

Ex Post-Evaluation Brief

Ghana: District Capitals, Phases III and IV



Programme/Client	District Capitals, Phases III-IV BMZ numbers 1999 65 351 and 2001 66 058	
Programme executing agency	Ministry of Local Government and Rural Development (MLGRD)	
Year of sample/ex post evaluation report: 2011*/2011		
	Appraisal (planned)	Ex post-evaluation (actual)
Investment costs (total)	EUR 14.9 million	EUR 14.3 million
Counterpart contribution (company)	EUR 1.9 million	EUR 1.3 million
Funding, of which budget funds (BMZ)	EUR 13.0 million EUR 13.0 million	EUR 13.0 million EUR 13.0 million

* random sample - Phase III part of random sample / Phase IV evaluated in tandem

Project description: The 'District Capitals' series is an open, needs-based community development programme. The first two phases of the programme have already undergone ex post evaluation. This present ex post evaluation addresses Phases III and IV. Phase III focuses on financing community infrastructure facilities in the regions of Brong-Ahafo and Ashanti; the fourth phase of the programme extends to eight further districts which border the Ashanti region to the south. Unlike the investments financed to date (market places, bus stations and truck stops), the raft of measures financed by German FC in this third phase focused on social infrastructure, particularly schools, health stations and rural access roads.

Objective: Financing investments in community infrastructure (the FC component) aimed to improve the provision of community services for the population in the programme locations (the programme objective). Adopting a participatory and decentralised approach while implementing the FC programme, supplemented by technical assistance for the district administrations (the TC component), and aimed at strengthening self-administration capacities at a district level (the overall objective). This FC programme was undertaken jointly with GIZ.

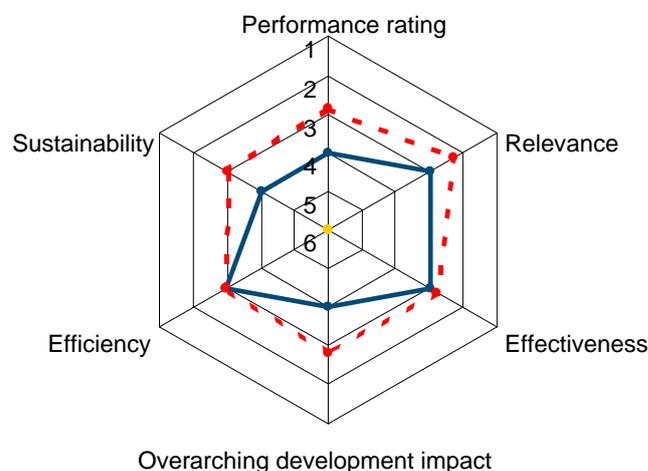
Target group: The population of the programme locations and their catchment areas within the districts (approx. 2.5 million inhabitants).

Overall rating: 4

Due to inadequate performance in the areas of overarching developmental impact and sustainability, an overall rating of 'unsatisfactory' has been awarded.

Of note: Due to the stagnation of the decentralisation process, gaps became apparent in the programme's chain of effects. Progress made in the material dimension.

Rating by DAC criteria



—●— Programme
—●— Average rating for sector: No basis for comparability
- -●- - Average rating for region (starting 2007)

EVALUATION SUMMARY

Overall rating: Viewed as a whole, and based on the marks awarded against individual criteria and the inadequate level of overarching developmental impact achieved, Phases III and IV of this series of programmes have been given an overall rating of 'unsatisfactory'

Rating: 4

Relevance: By building social infrastructure to improve living conditions for the target group, Phases III and IV of this series of programmes are tackling a key developmental problem in Ghana. The programme has a high degree of relevance in relation to the material dimension of decentralisation, since infrastructure construction is an important precondition for the delivery of public services at a local level. It is also worth noting that consultations were made to coordinate with other donor programmes, in order to achieve a balanced distribution of infrastructure across the districts.

In both phases, apart from the purely material dimension of decentralisation, the programme design did not enable any visible strengthening of the self-administration capacities of the district authorities (the overall objective). This applied in particular to ensuring appropriate servicing and maintenance of the social infrastructure (which was predominantly funded under this programme) in the context given, i.e. the low levels of financing available at the district level. Nor was there any evidence of achieving the intended impact (which aimed at 'current best practice' standards) with regard to the administrative, financial or political dimensions of the decentralisation process. This shows weaknesses in the results chain forming the basis of the concept for Phases III and IV.

Both phases of the programme are in overall agreement with the priorities and developmental strategies of Ghana as well as with BMZ guidelines, as stated at the time each phase underwent programme appraisal. In addition, basic coordination took place with the programmes of other donors. Within German DC, there was cooperation with GIZ (at that time GTZ and DED). Relevance has been assessed overall as satisfactory (Sub-Rating: 3).

Effectiveness: Impressions gained by the local expert during visits made to the infrastructure facilities for this ex post evaluation clearly show that objective indicator no 1 - 'in at least 75% of the programme installations funded by the FC programme, infrastructure facilities are used properly for at least two years after completion' - was achieved and slightly surpassed. In most cases, the actual use of the facilities was good to very good. In certain schools, as well as in the water project that was visited, demand was so great that the facilities were being used well beyond their envisaged capacity. They are still in a satisfactory condition, thanks to their solid construction and to minor repairs, which are undertaken by the staff at the establishments and financed out of self-generated revenue. In seven out of the ten facilities visited, the availability of staff such as teachers or doctors was adequate to ensure that services were delivered properly. However, in terms of the equipment available, shortcomings were clearly evident in all the schools and health centres visited. The

lack of furniture and the inadequate availability of teaching materials in the schools, together with the lack of medical equipment and supplies in the health centres, are lowering the quality of the health and education services being provided. It is also increasing both the risk of pupils dropping out of school and the probability of an unsatisfactory level of utilisation in the medium term in the health centres. These problems highlight the inadequate financial scope available at the district administrations to sustainably cover operating and maintenance costs. This especially applies to social infrastructure, which generates little or no income.

For the overall objective - 'strengthening self-administration capacities at the district level' - indicator no 2 was introduced as part of the ex post evaluation: 'the timely and transparent transfer of national government funds to sustainably cover the operating and maintenance costs of the facilities which have been financed'. This was considered not to have been achieved.

In summary, the contribution which the FC programme has made to decentralisation at the programme objective level - i.e. addressing its material dimension through the use of infrastructure by the local population - is, despite some reservations, satisfactory. With regard to capacity improvements in the districts (the financial and administrative capabilities of the local administrations), impact was limited. Taken altogether, effectiveness has been assessed as satisfactory (Sub-Rating: 3).

Efficiency: Compared to other initiatives in Ghana using similar approaches, construction costs were good. This was due to the implementation concept that was adopted (including the use of standard designs). For example, under the FC programme the average cost of a classroom in Ghana was approx. USD 8,700; this compares with a figure of USD 9,600 under the World Bank's Primary School Development Programme (PSDP).

Implementation of Phases III and IV was substantially delayed. This raised the cost of local consulting services (by a total of 24% for Phases III and IV), which reduces efficiency.

In terms of the material aspect of allocative efficiency, on the one hand expanding the concept to cover individual social infrastructure projects, aligned with the high level of demand for health and education services in the districts, is seen as positive. The extent to which the increased provision of school and health infrastructure has led to an improvement in overall regional health and/ or to improved performance statistics in the education sector (school enrolment, drop-out rates, school graduation rates, etc.) was not - bearing in mind that the programme's overall objective was directed toward decentralisation - investigated in any great depth within this ex post evaluation. Concentrating on social infrastructure has, on the other hand, led to a markedly higher financial burden on the districts. This has not been offset by any increase in local incomes or transfers from central government funds. As a result, the ongoing operation of this infrastructure cannot be assured through the local

administrations. Hence hardly any of the reserves for building maintenance that were envisaged in the programme's design have been put in place and, for their part, the view of the local administrations is that they have only limited responsibility for maintaining the infrastructure. Once again, this drives down efficiency. Overall, efficiency has been assessed as only just satisfactory (Sub-Rating: 3).

Overarching developmental impact: Phases III and IV of this series of FC programmes aimed at making a contribution to strengthening the self-administration capacities of the relevant districts. This was to be checked against the following indicator: 'The local authorities are operating and maintaining the infrastructure facilities which have been funded'. However, no appreciable increase in the districts' self-administration capacities has been discerned, neither from the projects visited during the ex post evaluation, nor from the additional information presently at hand. In the medium and long term, the scope of the finances available is inadequate to maintain the additional social infrastructure provided under this programme. One reason for this is the stagnation of the decentralisation process which has taken place over the duration of these two phases. At a detailed level, shortcomings in the decentralisation process have had the following effects:

- i) The district assemblies continue to subject their planning and budgetary systems to a multitude of assorted central government guidelines. Any isolated capacity-building at a local level has little likelihood of achieving a structural impact;
- ii) The highly centralised system which still persists in the public sector (for example, in equipping health centres), the inadequacy and lack of transparency in the provision of competent staff and funding to the districts, together with the lack of clarity between central government and the districts regarding their respective responsibilities all impede the successful operation and maintenance of local infrastructure facilities.

The results of this significant imbalance in implementing the four dimensions of decentralisation at the local level include, in the present case, a lack of sustainability in the operation of the infrastructure which has been funded. Another reason for the limited impact seen at the overall objective level is found in the limited number of districts which received funding. This does not permit any overarching standardisation of regulations and procedures. As experience elsewhere has shown, this type of local, geographically confined approach, which represented state-of-the-art practice at the time of programme appraisal, does not propagate its effects so as to have an appreciable structural impact at a national level. In terms of their conceptual design, approaches to decentralisation have shown significant development over the last few years. More recent programmes pursue a more balanced development of the four impact-related dimensions. Furthermore, systems of public administration in Ghana were, on the whole, poorly developed, and hence local efforts at competence-building were not sustainable. Overarching developmental impact has been assessed overall as unsatisfactory (Sub-Rating: 4).

Sustainability: Servicing and maintenance of the new infrastructure - and hence its continued long-term operation - is not sufficiently assured. With TC support, operating procedures and service plans were drafted for the economic infrastructure. On-site inspections undertaken during ex post evaluation showed that the service plans had been implemented either inadequately or not at all. For many of the individual projects, both the funds allocated and the monies reserved for building upkeep are either insufficient or not available. Only in rare cases is self-generated income adequate to cover operating costs (which include the bare minimum of equipment required for operation). Defective equipment at the infrastructure establishments is not being replaced. Currently the ability of these projects to function is to a large extent dependent on the commitment of the target group as well as the income generated from the services provided.

Overall, in the design of both phases insufficient consideration was given to the risk of underfunding. Servicing and maintenance was hindered by the shortcomings in the decentralisation process which still exist; the duties and responsibilities for providing community services were transferred to the districts without their being equipped with the financial means necessary to deliver those services to the appropriate standard. Due to lack of clarity in the implementation guidelines, the technical units do not feel that they are responsible, and are overloaded with work. The implementation of a core element of the decentralisation process is therefore still outstanding. Sustainability has been assessed overall as unsatisfactory (Sub-Rating: 4).

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:

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

Ratings 1-3 denote a positive or successful assessment while ratings 4-6 denote a not positive or unsuccessful 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. Ratings 1-3 of the overall rating denote a "successful" project while ratings 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" (rating 3).