Annex: 1

UNITED NATIONS DEVELOPMENT PROGRAMME

TERMS OF REFERENCE: FINAL EVALUATION

Country:	**Ethiopia**
Programme Number:	**00012477**
Programme Title:	**Civil Service Reform Strategy and Implementation Plan for Decentralized Service Delivery in the Emerging Regions**
Program Component:	**Decentralisation**
Executing Agency:	**MoFED- Ministry of Finance and Economic Development**
Implementing Agencies:	**MoFA- Ministry of Federal Affairs; Regional Governments and Capacity Building Bureaux of 4 Emerging Regions of Afar; Beneshanghul Gumuz; Gambella and Somali; Woredas Administrative Council and Local Communities**
Programme approval date:	**2003**
Programme Start Date:	**January 2004**
Programme End Date:	**December 2006**
Total programme cost:	**USD 3.5 million**
Financing breakdown:	**USD 3.5 million (TRAC))**
Mid-term evaluation date:	**-**

A. Purpose, Users and Timing of the Evaluation

The **objectives of a UNDP Final Evaluation (FE)** are:
- To assist the recipient Government, beneficiaries, and the concerned co-financing partners, to understand the efficiency, effectiveness, relevance and impact of the programme, the sustainability of programme results, the level of satisfaction of programme stakeholders and beneficiaries with the results, and whether UNDP was effectively positioned and partnered to achieve maximum impact; In particular the following items will be assessed:
- To contribute to UNDP and partners' learning from programme experience.
- To help programme stakeholders assess the value and opportunity for broader replication of the programme.
- To help programme stakeholders determine the need for follow-up on the intervention, and general direction for the future course.
- To ensure accountability for results to the programme's financial backers, stakeholders and beneficiaries.
- To comply with the requirement of the programme document/funding agreement and UNDP Evaluation Policy.

Evaluation timing
The final evaluation is due to be conducted starting from 26 January to 26 February 2007 at the end of the 3-year program implementation cycle (due to be concluded in December 2006).

A. Programme profile
Country context/status of decentralization in terms of strategy, policy and implementation

1. Country and regional context
With an estimated population of 66 million (2002), a population growth rate of 2.16% per annum and a per capita income of US$ 100, Ethiopia is amongst the lowest of the least-developed countries. Although the country's 1.13 million square kilometers are endowed with rich resources, only about 15% has been developed. The population distribution is also skewed, with about 85% inhabiting the rural areas with poor services and public infrastructures (roads, sanitation, health and education services), depleted resources and poor environmental management. An estimated 50% of the population lives in absolute poverty. In addition, most of the population is vulnerable to natural and man-made catastrophes like droughts, diseases, conflicts and low income-earning opportunities. These coupled with the HIV/AIDS pandemic, weak physical infrastructure, and the limited human and institutional capacities continue to limit Ethiopia's progress towards sustainable development and poverty reduction.

With regard to the program target areas, the 4 emerging or least developed regions lie on two extreme ends of the country: the east (Somali and Afar) and the west (Benishangul-Gumuz and Gambella) with pastoral communities in the former and agro-pastoral communities in the latter. Harsh conditions exist in both, inadequate water leading to nomadic lifestyles and malaria, sleeping sickness. Literacy levels are very low particularly in the pastoral regions and not much different in the agro-pastoral regions as well. The emerging regions are characterised by small, scattered and nomadic populations making it more challenging to provide public services. Most of the areas are inaccessible with poor or no roads and few social services including schools and clinics. There are also very limited personnel in the specialist fields. The Regions also have different ethnic compositions (for instance five each for Gambella and Benishangul-Gumuz), which have a bearing on piloting especially in the western regions where conflicts flare up especially in Gambella, where the peace and security situation is still volatile.

2. Status of decentralization in the target 4 Emerging Regions
Decentralisation in Ethiopia has followed a two-phased approach, started in 2002 with the 4 more advanced and populous regions of Tigray, Amhara, Oromiya and Southern Nations, Nationalities and Peoples Regional States; and followed by the four emerging regions, which have been the last to implement the decentralisation of power to woredas.

Specifically, in 2002 the GoE launched its Sustainable Development and Poverty Reduction Programme (SDPRP) as the main framework for addressing poverty in the country. The SDPRP is built on four pillars: (a) Agricultural Development-Led Industrialisation; (b) Judicial and Civil Service Reform; (c) Decentralisation and empowerment; and (d) Capacity building of public and private sectors. The GoE has realised that for all these SDPRP goals to be met, there is need for a

responsive, effective, efficient, transparent, accountable and dynamic public service system at all the levels in a decentralized framework. As a result, the Government is embarking on an ambitious 5-year national capacity building programme or Public Sector Capacity Building Programme (PSCAP) for the public sector, beginning 2004/5 financial year to address the major gaps in national capacity. The nine regions of Ethiopia and two city administrations have each prepared and refined 5-year Action Plans and strategies, as have the six federal level sub-program components of PSCAP.

With particular reference to the action plans for the 4 emerging regions (Afar, Benishangul-Gumuz, Gambella, and Somali) it was noted that acute capacity gaps still needed to be addressed including polices to attract and retain qualified civil servants. Equally important, there was an acknowledged need for more intensive participation in the planning process at the grassroots level since the work on the action plans was largely carried out from Addis Ababa. This is symptomatic of the extremely limited capacity of the emerging regions to identify, prioritize and plan their public service delivery requirements, vis-à-vis the relatively better prepared larger regions, which are best positioned to initially tap into and benefit from PSCAP-funded activities.

At the woreda level, where basic social services are almost non-existent, it is recognized that the creation of new systems and procedures for improved performance will be necessary but not sufficient. The emerging regions simply have too many rudimentary constraints in their development to effectively take advantage of the wider capacity building reforms on offer, such as PSCAP. These basic gaps and constraints must be addressed if these regions are to fulfill their roles in promoting economic and social development at the decentralized level.

3. Programme summary
The Public Sector Reform Program, which falls within the National overall objective of accelerated public sector reform and capacity enhancement for improved service delivery, incorporates 4 main components: (1)National Capacity Development; (2) Support to the civil service delivery; (3) Tax system ad revenue collection reform programme; (4) Decentralisation.

The overall objective of the intervention is to develop the capacity of the public service at federal; and regional levels to a level whereby they can effectively and efficiently plan and promote development activities for poverty reduction and the democratisation process.

With regard to the **decentralisation component** of the programme –the focus of this final evaluation-, it is aimed at:
-Assessing and reviewing problems constraining delivery of public services in the Emerging regions;
-Improving decentralized public service delivery, in line with the aims of the Civil Service Reform and DLDP-
  Decentralization sub-components of PSCAP;
-Identifying policy options to support the development of the pastoral and marginalised rural communities of these regions.

More in detail, the fundamental rationale for the decentralisation program component is the recognition by government that it cannot achieve the objectives of promoting development, reducing poverty, and strengthening democracy set out in the SDPRP simply through its own institutions, agencies and programs but must work in close collaboration with other development actors.

As a distinct departure from the past practice, significant emphasis has been placed on building the capacity of local communities to identify and solve their own problems, thereby reducing the traditional reliance on civil servants who will continue to be scarce and/or lack sufficient capacity to serve communities (primary clients) in the short-medium term. To this end UNDP worked together with relevant regional and local governments (woredas and kebeles) and NGO (Barefoot College-India) in refining and replicating alternative and innovative approaches for decentralized capacity development for public service delivery, including the "Barefoot Approach" which has trained community members in solar electrification in India and they have returned for implementation in Ethiopia.

Whereas much of the past achievements of the UNDP supported Civil Service Reform Programme were largely confined to improvement of systems and processes at federal level, the current focus of support exclusively targeted the 4 emerging/least developed regions. UNDP has targeted these regional states to technically support their performance,

which could put the emerging regions at a constant disadvantage in accessing PSCAP funds as well as other relevant national development programmes. This pilot project targets 10 woredas and 30 kebeles in the four emerging regions.

With regard to the intervention strategy, given the limited resources and pilot role of UNDP, it has been envisaged that any successful approaches and achievements within the emerging regions in terms of innovative modes of decentralized public service delivery may be adopted by the respective regional governments and up-scaled through PSCAP and GoE resources, on a demand-driven basis.

Moreover, in order to optimize the coordination between the CSRP and DLDP sub-components in the Emerging Regions and the larger PSCAP initiative, in April 2006 UNDP participated to a PSCAP joint evaluation mission to the emerging regions. During the mission UNDP had the opportunity of assessing mutual comparative advantages for an enhanced future collaboration. With regard to the decentralisation activities, UNDP/DLDP assessed comparative advantages have been the following:

-By providing additional support to the Emerging regions, the UNDP program can assist in ensuring that lower capacity regions do not fall behind the national and/or Regional agenda;
-Increased flexibility allows UNDP to respond more quickly to the needs of counterpart communities. For example, submitting Statements of Expenditure is a bottleneck preventing some regions from replenishing PSCAP funds. However in early 2006, UNDP and MoFED assisted the emerging regions in preparing their financial records (GDR – Government Disbursement Records) to ensure that funds would be replenished and programmes implemented. Ministry of Federal Affairs is assigned responsibility under PSCAP for assisting the emerging regions, and is currently UNDP's counterpart for the decentralization program. It is recommended that for the next programme cycle, UNDP program be more targeted so MoFA can better assist in DLDP implementation;
-The UNDP pilot program also targets kebeles allowing more grassroots level participation and can disburse –through the Region- directly to woredas and kebeles. In a decentralization program, this is a distinct advantage because it allows the woredas and kebeles the opportunity to manage their own funds. PSCAP funding can only be used for training, and regional officials have informed that the transfers to woredas from Treasury are insufficient to allow communities to make capital investments.

3. Programme expected results
In view of the close interrelationship between the current UNDP supported programmes on civil service reform and decentralisation focusing on the emerging regions, both interventions have been closely linked and harmonised through a joint management structure and pooling of resources for activities which are deemed to contribute to common objectives of decentralized service delivery, whether achieved through the formal civil service structure or by the communities themselves, through the following interrelated components:
  I. A Multi-Pronged Innovative/Alternative Service Delivery approach;
  II. Gender Mainstreaming Component;
  III. HIV/AIDS Mainstreaming Component;
  IV. Top Management Systems Component.
Within this backdrop, the decentralisation activities funded by UNDP have mainly fallen into the I, II and IV above mentioned components.

Goal: To improve decentralized public service delivery in the Emerging Regions

Intended outcome	Outputs

To enhance institutional capacity, working systems and human capital in an integrated and coordinated way at woreda and kebele levels to ensure the efficient implementation of the democratization and decentralisation process, empowerment and good governance	1. A Multi-Pronged Innovative/Alternative Public Service Delivery Approach Adopted, including:
	  a. Barefoot Approach[1] Promoted towards integrated rural development
	  b. Twinning arrangements established and knowledge shared among local communities within Ethiopia for community-based initiatives
	  c. National UN Volunteers and Community Development Agents Deployed
	  d. Client-oriented Monitoring and Evaluation System for public service delivery institutionalised

	2. Gender considerations become increasingly apparent in all tiers of public service and in the design, planning and implementation of community-based development initiatives, including:
	  a. Gender training provided
	  b. Innovative schemes for facilitating women participation in the civil service developed and supported

	3. Capacity and Capabilities of Top Managers and Leaders at Federal and Regional Level Further Enhanced for Effective Decision-Making and Overall Guidance towards improved Public Service Delivery:
	  a. Top management trained on new systems
	  b. Top management attend study tours

4. Programme status

Under the intended outcome: To enhance institutional capacity, working systems and human capital in an integrated and coordinated way at woreda and kebele levels to ensure the efficient implementation of the democratization and decentralisation process, empowerment and good governance

Outputs	Indicators	Progress to date
1. A Multi-Pronged Innovative/Alternative Public Service Delivery Approach Adopted in the Emerging Regions, including: a. Barefoot Approach[2] Promoted towards integrated rural development	a. Barefoot approaches being implemented by the communities themselves and the communities defining what assistance they would need from the college	a. (1) woredas and kebeles trained on participatory planning; budgeting; good governance and project management (for the kebeles committees); (2) pilot woredas provided with office equipment/furniture; (3) transparent budget ceiling/allocation agreed between Regions; woredas and kebeles (according to the agreed formula

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[1] The "Barefoot" approach refers to the tried and tested experience of the Barefoot College, an acclaimed Indian NGO established in 1972 with the conviction that solutions to rural problems lie within the community. The "college" has successfully addressed problems of basic service delivery in terms of access to drinking water, girl education, health and sanitation, rural unemployment, income generation, electricity and power with minimal reliance from government institutions, including civil servants.

		14:44 (woreda's capacity building grant):40 (kebeles capital investments)) ;
b. Twinning arrangements established and knowledge shared among local communities within Ethiopia for community-based initiatives	b. Communities tapping into knowledge of other communities by implementing community-based projects	b. (1) Tilonia Declaration signed by 4 presidents of the Emerging Regions; (2) 34 selected community members trained in India as barefoot engineers, and –as results- (3)17 villages solar-electrified in the 4 Emerging regions, using renewable and sustainable energy; (4) Study-tours organised for Emerging Regions to Tigray (on solar energy-Barefoot College)) and Amhara Region to the UNCDF LDP on LG Public Expenditure Management (*2 more visits to Amhara Region and SSNPR are planned starting from September*)
c. National UN Volunteers and Community Development Agents Deployed	c. Number of UNVs deployed	c. 25 NUNVs recruited to address capacity shortages, and to support the Regional Bureaux of Capacity Building in managing decentralisation and civil service reform activities and coordinating UNDP and PSCAP programs; 1 *Woreda Coordinator* and *Community Mobilisers* deployed in each target woreda and kebele;
d. Client-oriented Monitoring and Evaluation System for public service delivery institutionalised	d. Client based M&E system in place.	d. -

2. Gender considerations become increasingly apparent in all tiers of public service and in the design, planning and implementation of community-based development initiatives, including:
  a. Gender training provided
 	
  b. Innovative schemes for facilitating women participation (in the civil service) developed and supported
	▪ Number of innovative schemes supported
	
	▪ Budget allocated to support enhanced female participation in the programme (*and employment in the Civil Service*)
		a. Woreda and Kebele officials trained on gender mainstreaming (*activity planned to start from September in Afar Region*)
		
		b. Gender equality at community level promoted ensuring women participation in:
		-training carried out in India for 34 selected community members (half of the participants trained - and now working as solar engineers- are women);
		-kebeles' committees established to manage basic infrastructures/community projects funded (at least 1/3 of the committees members are women);
		-management of , at least half, of the planned community projects (for example water projects)

3.Capacity and Capabilities of Top Managers and Leaders at Federal and Regional Level Further Enhanced for Effective Decision-Making and Overall Guidance towards improved Public Service Delivery: a. Top management trained on new systems	▪ Number of elected leaders and top management in place at woreda	a. Managerial skills of 17 regional officials (Bureaux of Capacity Building)

		level ▪ Number of Elected Leaders and top management trained ▪ Number of vacancies filled in woredas	strengthened through 3-year distance-learning MBA funded by UNDP (in progress) b. Study tour on decentralization to South Africa; Swaziland and China organized for Federal and Regional Senior officials (planned in August-September)
b.	Top management attend study tours		

NB: Since the beginning of the program, no mid-term evaluation has been undertaken.

Summary of the project's financial performance to date:

Year	Initially allocated	Revised Budget Allocated	Spent to date (IIQ 2006)
2003	1,300,000		
2004	1,500,000	634,537	39,687
2005	1,500,000	1,606,128	1,015,298
2006	1,200,000	1,283,087	442,965
total	**5,500,000**	**3,523,752**	**1,497,950**

B. Contents and Scope of the Evaluation

Taking into account the implementation status of the programme and the resource disbursements made to date, evaluate the following questions:

1. Results Achievement
    1.1 Has the programme made satisfactory progress in terms of achievement of programme outputs (as per logframe indicators and annual workplan targets) and related delivery of inputs and activities? How effectively and efficiently have results been achieved, and to what quality? (analysed by output)
    1.2 Given output achievement and related delivery of inputs and activities, what is the evidence that the programme has or is likely to attain its Immediate and Development Objectives? Specifically in this regard what is the evidence/likelihood that the programme will achieve its intended contribution, including to:
       ▪ Alleviating programme-relevant dimensions of poverty
       ▪ Improving access to infrastructure and services
       ▪ Achieving more equitable participation and distribution of benefits across gender, ethnic and socio-economic groups
       ▪ Improving the management of natural resources (in relation to the promoted Barefoot Approach)
       ▪ Influencing policy reforms and implementation that support effective decentralization
       ▪ Replication of the approach by Government and/or other donors.
    1.3 Assess the performance of the programme with regard to relevant country CPAP/UNDAF results framework indicators and targets.
    1.4 Asses the consistence of the project with National Public Sector Capacity Building Program and the District Decentralisation Programme (PSCAP sub-component)
    1.5 Are the results reported through the programme's monitoring system validated by evaluative evidence? Analyse any discrepancies.
    1.6 Assess the significant changes (positive and otherwise) in the country relating to decentralization and local development during the programme lifetime and assess the programme's contribution to these changes (i.e. the criticality of programme results). What level of value added and consequence can be attached to the programme in the area of decentralization in the country?
    1.7 Assess the relative effectiveness and efficiency (cost-benefit, value for money) of the programme strategy compared to other strategies pursued by the Government, other donors or actors to achieve the same outcomes?
    1.8 Is there evidence of any unintended negative effects of the programme?
    1.9 What is the level of satisfaction of various programme stakeholders with the programme and the results achieved?

1.10 Evaluate any other critical issues relating to results achievement (for example, time and cost effectiveness of infrastructure delivery, quality of infrastructure, operations and maintenance, provision for recurrent costs, quality of participation in different phases of planning and infrastructure delivery, linkages between investment planning and budgeting and from local to regional/national planning frameworks, local resource mobilisation, local governance culture and accountability, etc.)

2. Sustainability of Results

2.1 What is the likelihood that the programme results will be sustainable in the longer term, independent of external assistance, in terms of:
the Barefoot Approach, in particular, the feasibility of up-scaling in-country training for Barefoot Engineers, its impact on: policy and replicability, institutions, capacity, local governance culture, infrastructure and services delivered, financing, and in terms of benefits at the individual, household and community level.

2.2 Is there sufficient funding available (from the Government and/or donors) to support programme innovations in the pilot area, and the wider adoption or replication of the model piloted by the programme?

2.3 Are UNDP and partner strategies for exit/further engagement appropriate with regards to promoting sustainability?

3. Factors Affecting Successful Implementation and Results Achievement

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

3.1 External Factors:
- Has the policy environment had consequences for programme performance?
- To what extent does the broader *policy environment* remain conducive to the replication of the lessons learnt from the pilot programme?

3.2 Programme-related Factors:

Programme design (relevance and quality):
- Was the programme logic, design and strategy optimal to achieve the desired programme objectives/outputs, given the national/local context and the needs to be addressed?
- In assessing design consider, among other issues, whether relevant gender issues were adequately addressed in programme design.
- Is the programme rooted in and effectively integrated with national strategies (e.g. poverty reduction strategy) and UN planning and results frameworks (CCA, UNDAF)
- Have the programme's objectives remained valid and relevant? Has any progress in achieving these objectives added significant value?

Institutional and implementation arrangements:
- Were the programme's institutional and implementation arrangements appropriate, effective and efficient for the successful achievement of the programme's objectives? Were there any institutional obstacles hindering the implementation/operations of the programme?
- Assess role of National United Nations Volunteers in providing support to the Emerging Regions for the Decentralization and Civil Service Reform Program.
- Assess UNDP and MoFA capacity and comparative advantage in supporting kebele/community-level programs.
Make suggestions on how to improve implementation at kebele/community level or if targeting woreda level programs is more appropriate

Programme management:
- Were the management arrangements for the programme adequate and appropriate?
- How effectively has the programme been managed at all levels? Is programme management results-based and innovative? Has financial management been sound?

- Have the programme's management systems, including M&E, reporting and financial systems functioned as effective management tools, and facilitated effective implementation of the programme?
- Have the programme's logical framework, performance indicators, baseline data and monitoring systems provided a sufficient and efficient basis for monitoring and evaluating programme performance? Has the M&E system supported effective programme management, corporate decision-making and learning?

Technical backstopping: Is technical assistance and backstopping from programme partners appropriate, adequate and timely to support the programme in achieving its objectives?

4. **Strategic Positioning and Partnerships**
   4.1 Has UNDP, through this programme and any other related engagements in the country, optimally positioned itself strategically, with respect to:
   - UNDP and other UN/donor/government efforts in the same sector in the country? In particular, based on the evidence, the evaluation will comment on whether the 2003-2006 pilot programme might be effectively up-scaled, and specifically whether a continuation of the current strategy of providing block grants is appropriate given other important programmes in Ethiopia providing similar support (LIG, PBS)
   - Implementing national priorities, as reflected in national development strategies?
   - UNDP corporate priorities. In particular, assess the relevance and alignment of the decentralization programme with respect to the new UNDP Regional Bureau for Africa Strategic Plan entitled "Capacity Development for Pro-Poor Growth and Accountability"
   4.2 Has UNDP leveraged its comparative advantages to maximum effect?
   4.3 Has UNDP leveraged its current/potential partnerships to maximum effect?

5. **Future UNDP role**
   5.1 What are the remaining challenges and gaps in the area of decentralization in the country? How are various actors positioned to address these? Is there a conducive environment for further progress on decentralization? In light of the above, is there a future opportunity for UNDP to add value following the end of the current programme? In what capacity?

Analyse and comment on any emerging vision, strategy and measures proposed for disengaging or continuing UNDP's programming in the country. Specifically, based on evaluation findings, the evaluation will comment on the feasibility and appropriateness of a new joint decentralisation project with UNCDF or extension of the current initiative, including potential co-ordination modalities with on-going national and regional decentralisation activities, compatibility with PSCAP initiatives, and approaches to avoid duplication of other decentralisation programmes. What are findings and lessons from the final evaluation of the current programme that should influence any decision on a future role for UNDP and its partners?