

# Ex post evaluation – Cambodia

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**Sector:** Road transport system (CRS code 21020)  
**Project** Rural Infrastructure programme Siem Reap and Kampong Thom I & II (RIP I & RIP II) - (A) BMZ No. RIP I: 2007 66 014\*, A+F No. 2007 408, (B) BMZ No. RIP II: 2009 66 119  
**Project Executing Agency:** Ministry of Rural Development (MRD)



## Ex post evaluation report: 2014

		Project A (Planned)	Project A (Actual)	Project B (Planned)	Project B (Actual)
Investment costs (total)	EUR million	10.56	10.48	11.15	11.15
Counterpart contribution	EUR million	3.46	3.41	4.15	4.15
Funding	EUR million	7.10	7.01	7.00	7.00
of which BMZ budget funds	EUR million	7.10	7.01	7.00	7.00

\*) Random sample 2014

**Description:** Phases 1 and 2 of the Rural Infrastructure Programme were intended to use capital expenditure on rural infrastructure to provide long-term improvements to the rural population's year-round access to social institutions and markets as well as the use of these by the target group. The programmes comprised the expansion, rehabilitation and maintenance of rural roads as well as the construction of markets in the two regions Siem Reap and Kampong Thom. As part of a basic and advanced training measure, support of the development of a maintenance management system already begun under the TRIP IV predecessor project was to be continued.

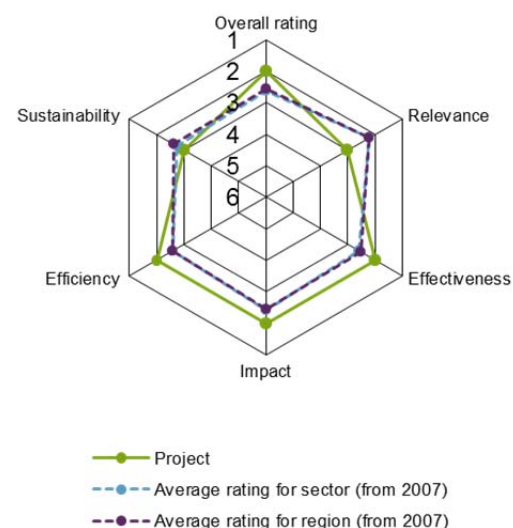
**Objectives:** The development policy objective of RIP II&III was to contribute to economic and social development in the project regions as well as to reducing poverty among the rural population. This was to be achieved by providing better access to economic and social institutions and facilities through the project activities. The aim of the measures was the easier year-round use of rural roads that lead to markets, schools and health facilities.

**Target group:** The target group in the narrower sense of RIP I&II were the poor rural population in the selected programme areas (for both projects Siem Reap and Kampong Thom) living along the rehabilitated or expanded rural roads (approx. 50,000 people). The target group in the broad sense was the whole population along the maintained roads in the seven provinces of all programmes thus far implemented.

## Overall rating: 2 (both phases)

**Rationale:** The conception and impact of the two phases are very similar, so there is no difference in evaluation.

**Highlights:** Long-standing commitment in the sector was able to achieve structural effects in relation to the maintenance of rural roads. But these effects are jeopardised by problems relating to donor coordination as well as by the continued existence of parallel structures.



## Rating according to DAC criteria

### Overall rating: 2 (both phases)

The attainment of project objectives at the outcome and impact levels together with efficient implementation, despite rising unit costs, are crucial to the good evaluation. The individual development measures, which extend beyond road construction and maintenance to also include country markets in an endeavour to boost agricultural productivity, are in principle of great relevance to rural development, but have to be better integrated into the overall concept. Even though it is being called for by the Cambodian side, the perpetuation of parallel structures for programme implementation, which has continued for years now, is a weakness of the programme. A conceptual further development of this aspect of the programme is desirable if a good evaluation is to remain justified.

#### Relevance

The two programmes were appropriate to the time at which their implementation began (2008/2011) and today make sense in terms of the national sectoral policy. Furthermore, they form an important component of the national development plan and national poverty reduction strategy<sup>1</sup>. From the current perspective too, the expansion and maintenance of country roads in Cambodia is highly relevant to rural development and to improving the lives of the local population.

Including the construction of local markets is essentially a meaningful addition to the road construction measures, since a close network of roads and markets can contribute to increases in agricultural production. However, the management of the markets built during these phases was not part of the project conception. The measures are also not directly related in spatial terms.

The basic and advanced training measure has made a decisive contribution to the success of the project by establishing clear processes for the planning, budgeting and implementation of maintenance measures both through the basic and advanced training of ministry employees and through the introduction and improvement of the "Road Maintenance Management and Planning System" (ROMAPS). The impact of this very relevant measure is potentially reduced by the de facto absence of donor coordination (see Sustainability). For some years now, the parallel structure in this programme has been viewed as negative for the implementation of the programme. It does contribute to a high implementation efficiency and quality. However, it has an adverse effect on the transfer of expertise and processes to the ministry and thus on structural changes and sustainable effects.

### Relevance rating: 3 (both phases)

#### Effectiveness

The aim of the measures was to facilitate the year-round use of rural roads that lead to markets, schools and health facilities. It proved possible to almost completely achieve the intended physical outcomes of the two programmes. All planned roads were rehabilitated to a standard that was, in some cases, even higher than planned, while routine and periodic measures have been executed to the planned extent in the seven provinces of the FC programme (the latter measures were financed using KfW funds and executed via the implementation structures of the FC programme). The condition of the roads renovated in RIP I&II were judged to be satisfactory to good by the project-executing agency and, to date, scarcely any maintenance measures have been regarded as necessary.

For RIP I, it has only been possible to construct one of the 2-3 markets planned because many others did not meet the defined requirements. The two markets planned for RIP II were also built. Both markets experienced initial difficulties. In one case these were associated with a clarification of ownership rights, in the other with acceptance by users. The expansion of the markets was not taken into consideration for the

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<sup>1</sup> NSDP – National Strategic Development Plan update 2009-2013 (from 2008); National Poverty Reduction Strategy 2003-2005 (from 2002); Rural Roads Policy (from 2007; MRD).

target indicators. The impact intended with this sub-component was only partially achieved. This component appears to be poorly integrated into the programme.

According to socioeconomic surveys, it proved possible to achieve the programme objective (outcome) after the measures were completed. The expanded roads are passable throughout the year and the volume of traffic everywhere has on average risen far beyond that envisaged in the planning. Indicators for cost and time savings, originally located at the outcome level, have been moved to the impact level. The attainment of the project objectives in these two phases almost entirely matches the findings of the 2007 and 2012 ex-post evaluations of earlier phases of the programme. Despite the assessment of the rural markets as being relatively poor, the effectiveness was nonetheless evaluated as good since the markets only had a small financial share in the programme phases.

**Effectiveness rating: 2 (both phases)**

### Efficiency

The total costs were fully adhered to in both programmes and ultimately were even lower than planned. However, the average costs per rehabilitated kilometre rose by almost 60 % between the planning of RIP I in 2008 and the completion of RIP II in 2013. This marks a continuation of the trend from the preceding programme phases. However, the reasons provided by the Ministry of Rural Development (MRD) and the execution consultants (primarily a repeatedly increasing expansion standard, inflation) appear plausible and at a nationally comparable level, meaning that production efficiency remains good here. The implementation periods for the two programmes were short, and given the development of costs, important for the efficiency and target achievement of the two programme phases.

The total costs for the construction of the markets within the two programmes were just below the budget set out in the PP (-8 %) and constitute about 5 % (RIP I) and around 8 % (RIP II) of the respective total costs. It should be noted that 2-3 markets were planned for RIP I, but only one was built using the existing budget. In RIP II, two markets were constructed with a slightly increased total budget. One of them was ultimately far smaller than the other two. All in all, in local terms the three markets have been built to a very high standard (raised platform, solid roof, fencing, toilets, etc.). As only the market from RIP I has commenced operation so far, even though both RIP II markets were already completed over a year ago, the efficiency and effectiveness of the use of funds in relation to these programme components can only be rated as limited.

The consulting expenses are about 20 % higher than planned and make up around 11 % of total costs. These figures are similar to those of earlier programme phases. As compared to other FC programmes for rural road building, the consulting costs are acceptable, especially since the respective consultant plays a key role in the success of such programmes, with regard to sustainability in particular. The basic and advanced training measure can also be regarded as efficient, but with the limited funds available it was only possible to anchor and extend the maintenance management system to a certain degree.

As the road improvement has demonstrably led to an increased number of users and reduced travelling times and costs, we assess the use of funds as efficient despite the higher unit costs (allocation efficiency). This is thanks to the selection criteria for the project roads, criteria that were based on the economic relevance of the roads and efficiency of the use of funds.

**Efficiency rating: 2 (both phases)**

### Impact

The development policy objective of RIP II&III was to contribute to economic and social development in the project regions as well as to poverty reduction among the rural population. This was to be achieved by providing better access to economic and social institutions and facilities through the project activities. Socioeconomic studies on the effects of the two projects give a positive picture of the developmental impacts.

In comparison to the situation before the start of the project, journey times are significantly shorter and vehicle operation costs far lower. Thanks to the possibility of roads all year round, the target group's access to social and economic infrastructure has been facilitated. The ability to reach health facilities has

improved and school attendance rates for secondary schools have increased. However, only the secondary school attendance rate was higher than average in the provinces (objective). It has proven possible to increase the school attendance of girls disproportionately for both school types. The incomes of the local population have risen considerably.

The overall objective (impact) of the projects was thus achieved in respect of all indicators and, in some cases, these were even exceeded. Due to the absence of a control group, it was not possible to precisely evaluate the net effects of the projects, meaning that the resilience of the identified effects has to be relativised somewhat. Nonetheless, academic research into rural roads shows that, in comparable contexts, there was also an impact on the attendance of schools (especially secondary schools) and health units. Effects on a similar scale were confirmed in the preceding programme phases too.

### Impact rating: 2 (both phases)

#### Sustainability

The gradual increase in the national budget provided for rural road maintenance over the term of the project is noteworthy. This rose by a factor of six between 2007 and 2013 and thus today, while it does not cover all annual needs, is almost at the level estimated to be required in the ex-post evaluation for TRIP IV in 2012.

So far, the roads renovated under RIP I&II have not shown any need for maintenance. A comparison with the evaluation findings for TRIP IV shows that the maintenance needs are higher after a relatively longer period following the completion of the main measure. At that time, this need was not so easy to fulfil.

Three years after the final review, only 75 % of the roads were assessed as being in a good state. At present, the project-executing agency rates 7 out of 18 project roads as being in "good" condition and another seven as "fair". Maintenance work is needed on four roads and we have been informed that it is being carried out.

The previous maintenance work by the MRD can be assessed positively. In each case, a counterpart contribution from the Cambodian government was allocated to the individual phases of the FC programme for road maintenance. These funds were spent by the responsible project implementation units (PIU) in the respective programme provinces on a priority basis, not necessarily on the roads rehabilitated using FC funds, but in the provinces where the FC had previously operated. This maintenance work was reliable, of good quality and carried out regularly. Moreover, the MRD is executing other maintenance measures outside the FC projects and its implementation structures. Some of these works have taken over processes from the FC programme.

The general development of the budget for maintenance allows us to provisionally take a positive view of the sustainability of the roads renovated under RIP I&II. The measures financed by means of counterpart contributions are having a positive impact on the entire road network in the FC provinces, which also includes some roads renovated in earlier Financial Cooperation phases. Once the FC programme ends, the targeted allocation of funds to a selection of provinces will likely cease. In the medium term, this may reduce the sustainability of the roads that have been rehabilitated there. Then again, a nationally managed distribution of scarce maintenance funds also merits a positive evaluation.

There is a risk to the sustainable use of maintenance processes (planning, budgeting, implementation) that have thus far been assessed as successful, and which were established by TRIP IV and RIP I&II, supplemented by the ROMAPS management system that was introduced in the project regions. This is partly due to the parallel implementation structure that has existed for some years. The implementation structure is being called for by the Cambodian government. To sustain the currently high level of maintenance and secure the sustainability of capacity development measures, an attempt should be made as part of future German cooperation in rural road construction to drive forward donor coordination with the Asian Development Bank and the agreements with the Cambodian government regarding the planned changeover to a new management information system. It would be important to work towards the integration of existing, established procedures and data entered in ROMAPS. A transition from the parallel structure towards direct cooperation with the MRD lines may be conducive to this.

### Sustainability rating: 3 (both phases)

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

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

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

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

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

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

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

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

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

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