the lessons learned continue to apply. For example, a former representative of a GAM said that he would continue to apply the knowledge gained in his new public office, thereby enabling him to perform his mandate more efficiently. The municipalities' financial weakness continues to hamper the sustainability of the financed infrastructure. Since the infrastructure went into operation (five to six years since the handover), the high construction standards achieved in the financed projects have led to rather low outlays for maintenance. To date, no negative effects on the infrastructure can be seen. It is noteworthy that in almost all projects beneficiaries feel responsible for the infrastructure and carry out minor repair and cleaning work.

There were also major personnel changes at FPS after the last election in 2021, so that only a few of the personnel involved in the implementation of Plan Vida II could be interviewed. However, FPS has a project management system (*Sistema de Administración de Proyectos*, SAP) unique to Bolivia, into which a large proportion of projects from previous programmes have also been transferred. All regional FPS offices have access to SAP and enter the data on the projects in their area of responsibility in a decentralised manner. This ensures knowledge transfer, which became clear during the evaluation.

Durability of impacts over time

Overall, Bolivia has managed to stabilise its economic growth. Growth of 3.6% is forecast for 2023. Whether the municipalities' revenues will increase again over time depends on the amount of mineral oil tax revenues. The sustainability of the impacts is significantly influenced by the commitment and financial resources of the municipalities. This is difficult to estimate at the current time. As already mentioned, the high staff turnover at the level of the municipal administrations after elections leads to major loss of knowledge, which reduces the sustainability of

institutional strengthening. The created operating and maintenance plans remain, which can continue to be used by the subsequent administration. Due to staff fluctuations, the sustainability of the institutional strengthening of FPS is also limited. However, the support of the FPS project management system by the FC-financed NCP I project and past World Bank projects secured the sustainability of knowledge about the projects.

Summary of the rating

From today's perspective, sustainability is considered to be moderately successful due to the existing maintenance and repair plans and the repair works carried out by the village community as required, and due to the good structural quality, which makes a useful life beyond the assumed service life of the infrastructure likely. The lack of sustainability with regard to expertise due to staff fluctuations at the FPS programme executing agency and the municipal administrations as well as the lack of budgets for the maintenance of the financed projects are viewed as particularly negative. This could reduce the useful life of the infrastructure in the future.

Sustainability: 3

Overall rating: 2

The FC project was characterised by a clear focus on poverty through the selection of beneficiary municipalities and a strong focus on the needs of the communities, as well as flexibility in the selection of investment types that were most in demand in the municipal development plans (high relevance). This led to a very high level of utilisation of the infrastructure and high satisfaction of the beneficiaries (development effectiveness). In addition, the project was very well integrated into the Bolivian government's national development plans (coherence). Compared to the predecessor project, it was possible to increase efficiency by increasing the individual project sizes. In addition, the municipalities' high monetary share and the beneficiaries' willingness to carry out smaller repairs independently demonstrate a high level of ownership (efficiency).

The preparation of operating and maintenance plans, which are handed over to the municipalities after completion of the infrastructure, was particularly important for guaranteeing the sustainability of the project. The strong downturn in the municipalities' budgets was caused by the decline in allocations by the national government due to falling raw material prices and high staff turnover in the local municipal administrations.

Overall, the project demonstrated a high level of development effectiveness and is as successful (rating: 2) due to its high relevance, focus on poverty reduction, very high level of infrastructure utilisation and efficient implementation.

Contributions to the 2030 Agenda

The FC project contributed to Sustainable Development Goals (SDGs) 1 (no poverty), 3 (good health and well-being), 4 (quality education), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure) and 16 (peace, justice and strong institutions). The building of bridges, for example, significantly improved access to healthcare facilities during the rainy months. For example, cases were reported where pregnant women previously died because they were unable to cross the river due to very high water levels and thus could not receive medical care. This also significantly improved access to educational facilities for children during the rainy months and reduced the risks of children crossing the river. This strengthened the resilience of the affected groups.

The project supported the Bolivian government's plans to reduce extreme poverty and was integrated into the partner government's programmes. The beneficiary municipalities were selected based on poverty and vulnerability criteria. In addition, the financed infrastructure is predominantly suitable for strengthening local economic cycles for example, through production increases or by facilitating access to markets. Thus, the project was able to make an important contribution to Agenda 2030.

Project-specific strengths and weaknesses as well as cross-project conclusions and lessons learned

The project's strengths include, in particular, the clear focus on poverty through the selection of the beneficiary municipalities according to poverty and vulnerability criteria, as well as the strong orientation to the needs of the communities. For example, there was flexibility in selecting from eight different types of investment that were most in demand in the municipal development plans. This need orientation and flexibility led to a very high degree of utilisation of the infrastructure.

Another strength of the project is the strong ownership of the municipalities, which contributed a high monetary share to the projects. This is also reflected in the commitment of beneficiaries, who showed a high level of willingness to carry out minor repairs themselves.

Compared to the predecessor projects NCP I and II, efficiency gains were also achieved by increasing the individual project sizes to at least USD 150,000, which made the implementation more efficient. Another notable difference, which is of great importance for the sustainability of the project, is the preparation of operating and maintenance plans that were handed over to the municipality after the infrastructure was completed. This creates the basis for adequate maintenance of the infrastructure.

The weaknesses of the project are primarily to be found at the structural impact level. At the level of municipal administrations, there is high staff turnover after every election, which leads to a loss of knowledge and a lack of expertise. This also makes the institutional strengthening of the municipal level difficult in the long term. In addition, the decline in allocations by the national government due to falling raw material prices led to a sharp downturn in municipal revenues, which has a negative impact on the annual budget for maintenance and operation.

At the project-executing agency level, there is a high dependency on national policies, as the budget depends on the number of programmes implemented by FPS for the respective ministries. This offers little long-term planning security for FPS and can be seen as a weakness of the project.

Conclusions and lessons learned:

- Open programmes that allow flexibility in the choice of investment types can be more oriented towards the needs of beneficiaries and are therefore well received by communities.
- Municipalities continue to rely on the support of a strong programme executing agency, even though their implementation capacities have improved. The decentralised structure of FPS with regional offices has proved to be extremely helpful here, as there is lively and regular exchange between the municipalities and the regional offices, and they are also very familiar with the needs of the communities.
- In the area of decentralisation, Bolivia was a pioneer in the creation of new intermediate structures for realising poverty-oriented investments at municipal level with the "social and decentralisation funds" instrument. These types of funds (including predecessor institutions) created comparatively uniform, transparent and clear structures at an early stage that were accepted as the point of entry by all donors. Moreover, institutions such as FPS can, on the one hand, strengthen the position of local governments towards the central government and thus support decentralisation efforts; on the other hand, the strengthening of civil society structures below the municipal level – which have seen exemplary development in Bolivia – and their involvement in decision-making and implementation processes strengthened the beneficiaries' self-confidence and empowerment.
- Most successful social investment funds are characterised by a high level of operational and administrative autonomy. However, this characteristic of success should not be confused with political autonomy, which contradicts the meaning and nature of social investment funds as a vehicle for the implementation of national policies. In this respect, the currently particularly prominent use of FPS in Bolivia for the implementation of national policies is not a fundamental problem, as long as it does not affect staff management at a technical level. The politicisation of the fund becomes worrying when existing procedures coordinated with national and international partners are leveraged by discretionary individual decisions, and institutional professionalism is systematically jeopardised by populist requirements.
- The advantage of a fund has also been demonstrated in Bolivia in the efficient implementation of a large number of public investments. By standardising FPS' project preparation and implementation cycle, it was possible to efficiently implement a large number of nationwide projects and realise economies of scale. Adequate maintenance of local infrastructures remains the Achilles heel of the sustainability of

these types of measures and programmes. Within the framework of Plan Vida II, much greater attention was paid to the anchoring of corresponding maintenance work in the planning process and in local budgets. Thus, significant lessons have been learned from the experiences of the present phases. Joint responsibility of FPS for operation and maintenance, for which FPS then also needs to be financially equipped, can significantly improve the sustainability of the project. This means that the communities can also draw on FPS' expert opinion for operation and maintenance. For example, FPS could integrate this into the project cycle through what are known as inspection visits by the regional offices. This is not intended to remove the municipalities' liability for maintenance and operation, but rather to provide technical support.

Evaluation approach and methods

Methodology of the ex-post evaluation

The ex-post evaluation follows the methodology of a rapid appraisal, which is a data-supported qualitative contribution analysis and constitutes an expert judgement. This approach ascribes impacts to the project through plausibility considerations which are based on a careful analysis of documents, data, facts and impressions. This also includes – when possible – the use of digital data sources and the use of modern technologies (e.g. satellite data, online surveys, geocoding). The reasons for any contradicting information are investigated and attempts are made to clarify such issues and base the evaluation on statements that can be confirmed by several sources of information wherever possible (triangulation).

Documents:

Internal project documents, secondary specialist literature, strategy papers, context, country and sector analyses, national development plans, comparable evaluations, systematic reviews, media reports, statistics.

Data sources and analysis tools:

On-site data collection, partner monitoring data, GPS data, on-site surveys

Interview partners:

Recipients, executing agency, target group, elected (municipal) representatives such as mayors and city councilors, other donors, GIZ, German Embassy

The analysis of impacts is based on assumed causal relationships, documented in the results matrix developed during the project appraisal and updated during the ex-post evaluation. The evaluation report sets out arguments as to why the influencing factors in question were identified for the experienced effects and why the project under investigation was likely to make the contribution that it did (contribution analysis). The context of the development measure and its influence on results is taken into account. The conclusions are reported in relation to the availability and quality of the data. An evaluation concept is the frame of reference for the evaluation.

On average, the methods offer a balanced cost-benefit ratio for project evaluations that maintains a balance between the knowledge gained and the evaluation costs and allows an assessment of the effectiveness of FC projects across all project evaluations. The individual ex post evaluation therefore does not meet the requirements of a scientific assessment in line with a clear causal analysis.

The following aspects limit the evaluation:

Numerous project locations, high number of personnel changes at the executing agency and recipient, limited data situation

Methods used to evaluate project success

A six-point scale is used to evaluate the project according to OECD DAC criteria. The scale is as follows:

- Level 1** very successful: result that clearly exceeds expectations
- Level 2** successful: fully in line with expectations and without any significant shortcomings
- Level 3** moderately successful: project falls short of expectations but the positive results dominate
- Level 4** moderately unsuccessful: significantly below expectations, with negative results dominating despite discernible positive results
- Level 5** unsuccessful: despite some positive partial results, the negative results clearly dominate
- Level 6** highly unsuccessful: the project has no impact or the situation has actually deteriorated

The overall rating on the six-point scale is compiled from a weighting of all six 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 ("impact") and the sustainability are rated at least "moderately successful" (level 3).

List of abbreviations:

FI	Final inspection
GBP	Gross domestic product
BMZ	German Federal Ministry for Economic Cooperation and Development
DAC	Development Assistance Committee
EPE	Ex post evaluation
EUR	euro
DC	Development cooperation
FNDR	Fondo Nacional de Desarrollo Regional
FPS	Fondo Nacional de Inversion Productiva y Social
FC	Financial cooperation
FC E	FC evaluation
GAM	Gobiernos Autónomos Municipales (autonomous municipal administrations)
GIZ	Gesellschaft für Internationale Zusammenarbeit
HDI	Human Development Index
MDG	Millennium Development Goals
MPD	Ministerio de Planificación del Desarrollo
MP	Module proposal
NBI	Necesidades Básicas Insatisfechas
NCP	National Compensation Policy
OECD	Organisation for Economic Cooperation and Development
OTB	Organizaciones Territoriales de Base
PDES	Plan de Desarrollo Económico y Social
PND	Plan Nacional de Desarrollo (National Development Plan)
POA	Plan Operativo Anual
EBRP	Estrategia Boliviana de Reducción de la Pobreza
PICAR	Proyecto de Inversión Comunitaria en áreas Rurales
PA	Project appraisal
PAR	Project appraisal report
PP	Project proposal
SAP	Sistema de Administración de Proyectos (project management system)
TEUR	EUR in thousands
TC	Technical cooperation
USD	US dollar

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List of annexes:

Target system and indicators annex

Risk analysis annex

Project measures and results annex

Recommendations for operation annex

Evaluation questions in line with OECD DAC criteria/ex post evaluation matrix annex

<p>1b) Municipal development plans that have been drawn up in a participatory process are available</p>	<p>In addition, the target level of the indicator appears to be very low. A rate of 80–85% would be expected. A value of 100% was specified for the final inspection. How did this come about?</p>	<p>EPE target level: 80%</p>	<p>n/a</p>	<p>n/a</p>	<p>100%</p>
<p>Indicator 2 (PA): Three years after commissioning, at least 75% of projects are properly used, operated and maintained.</p> <p><u>Proposed adjustment:</u></p> <p>2a) Three years after the start-up of operation, the infrastructure is used as planned.</p> <p>2b) Three years after the start-up of operation, the new infrastructure is run and maintained in an acceptable manner.</p>	<p>As with the final inspection, a proposal has been made to divide the indicator into two parts: usage and operation/maintenance to ensure differentiated measurement of the indicator.</p> <p>Here, too, the target level of the FC measure appears to be too low, especially in the indicator for the use of infrastructure, as 100% use was achieved at final inspection. 75% is appropriate for the indicator of the operation and maintenance of the infrastructure.</p> <p>The final inspection was carried out one year after start-up of operation. Therefore, the indicator can only be measured through ex post evaluation.</p>	<p>75%</p> <p>EPE target level: 75%</p> <p>EPE target level: 75%</p>	<p>n/a</p> <p>n/a</p> <p>n/a</p>	<p>100% of projects are used appropriately. 75% of projects are operated and maintained (2019).</p> <p>n/a</p> <p>n/a</p>	<p>95%</p> <p>66%</p>
<p>Indicator 3 (PA): At the end of the programme, at least 75% of municipalities have operation and maintenance plans, which are renewed annually and reflected in the municipal budget.</p> <p><u>Proposed adjustment:</u></p> <p>Once the programme is complete, the operation and maintenance schedules will continue to be updated annually. The</p>	<p>The existence (updating or creating) of an operation and maintenance plan was a prerequisite for inclusion in the programme. If applicable, clarification of the indicator is advisable.</p>	<p>75%</p> <p>EPE target level: 80%</p>	<p>n/a</p> <p>n/a</p>	<p>100%</p> <p>100%</p>	<p>100%</p> <p>77%</p>

required costs for operation and maintenance are budgeted in the annual municipal budgets.					
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Project objective at impact level		Rating of appropriateness			
<p>During project appraisal: Democratic processes and institutions as well as improved public services promote political, social, economic and cultural inclusion.</p>		<p>The DC programme objective is very broad and should be specified for the purposes of the evaluation or adapted to the “social protection” project in order to reflect the dual objective of the decentralisation project. There are no baseline values for the year of the PA.</p>			
<p>During EPE: By strengthening their capacities, the Bolivian regional bodies (Departamentos) and FPS can fulfil their mandate for local development and thus improve the living conditions of the population.</p>					
Indicator	Rating of appropriateness (for example, regarding impact level, accuracy of fit, target level, smart criteria)	Target level PA / EPE (new)	PA status (year)	Status at final inspection (year)	EPE status (year)
<p>Indicator 1 (PA): In eight municipalities, the implemented public funds for strategic projects increases by X%. [Strategic projects are projects from municipalities (municipios) that provide services in at least 10% of the municipality’s communities (comunidades) and for which at least 5% of the annual investment budget of a municipality administration or AIOC is applied.]</p> <p>Proposed adjustment:</p> <p>Financial resources:</p>	<p>The indicator is not suitable for this FC module, as it is not aimed at basic services</p>	<p>Percentage increase in implemented budget funds</p>	n/a	n/a	n/a

<p>1a) FPS' financial resources: the financial resources of FPS have increased.</p> <p>1b) Municipalities' financial resources: the municipalities' financial resources have stabilised.</p>		<p>Increase of at least 20% compared to the year of the PA</p> <p>Compared to 2016 (start of implementation)</p>	<p>n/a</p> <p>n/a</p>	<p>n/a</p> <p>n/a</p>	<p>Achieved: 54%</p> <p>Not achieved: Reduction of financial resources by 12–50%</p>
<p>Indicator 2 (PA): Ten regional bodies inform their population about the implementation of their participatory development planning</p> <p><u>Proposed adjustment:</u></p> <p>The development of community plans and the budgeting of the municipalities involved in the programme will be carried out with the participation of citizens.</p>	<p>The adjustment of the indicator should focus on general citizen participation and not just the fact that citizens are informed</p>	<p>n/a</p> <p>100%</p>	<p>n/a</p> <p>n/a</p>	<p>n/a</p> <p>n/a</p>	<p>n/a</p> <p>Achieved: 100%</p>
<p>Indicator 3 (PA): 2 Indigenous autonomous areas feature development planning coordinated with their population, which is backed up by a budget approach.</p> <p><u>Proposed adjustment:</u></p> <p>Reduction of poverty rates:</p> <p>Poverty rates have fallen in the regional bodies where</p>	<p>Indicator only targets indigenous autonomous areas and is therefore not applicable to the FC module.</p> <p>In order to measure the improved living conditions of the population or to record the impact of the FC module on</p>	<p>Increase in %</p>	<p>n/a</p> <p>n/a</p>	<p>n/a</p> <p>n/a</p>	<p>n/a</p> <p>Partially achieved: in three out of four</p>

Risk analysis annex

Risk	Relevant OECD-DAC criterion
Amendment to the legal framework with regard to decentralisation	Relevance
Political and economic framework conditions: Development of raw material prices and thus development with regard to the amount of allocations to the municipalities	Sustainability and overarching developmental impact
Sustainable operation of investments (deficiencies in operation and maintenance)	Sustainability

Project measures and their results annex

The FC project was divided into three components:

Component 1: supporting municipalities during project preparation and operation

- a) Operation and maintenance schedules: Under Plan Vida II, the updating or preparation of operation and maintenance plans was financed in order to ensure the sustainability of the municipal infrastructure to be financed in each beneficiary community. The developed operation and maintenance plans consist of two parts: 1) the general guidelines (Guias) for the main sectors that could be financed by the programme (roads, bridges, irrigation and markets) and 2) the operation and maintenance plans adapted to the existing projects of the beneficiary municipalities. For this purpose, two consulting firms (one for Part 1 and one for Part 2) were selected as part of national competitive bidding. A stocktaking and diagnosis of all projects of the beneficiary municipalities similar to the financed projects was carried out (same project type). This means that if an irrigation project was financed in a municipality, an assessment and analysis of all irrigation projects in the municipality was carried out. In each of the beneficiary municipalities, operation and maintenance plans were drawn up for two types of projects. In order to support the application of the developed operation and maintenance plans, workshops were held in the four beneficiary departments for staff in the municipalities. In addition, instructional films and informational material (e.g. brochures) were developed and distributed. The development of the operation and maintenance plans is a novelty and an important result of the project. Thanks to these plans, the municipalities were able to take stock of the projects for which they are responsible and, based on this information, to raise funds for the maintenance of the projects in the municipal budget for 2020. The programme's implementation consultants were able to confirm that the funds allocated to the maintenance of the projects in 2020 were, on average, twice as high as in previous years. Unfortunately, the municipalities do not have the opportunity to make provisions for possible repairs or replacement investments. The funds for financing maintenance measures are budgeted annually.
- b) Identification of large economic projects: As part of this first component, support was planned for the identification of large municipal projects (feasibility studies and construction plans). During the implementation of the programme, this measure was not necessary as all identified projects met the programme's requirements, including the size of the projects (from USD 150,000).

Component 2: Co-financing of sustainable investments in municipal economic infrastructure

The MPD selected 44 particularly rural municipalities in Bolivia on the basis of poverty and vulnerability criteria. Of these, 40 municipalities in the La Paz, Oruro, Chuquisaca and Cochabamba departments participated in the programme. The remaining four municipalities did not participate in the programme because they either financed their projects with other funds or were unable to make their own contribution to the project. A total of 55 infrastructure projects, spread over five different sectors, were financed and completed under the programme:

Departamento	Number of projects	Sector				
		Irrigation	Bridges	Paths and roads	Water retention basin and erosion control measures	Tourism
Chuquisaca	14	8	4	1	1	0
La Paz	14	1	6	7	0	0
Cochabamba	9	3	4	1	1	0
Oruro	18	5	4	8	0	1
Total	55	17	18	17	2	1

Component 3: Institutional strengthening of FPS

- a) FPS supported the municipalities throughout the entire project cycle (e.g. in the preparation of project drafts, competitive bidding and supervision of construction measures). This support was crucial for the above-mentioned positive results of the projects and was highly appreciated by the representatives of the municipalities. In addition, FPS supported communities in the area of maintenance by coordinating and monitoring the consulting assignments for the preparation of the operational and maintenance plans. FPS technical staff took part in various workshops to support the municipalities and consulting firms in drawing up the plans. This component was used to implement measures to strengthen the management and monitoring capacities of FPS. Technical equipment, such as the purchase of magnetic flowmeters, was used to help FPS estimate water flows during project evaluation and implementation, such as bridges, for example. In addition, computers, printers, scanners and servers were purchased with programme resources to support the process of digitalising information within FPS.

- b) Follow-up, monitoring and evaluation of the programme: The implementation consultant supported FPS at every phase and in each component of the project. As part of Component 1, the implementation consultant created four operating and maintenance guidelines to support the municipalities in project preparation and operation. Based on these guidelines, the consulting firms created the operation and maintenance plans. The implementation consultant supported FPS in the follow-up of the consulting companies, as the operation and maintenance plans were drawn up for the first time, and FPS did not have any established processes for this. The implementation consultant also actively participated in the organisation and implementation of training workshops and in the preparation of informational material to support the application of the operation and maintenance plans among the municipalities benefiting from the programme. The effective support of the implementation consultant contributed to a reduction in the planned time for the implementation of Component 2 of the programme.

Overall, the project was mainly implemented according to plan. In the first component, it was not necessary to identify large municipal projects, including feasibility studies, as sufficient projects were already identified and submitted. There was another deviation in Component 3, which intended to expand the FPS project cycle by one phase with MPD support for the ex post evaluation. This did not happen, but would have been of great benefit for the target achievement of the project. No evaluation of Plan Vida was carried out at the time of the EPE. However, the MPD assured the mission that it still wanted to implement this.

Evaluation questions in line with OECD-DAC criteria/ex post evaluation matrix annex

Relevance

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting (- / o / +)	Reason for weighting
Evaluation dimension: Policy and priority focus			3	0	
<p>Are the objectives of the programme aligned with the (global, regional and country-specific) policies and priorities, in particular those of the (development policy) partners involved and affected and the BMZ?</p>	<p><u>Partner level:</u> Decentralisation is not a priority for the Bolivian government.</p> <ul style="list-style-type: none"> • What impact did this have on the project and what significance did the project have for decentralisation? Relevance through poverty alleviation? • How has the sector developed in recent years in terms of the dimensions of decentralisation (sustainable infrastructure; strengthening of government capacities; improvement of civic participation and accountability)? • What were the bottlenecks for decentralisation and governance? • The project was politically integrated into the Plan Vida programme, which aimed to combat extreme poverty as its primary objective. Is decentralisation the relevant area or rather a reduction in extreme poverty? <p><u>BMZ level:</u></p> <ul style="list-style-type: none"> • Are the objectives of the measure aligned with the German Federal Ministry for Economic Cooperation and Development's (BMZ) priorities? • Does the project contribute to the MDGs/SDGs? 	<p>Discussions with the project-executing agency FPS and the Ministry of Planning MPD on site</p> <p>Bolivia's National Development Plan</p> <p>Comparison with current German Federal Ministry for Economic Cooperation and Development decentralisation strategy</p>			

<p>Do the objectives of the programme take into account the relevant political and institutional framework conditions (e.g. legislation, administrative capacity, actual power structures (including those related to ethnicity, gender, etc.))?</p>	<p>Were the institutional capacities of FPS and the participating municipalities taken into account during implementation?</p>	<p>Discussions with the project-executing agency on site, internal project documentation</p>			
<p>Other evaluation question 1</p>	<p>The project has two predecessor projects. In retrospect, how is the classification in the national sector strategy and donor coordination based on the results of the previous projects and its continuation in the subsequent phase to be assessed?</p>	<p>Discussions with other donors on site</p>			
<p>Evaluation dimension: Focus on needs and capacities of participants and stakeholders</p>			<p>1</p>	<p>+</p>	<p>Very high focus on the needs of the beneficiaries was highly relevant for the success of the project</p>
<p>Are the programme objectives focused on the developmental needs and capacities of the target group? Was the core problem identified correctly?</p>	<p>Are the objectives of the programme geared towards the development policy needs of the target group/population? Were the individual measures relevant for the Bolivian poverty strategy?</p> <p>Did the investment types potentially eligible for promotion (FPS catalogue) meet the most urgent needs? Were there major differences in the relevance of the various individual measures? If yes, what is the reason for this?</p> <p>How participatory are the community development plans and do they strengthen the political participation of civil society?</p> <p>Were the needs to expand/improve the capacities of the municipal administrations taken into account?</p>	<p>Discussions with the target group on site</p> <p>Discussions with municipal representatives on site</p> <p>Discussions with municipal representatives on site</p>			

Were the needs and capacities of particularly disadvantaged or vulnerable parts of the target group taken into account (possible differentiation according to age, income, gender, ethnicity, etc.)? How was the target group selected?	According to which poverty and vulnerability criteria was the target group (municipalities) selected by the Ministry of Planificación del Desarrollo (MPD)?	Discussion with the Ministry of Planning on site and initial report from the implementation consultant			
Would the programme (from an ex post perspective) have had other significant gender impact potentials if the concept had been designed differently? (FC-E-specific question)	Would the programme (from an ex post perspective) have had other significant gender impact potentials if the concept had been designed differently? Did the financed infrastructure have significant gender impacts? Do women benefit disproportionately from the financed infrastructure? (GG 1 identifier)	Comparison with other decentralisation projects Discussions with target group on site			
Evaluation dimension: Appropriateness of design			2	0	
Was the design of the programme appropriate and realistic (technically, organisationally and financially) and in principle suitable for contributing to solving the core problem?	Was the design of the programme appropriate and realistic (technically, organisationally and financially) and in principle suitable for contributing to solving the core problem?	Internal project documentation and discussions with project-executing agencies on site			
Is the programme design sufficiently precise and plausible (transparency and verifiability of the target system and the underlying impact assumptions)?	(see indicators for objective at impact level)	Impact matrix and revised target system			
Please describe the results chain, incl. complementary measures, if necessary in the form of a graphical representation. Is this plausible? As well as specifying the original and, if necessary, adjusted target system, taking into account the impact levels (outcome and impact). The (adjusted) target system can also be displayed graphically. (FC-E-specific question)		Impact matrix and revised target system			

To what extent is the design of the programme based on a holistic approach to sustainable development (interplay of the social, environmental and economic dimensions of sustainability)?	To what extent is the design of the programme based on a holistic approach to sustainable development (interplay of the social, environmental and economic dimensions of sustainability)?	Internal project documents			
For projects within the scope of DC programmes: is the programme, based on its design, suitable for achieving the objectives of the DC programme? To what extent is the impact level of the FC module meaningfully linked to the DC programme (e.g. outcome impact or output outcome)? (FC-E-specific question)	To what extent is the impact level of the FC module meaningfully linked to the DC programme (e.g. outcome impact or output outcome)? Was the FC measure able to contribute to the objectives of the DC programme?	On-site project visits and internal project documentation			
Other evaluation question 1	How did the design of the present phase build on the experiences of the previous phases?	Local specialist			
Evaluation dimension: Response to changes/adaptability			-	0	No significant adjustments
Has the programme been adapted in the course of its implementation due to changed framework conditions (risks and potential)?	Has the programme been adapted in the course of its implementation due to changed framework conditions (risks and potential)?	Local specialist and discussions with project-executing agency on site			

Coherence

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting (- / 0 / +)	Reason for weighting
Evaluation dimension: Internal coherence (division of tasks and synergies within German development cooperation):			3	0	

<p>To what extent is the programme designed in a complementary and collaborative manner within the German development cooperation (e.g. integration into DC programme, country/sector strategy)?</p>	<p>Is the programme compatible with the country/sector strategy (at the time vs. today)?</p>	<p>German Federal Ministry for Economic Cooperation and Development's (BMZ) country and sector strategy, discussion with GIZ on site</p>			
<p>Do the instruments of the German development cooperation dovetail in a conceptually meaningful way, and are synergies put to use?</p>	<p>Was there a cooperation/increased exchange of experience with the GIZ programme "Apoyo a la Implementación del Régimen Autónomo y Descentralización en Bolivia (AIRAD)" in Chuquisaca (overlapping programme region)? Were there synergy effects as planned at the PA?</p>	<p>Discussion with GIZ during the evaluation mission</p>			
<p>Is the programme consistent with international norms and standards to which the German development cooperation is committed (e.g. human rights, Paris Climate Agreement, etc.)?</p>	<p>To what extent have international standards already been included in the Separate Agreement?</p> <p>To what extent were environmental and social issues (ESIA) taken into account during the PA and implementation?</p> <p>Was the do-no-harm principle envisaged at the PA taken into account in the implementation?</p>	<p>Internal project documents</p>			
<p>Evaluation dimension: External coherence (complementarity and coordination with actors external to German DC):</p>			<p>1</p>	<p>+</p>	<p>Complementarity with Bolivia's own efforts is crucial for the coherence of the project</p>
<p>To what extent does the programme complement and support the partner's own efforts (subsidiarity principle)?</p>	<p>Decentralisation was already viewed critically by the Bolivian government under Morales at the time of the PA and there was a gradual process of "recentralisation". How and where can the FC measure be situated in Bolivia's current development plan?</p>	<p>Bolivia's current development plan</p>			

Is the design of the programme and its implementation coordinated with the activities of other donors?	The World Bank's "Proyecto de Inversión Comunitaria en áreas Rurales (PICAR)" programme offered direct support for production in the form of public investment and direct subsidies in the same programme area. According to the final inspection report from the local consultant, there was no coordination with the World Bank. Why was this not the case? Were there (nevertheless) synergy effects between the programmes?	Discussion with the World Bank during the evaluation mission
Was the programme designed to use the existing systems and structures (of partners/other donors/international organisations) for the implementation of its activities and to what extent are these used?	Has the implementation of the programme been based on existing structures of the World Bank and/or the Bolivian state?	Discussion with World Bank and project-executing agency during the evaluation mission
Are common systems (of partners/other donors/international organisations) used for monitoring/evaluation, learning and accountability?		Discussions with the World Bank and GIZ on site

Effectiveness

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting (- / 0 / +)	Reason for weighting
Evaluation dimension: Achievement of (intended) targets			3	0	
Were the (if necessary, adjusted) objectives of the programme (incl. capacity development measures) achieved?	Were the adjusted objectives of the programme achieved?	Impact matrix/indicators; comparison of final inspection report with current data from the executing agency and project visits			

Table of indicators: Comparison of actual/target				
Evaluation dimension: Contribution to achieving objectives:			3	0
To what extent were the outputs of the programme delivered as planned (or adapted to new developments)? <i>(Learning/help question)</i>		In-house project documentation, on-site visit and deployment of local consultants		
Are the outputs provided and the capacities created used?	Will the financed infrastructure continue to be used (100% at final inspection)?	On-site inspection and deployment of local consultants		
To what extent is equal access to the outputs provided and the capacities created guaranteed (e.g. non-discriminatory, physically accessible, financially affordable, qualitatively, socially and culturally acceptable)?	Is the infrastructure created accessible (e.g. for markets)? Is the financed infrastructure adapted to the needs of the population?	Project visits and discussions with target group on site		
To what extent did the programme contribute to achieving the objectives?		Project visits and discussions with target group on site		
To what extent did the programme contribute to achieving the objectives at the level of the intended beneficiaries?		Project visits and discussions with target group on site		
Did the programme contribute to the achievement of objectives at the level of the particularly disadvantaged or vulnerable groups involved and affected (potential differentiation according to age, income, gender, ethnicity, etc.)?		Project visits and discussions with target group on site		
Were there measures that specifically addressed gender impact potential (e.g. through the involvement of women in project committees, water committees, use of social workers for women, etc.)? <i>(FC-E-specific question)</i>	Not relevant, as there were no measures with a targeted gender impact (despite GG-1 identifier). Were targeted GG measures not possible?	Discussions with project-executing agency		

Which project-internal factors (technical, organisational or financial) were decisive for the achievement or non-achievement of the intended objectives of the programme? (<i>Learning/help question</i>)		Local specialist and discussion with the project-executing agency			
Which external factors were decisive for the achievement or non-achievement of the intended objectives of the programme (also taking into account the risks anticipated beforehand)? (<i>Learning/help question</i>)	To what extent were the structure of the project-executing agency and structures in the municipalities “stable”? Was there significant staff turnover? To what extent have elections or election campaigns influenced the achievement of the programme objectives?	Local specialist and discussion with the project-executing agency and local communities			
Evaluation dimension: Quality of implementation			1	0	
How is the quality of the management and implementation of the programme to be evaluated with regard to the achievement of objectives?		Discussions with Ministry of Planning, project-executing agency and (if possible) former consultant			
How is the quality of the management, implementation and participation in the programme by the partners/sponsors evaluated?		Local specialist			
Were gender results and relevant risks in/through the project (gender-based violence, e.g. in the context of infrastructure or empowerment projects) regularly monitored or otherwise taken into account during implementation? Have corresponding measures (e.g. as part of a CM) been implemented in a timely manner? (FC-E-specific question)		Reports from the project-executing agency, implementation consultant			
Other evaluation question 1	How is the quality of the management and implementation of the programme evaluated in comparison to the previous phases?	Local specialist and on-site discussions			

Evaluation dimension: Unintended consequences (positive or negative)			2	0	
Can unintended positive/negative direct impacts (social, economic, ecological and, where applicable, those affecting vulnerable groups) be seen (or are they foreseeable)?		On-site project visits			
What potential/risks arise from the positive/negative unintended effects and how should they be evaluated?		On-site project visits			
How did the programme respond to the potential/risks of the positive/negative unintended effects?		Project-executing agency progress reports			

Efficiency

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting (- / o / +)	Reason for weighting
Evaluation dimension: Production efficiency			2	0	
How are the inputs (financial and material resources) of the programme distributed (e.g. by instruments, sectors, sub-measures, also taking into account the cost contributions of the partners/executing agency/other participants and affected parties, etc.)? (Learning and help question)	Production efficiency: Review of the total costs of the investments and with regard to the various individual measures for proportionality. Are the unit costs for comparable infrastructure measures appropriate in a nationwide comparison (oversizing or undersizing of the individual measures)? Are the administrative expenses appropriate for FPS? The total costs of the project amounted to EUR 13.76 million and practically correspond to the costs of EUR 13.77 million set in the programme proposal. The actual costs for the consulting services (EUR	Evaluation by local consultant with technical expertise			

	0.385 million) were slightly above the planned value of EUR 0.30 million. Was the consulting costs amount appropriate? Has the delay from the time the contract was signed to the start of implementation adversely affected costs?	
To what extent were the inputs of the programme used sparingly in relation to the outputs produced (products, capital goods and services) (if possible in a comparison with data from other evaluations of a region, sector, etc.)? For example, comparison of specific costs.	<p>Were the costs of financing the individual projects justified by the project category?</p> <p><u>Allocation efficiency:</u> Did the application-oriented selection of individual projects pay off? Or would it have been more advantageous to reduce or change the possible investment types and/or the number or type of target cities, e.g. regional clustering? Do the individual measures (incl. TA) efficiently lead to an improvement in living conditions and the decentralisation process in the country?</p>	<p>Evaluation by the local consultant</p> <p>Discussion with Ministry of Planning and project-executing agency</p>
If necessary, as a complementary perspective: To what extent could the outputs of the programme have been increased by an alternative use of inputs (if possible in a comparison with data from other evaluations of a region, sector, etc.)?		Comparison with other evaluations in the sector (Mali 2022 and Ghana 2021)
Were the outputs produced on time and within the planned period?	<p>What led to the delays during the initial phase (government commitment in 2007, appraisal in 2012)? According to the PP, Bolivia was in a period of upheaval under the Morales government. What led to the delays in the competitive bidding for the implementation consultant? According to the final inspection, the project-executing agency had a critical attitude. Could it have been possible to counteract the delays? What was done differently compared to the previous phases (NCP I and II)? (after→</p>	Local specialist and discussions with project-executing agency

	contract with implementation consultant, rapid implementation of Plan Vida II)				
Were the coordination and management costs reasonable (e.g. implementation consultant's cost component)? (FC-E-specific question)	See Production efficiency	Evaluation by the local consultant			
Evaluation dimension: Allocation efficiency			2	+	High own counterpart contribution and ownership of the municipalities was decisive for the success of the project
In what other ways and at what costs could the effects achieved (outcome/impact) have been attained? (<i>Learning/help question</i>)	What and how high were the budget allocations of the nation state for Plan Vida?	General Plan Vida reports Project-executing agency reports			
To what extent could the effects achieved have been attained in a more cost-effective manner, compared with an alternatively designed programme?		On-site discussions Internal brainstorming			
If necessary, as a complementary perspective: To what extent could the positive effects have been increased with the resources available, compared to an alternatively designed programme?		On-site discussions Internal brainstorming			

Impact

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting (- / o / +)	Reason for weighting
Evaluation dimension: Over-arching developmental changes (intended)			2	0	

<p>Is it possible to identify overarching developmental changes to which the programme should contribute? (Or if foreseeable, please be as specific as possible in terms of time.)</p>	<p>To what extent did the FC measure contribute to reducing poverty in the participating municipalities?</p> <p>To what extent did the FC measure contribute to strengthening local participatory processes?</p> <p>To what extent did the FC measure contribute to decentralisation?</p>	<p>Publicly accessible data (e.g. from the World Bank or the Bolivian Statistical Office) on poverty rates and</p> <p>On-site discussions</p>			
<p>Is it possible to identify overarching developmental changes (social, economic, environmental and their interactions) at the level of the intended beneficiaries? (Or if foreseeable, please be as specific as possible in terms of time)</p>		<p>Project visits and discussions with beneficiaries on site</p>			
<p>To what extent can overarching developmental changes be identified at the level of particularly disadvantaged or vulnerable parts of the target group to which the programme should contribute? (Or, if foreseeable, please be as specific as possible in terms of time)</p>		<p>Publicly accessible data (e.g. from the World Bank) on poverty rates and</p> <p>On-site discussions</p>			
<p>Evaluation dimension: Contribution to overarching developmental changes (intended)</p>			2	0	
<p>To what extent did the programme actually contribute to the identified or foreseeable overarching developmental changes (also taking into account the political stability) to which the programme should contribute?</p>		<p>Project visits and discussions with beneficiaries on site</p> <p>Statistics</p>			
<p>To what extent did the programme achieve its intended (possibly adjusted) developmental objectives? In other words, are the project impacts sufficiently tangible not only at outcome</p>		<p>Project visits and discussions with beneficiaries on site</p> <p>Statistics</p>			

level, but at impact level? (e.g. drinking water supply/health effects)		
Did the programme contribute to achieving its (possibly adjusted) developmental objectives at the level of the intended beneficiaries?	The impact objective was specified in more detail for this EPE and corresponding indicators were added.	Project visits and discussions with beneficiaries on site Statistics
Has the programme contributed to overarching developmental changes or changes in life situations at the level of particularly disadvantaged or vulnerable parts of the target group (potential differentiation according to age, income, gender, ethnicity, etc.) to which the programme was intended to contribute?		Project visits and discussions with beneficiaries on site Statistics
Which project-internal factors (technical, organisational or financial) were decisive for the achievement or non-achievement of the intended developmental objectives of the programme? (<i>Learning/help question</i>)		Local specialist and discussions with project-executing agency
Which external factors were decisive for the achievement or non-achievement of the intended developmental objectives of the programme? (<i>Learning/help question</i>)	How has the change in the political situation (elections, transition of power, etc.) affected the objectives of the measures? How did the effects of the coronavirus pandemic affect the beneficiaries economically and socially and thus also the intended project impacts?	Project visits and discussions with beneficiaries on site Statistics Newspaper articles
Does the project have a broad-based impact? - To what extent has the programme led to structural or institutional changes (e.g. in organisations, systems and regulations)? (Structure formation)	To what extent has the FC measure contributed to the development of expertise/competence in the participating municipalities? Can improved implementation of municipal budgets be observed? Is there a successor programme for Plan Vida?	On-site discussions Annual budgets and number of implemented projects

- Was the programme exemplary and/or broadly effective and is it reproducible? (Model character)					
How would the development have gone without the programme? (development policy additionality)		Discussions with the project-executing agency and beneficiaries on site			
Other evaluation question 1	Was there an evaluation of the Plan Vida programme by the Bolivian authorities (to learn from experience and improve future programmes)?	Discussions with project-executing agency on site			
Evaluation dimension: Contribution to (unintended) overarching developmental changes			2	-	Decentralisation no longer a priority, but little influence on project success
To what extent can unintended overarching developmental changes (also taking into account political stability) be identified (or, if foreseeable, please be as specific as possible in terms of time)?	Are the objectives of the programme still part of the current Bolivian development plan?	Bolivia's National Development Plan			
Did the programme noticeably or foreseeably contribute to unintended (positive and/or negative) overarching developmental impacts?		On-site discussions			
Did the programme noticeably (or foreseeably) contribute to unintended (positive or negative) overarching developmental changes at the level of particularly disadvantaged or vulnerable groups (within or outside the target group) (do no harm, e.g. no strengthening of inequality (gender/ethnicity))?		Project visits and discussions with beneficiaries on site			

Sustainability

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting (- / 0 / +)	Reason for weighting
Evaluation dimension: Capacities of participants and stakeholders			3	+	The capacities and contribution of the participants were decisive
Are the target group, executing agencies and partners institutionally, personally and financially able and willing (ownership) to maintain the positive effects of the programme over time (after the end of the promotion)?	How is the donor-supported institutional promotion of FPS today? How do you rate the project-executing agency's performance today? Does FPS have secure financing and a high level of staff consistency?	Discussions with project-executing agency on site			
To what extent do the target group, executing agencies and partners demonstrate resilience to future risks that could jeopardise the impact of the programme?		Project visits			
Evaluation dimension: Contribution to supporting sustainable capacities:			3	0	
Did the programme contribute to the target group, executing agencies and partners being institutionally, personally and financially able and willing (ownership) to maintain the positive effects of the programme over time and, where necessary, to curb negative effects?	Are the municipalities in a position to apply for and implement municipal projects in terms of personnel, finances and willingness (ownership)?	Project visits and discussions with project-executing agency, municipalities and other beneficiaries			
Did the programme contribute to strengthening the resilience of the target group, executing agencies and partners to risks that could jeopardise the effects of the programme?		Project visits and discussions with project-executing agency, municipalities and other beneficiaries			

<p>Did the programme contribute to strengthening the resilience of particularly disadvantaged groups to risks that could jeopardise the effects of the programme?</p>		<p>On-site discussions</p>			
<p>Other evaluation question 1</p>	<p>Does the maintenance and servicing of the individual measures correspond to the specifications and project objectives (overall and differentiated by project type)? Are the capacities appropriate for this? Does the local administration perform its tasks (e.g. with regard to maintenance and servicing)? What maintenance work has already been carried out? Is preventive maintenance carried out? How are users involved in the maintenance and financing of maintenance?</p>	<p>On-site project visits</p>			
<p>Other evaluation question 2</p>	<p>Have operating and maintenance costs been raised in the Planes Anuales de Operación (POA)?</p>	<p>POA</p>			
<p>Evaluation dimension: Durability of impacts over time</p>			<p>3</p>	<p>0</p>	
<p>How stable is the context of the programme (e.g. social justice, economic performance, political stability, environmental balance)? (<i>Learning/help question</i>)</p>	<p>Which external factors are the budget/budget funds of the municipal administration dependent on? What sources of finance make up the budget of the municipalities? How dependent are they on central transfers (Coparticipation Tributaria, Impuesto Directo a los Hidrocarburos)?</p>	<p>Local consultant and meetings with local municipalities</p>			
<p>To what extent is the durability of the positive effects of the programme influenced by the context? (<i>Learning/help question</i>)</p>	<p>Are there climate risks or other risks (such as landslides, floods, etc.) that could jeopardise the use or existence of the built infrastructure? Can these be mitigated and are they? Were these potentially negative impacts (e.g.</p>	<p>Local consultant, Internal project documents</p>			

	<p>environmental impacts) adequately taken into account in the design and implementation of the project?</p> <p>Are damages already reducing the benefits of the projects?</p>	Project visits
<p>To what extent are the positive and, where applicable, the negative effects of the programme likely to be long-lasting?</p>	<p>Can the positive effects be considered permanent? Will the maintenance and operation plans continue to be applied and will they be applied in the future? What could potential obstacles be? How is financing for maintenance of the supported infrastructure developing?</p>	Local consultant and on-site discussions
Other evaluation question 1	<p>What prospects do municipalities have for increasing their revenues?</p>	On-site discussions
Other evaluation question 2	<p>What role does FAM (Federación de Asociaciones Municipales de Bolivia) play in terms of technical support after the end of the investment measures?</p>	On-site interviews with FAM