Terms of Reference  
Medium-term five year planning outcome evaluation

**Outcome:** National strategies reflecting vision 2025 in terms of pro-poor policies and labor sector and cost-efficient delivery of municipality services including rural areas

**UNDP – Saudi Arabia CO**

- **Type of Contract:** Special Service Agreement (SSA)
- **Mission Duration:** 10 working Days
- **Duty Station:** Riyadh, Kingdom of Saudi Arabia
- **Availability date:** 10 October – 21 October 2009

I) UNDP Mission Statement

UNDP is the UN’s global development agency, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP is on the ground in 166 countries working with national counterparts on their own solutions to local and global development challenges.

II) Description of the social, economic and political context

**Situation Analysis of the Kingdom of Saudi Arabia**

The kingdom of Saudi Arabia is facing positive political and social changes at a regional level. Saudi Arabia is a key player in terms of balance of power and conflict resolution. It had a leading role in contributing to end the latest Israeli-Palestinian War throughout the last Gulf Countries Summit held to discuss possible solutions. At the economic front, being part of the global economy Saudi Arabia cannot isolate itself from the impact of the unprecedented financial crisis, which the world is witnessing. Although Saudi Arabia is well buffered against the global economic downturn due to its large reserves of oil, the significant drop in oil prices will have a direct effect on oil revenues. Moreover, it is estimated that over USD260 billion worth of projects are currently underway in the Kingdom, however, as most of these projects are being partially financed by international banks, the current financial crisis may hinder the financing and implementation of some projects. Having said so, the overall financial position in the Kingdom remains strong, banks are well capitalized. According to the Saudi Arabian Monetary Agency (SAMA), liquidity and bank deposits will be well maintained. Additionally, The Saudi Government continues to extend financial support for strategic projects in the Kingdom; the state-run fund (PIF) announced that it will raise a cap on project lending to 40% of the value of the project from 30% and will extend project loan durations to 20 years, including a five-year grace period, from 15 years. This support addresses the global financial crisis and encourages local banks to participate in the financing despite the current financial conditions. In early 2009, despite the expected decrease in revenues, the Saudi Government budgeted for an increase in expenditures (16% higher than the amount budgeted in 2008). This ensures the Government’s intention to protect the private sector despite the sharp decrease in oil prices.
Saudi Arabia's economic performance in 2008 showed that 2008 was another healthy year for the Kingdom, despite the increase in inflation and global crisis. Real GDP growth rose from 3.4 percent in 2007 to 4.2 percent in 2008. This was the highest growth rate since 2005. In part, this reflects higher oil production.

Transport and telecoms was the fastest growing sector, expanding by 11.4 percent, owing largely to the increased take up of mobile phone services. Electricity, gas and water were the next fastest growing sector, by 6.3 percent. It appears that contractor shortages and surge in raw material costs badly affected the construction sector, which only expanded by 4.1 percent. Despite recent liberalization, the financial sector grew by only 2.2 percent.

Inflation rose to a peak of more than 11% in July 2008, the highest rate on record. Rents have been the main source of inflation this year. A rapid inflow of expatriate workers, a fast growing national population and a reduction in household sizes are generating very strong demand and for new accommodation that supply has been unable to keep up with. In addition, inflation in Saudi Arabia has been pushed up by the surge in global food prices earlier this year. Official inflation data has only been released for the first nine months of the year, during which the average was 9.9 percent. The current account surplus rose to SR 565 billion. This dwarfs both the late year’s total of SR 356 billion and the previous record high of SR 371 billion recorded in 2005. Although a full breakdown of the current account is not provided, it is clear that the jump in the surplus was the result of higher oil revenues (oil revenues account for around 80 percent of total current account receipts). Non-oil exports rose by just 10 percent (well below the rate suggested by the monthly trade data), which is surprising given the elevated price of petrochemical, plastic and minerals (the main non-oil exports) over given the sharp increase in food prices and the cost of some raw materials earlier in the year 2008.

At the development level, Saudi Arabia’s main focus as per the Ninth National Development Plan (NDP) remains on building a diversified economy, providing equal work opportunities, establishing economic luxury to all citizens, providing good health and education services to people, building the skills of manpower and protecting the Islamic principles and cultural heritage in the Kingdom. In terms of MDGs, the Kingdom has for the first time initiated the process of MDGs costing at the national level – the main leader of which is the Ministry of Economy and Planning.

On the other hand, the main national challenges facing Saudi Arabia evolve around providing better quality education, manpower development, youth unemployment, health and social affairs, dependence on expatriate labor, water, agriculture, infrastructure, municipality services, transportation, telecommunication, judicial reform and equal and equitable accessibility to services in KSA regions.

The current challenges within the Kingdom of Saudi Arabia offer the UN system new opportunities to support the development efforts in the kingdom. The accession to WTO offers the country potential global markets as it is possible now to establish a Saudi-foreign joint venture entity to pursue distribution activities.
III) Description of the subject of the evaluation:

Brief description

The national commitment to achieving the outcome: The Ministry of Economy and Planning (with the long standing support of the Ministry of Foreign Affairs) has provided deep and lasting support and partnership to the execution of the previous UNDP projects. This is evident from the very favorable reports received by UNDP, and its partnering institution UN-DESA, on the earlier phase of the project and the fact that the suite of economic models developed under the project has been fully incorporated into the planning and process starting with the 7th Plan and continuing under the 8th Plan. The same level of commitment to the outcome of the project has been expressed by the MOEP in the Final Tripartite Review of the earlier Project (March 2004), and by all partners in the Mid Term Review of projects related, April 2006. The government commitment to the objectives and outcomes of the project and programme is underscored and exemplified by the 100 percent government cost sharing nature of the project.

In 2007 The Eighth National Development Plan (2005-2009) linked to the long term vision of the Saudi Economy (vision 2025). Municipal services concentrated in urban areas. The target in 2011 is to formulate a strategy on Rural Areas development as well as highlighting this important issue to be included in the Ninth National Development Plan (2009-2014) based on MDGs costing.

Strategy on Rural Areas development formulated. The concept of pro-poor economic growth and MDGs costing incorporated in national policies. In order to achieve this target, The concept of pro-poor economic growth and MDGs costing incorporated in national policies. Framework of a strategy to equitable and equal distribution of services in rural areas developed.

There are two main outputs to this outcome:
2) Support for Policy Analysis and Strategic Planning (2005-2009)

Output background information and Key partners:

1) Rural Development Strategy - Saudi Arabia
The Kingdom of Saudi Arabia has witnessed an unprecedented economic and social development growth over the past few decades. Being conscious about the need for planning such development, the government prepared several five-year comprehensive development plans. The plans place emphasis on the need for upgrading infrastructure and public service at the local level. The emphasis was also placed on achieving balance in terms of service delivery between urban and rural areas. This by default led the government to rethink the role of the local entities in service delivery. In 2001, the Government of Saudi Arabia launched its Urban Development Strategy, which emphasized the role of municipalities as service providers.

Despite the various efforts to improve services Countrywide, the urban-rural gap is still wide, rendering many of the rural settlements as lagging regions, with little or no services at all. This in part is due to the location of these settlements in remote areas at a distance from any major service corridor. On the other hand, the low density in some of these settlements makes it unfeasible to provide the needed services. However, in most part this lagging situation is due to the absence of a municipal strategy that distributes roles, identifies resources and enhances the capacity of local authorities in rural areas.
In the wake of this deficiency in service delivery in rural areas, and in order to better understand service delivery and municipal management at the local level, the Ministry of Municipal and Rural Affairs (MOMRA) is undertaking a sector study on service delivery in rural areas, which aims at devising a strategy to improve service delivery and enhances the management capabilities of the concerned organizations. The findings of the study will be presented in a "National Workshop" intended to bring together all stakeholders and generalize findings. Some important objectives that MOMRA hopes to achieve from this project are:

1. Reducing the gap in service quality and coverage between rural and urban areas;
2. Enabling each tier of municipal councils to provide a set of services consistent with its capacity; and
3. Achieving all the above in a manner that is fiscally neutral with regard to the national budget.

The government requested UNDP to commence preparation of a strategy to enhance development in rural areas, based on the findings of the study with the aim of providing support for planning and service delivery at the municipal level.

This potential operation is seen as a critical step towards a long-term comprehensive municipal development program ultimately aimed at an equitable improvement of the living conditions throughout the country, with a particular focus on the most underserved areas. The project is proposed, which represents a vital first step towards establishing a sector framework to enable the achievement of the country's long-term objective of improving the delivery of services at the local government level (with a particular focus on the under-served) , bringing about development to rural areas, and enhancing the rural-urban integration. Within a short- to medium-term time frame the project would focus on the municipal council as a basic unit for local development by strengthening its capacity to deliver services in a sustainable, transparent, efficient and equitable manner. Specifically, the project would result in:

Increased coverage and quality of municipal service provision, e.g. roads, solid waste management, street lighting, plantation and environmental health, with particular emphasis on addressing deficiencies in under-served areas;
Strengthened municipal capacities to manage and deliver municipal services efficiently, equitably and in a prioritized, planned and participatory manner.
Restructure the municipal organizations in rural areas to create a more effective institution that is effective and efficient

2) Support for Policy Analysis and Strategic Planning

This is the second phase of an umbrella programme of six-year capacity development intervention at the Ministry of Economy and Planning. The three major objectives of the umbrella programme are: (a) to build the capacity of the MOEP in the main areas of economic and social policy analysis, sectoral and strategic planning, regional and decentralized planning and plan monitoring and implementation; (b) to integrate the various capacity building and support initiatives firmly into the institutional and organizational setting of the MOEP; (c) to conduct an effective and focused staff training programme for Saudi nationals through the medium of special technical support facilities in the selected technical/substantive areas.

The specific outputs of the present phase are: (1) maintained strategic planning, macro and sectoral policy analysis, regional socio-economic planning and development, and plan monitoring; (2) Continued process of operationalizing the Institutional Support Facilities; and (3) Capacity development programme updated and implemented.
The main key partners for this project are: The Government as an Executing Agency (The Ministry of Economy and Planning); UNDESA as a Cooperating Agency and UNDP in the management of the financial resources and in providing substantive support.

III) Mission Objective

The objective of the outcome evaluation is to assess how the outputs of the above mentioned projects have contributed to the change of the outcome: “National strategies reflecting vision 2025 in terms of pro-poor policies and labor sector and cost-efficient delivery of municipality services including rural areas”. The evaluation of this outcome was strategically placed at this particular time in order to promote needed adjustments, identify lessons learned and draw up a sustainability plan for the continuing projects.

In other words, to evaluate how the outputs (projects) related to this outcome are contributing to its achievement. That is, how UNDP technical and advisory support provided to the MOEP and MOMRA through these relevant projects will assist in fulfilling the Government’s Vision and Mandates and sustaining their functions and activities primarily through Saudi recruited nationals and personnel and thereby contributing to Saudi determination of its economic and social policies and strategies to the maximum possible extent.

IV) Scope of the Outcome Evaluation Mission:

The outcome evaluation will include four standard categories of analysis (i.e. an assessment of progress towards the outcome, an assessment of the factors affecting the outcome, an assessment of key UNDP contributions to outcome, and an assessment of the partnership strategy used). The scope of the evaluation will be determined by the following questions:

Outcome status: What were the origin of the outcome and its constituent interventions? How were the past experience, findings and recommendations of previous evaluations, dialogue with stakeholders used in design of outputs? What was the adequacy of background work carried out? Has the outcome been achieved and, if not, is there any progress made towards its achievement? What is the balance effort needed and the suitability of pursuing the achievement of the outcome? What innovative approaches were tried and capacities developed through UNDP assistance?

Underlying factors: What are the underlying factors beyond UNDP’s control that influenced the outcome. What were the key assumptions made, internal and external factors? What are the substantive design issues from the key implementation and/or management capacities to issues including the timeliness of outputs, the degree of stakeholder and partner involvement in the completion of the outputs, and how processes were managed / carried out?

UNDP contribution: What is the relevance of the outcome and the constituent components specifically for UNDP assistance? Can UNDP fund constituent outputs and other interventions—including the outputs, programmes, projects and soft and hard assistance—be credibly linked to achievement of the outcome?

Partnership strategy: Was UNDP’s partnership strategy appropriate and effective? What were the partnerships formed? How did partnerships arise? What was the role of UNDP? How did the partnership contribute to the achievement of the outcome? How did they function and sustain? What was the level of the participation of stakeholders? Who were the key beneficiaries and their major perceptions?
V) Output:

1) Draft report
2) Final Report which includes:
3) Assessment of progress made towards the intended outcome
4) Assessment of progress towards outputs
5) Lessons learned concerning best / or less ideal practices in producing outputs and achieving the outcome
6) Strategies and recommendations for continued UNDP assistance towards the achievement of the outcome

VI) Duration of Mission:

Duration: 10 working days

VII) Methodology of Outcome Evaluation:

Outcome evaluations are shifted away from the old approach of assessing project results against project objectives towards an assessment of how these results contribute, together with the assistance of partners, to a change in development conditions. Outcomes are influenced by a full range of UNDP activities (projects, programmes, non-project activities and "soft" assistance within and outside of projects) as well as the activities of other development actors. Therefore, a number of variables beyond the projects need to be considered during the evaluation. The evaluation must provide evidence-based information that is credible, reliable and useful. It must be easily understood by UNDP partners.

Information on the methodologies is given in Guidelines for Evaluators, issued by Evaluation Office, UNDP. The evaluator is expected to use all relevant methods to obtain data and information for their analysis and drawing up of findings, conclusions, lessons learned and recommendations. An outline of an evaluation approach is provided below; however it should be made clear that the evaluation team is responsible for revising the approach as necessary. Any changes should be in-line with international criteria and professional norms and standards (as adopted by the UN Evaluation Group). They must be also cleared by UNDP before being applied by the evaluation team.

These include:

a) Documentation review: Begin with the CPD/CPAP for a description of the intended outcome, the baseline for the outcome and the indicators and benchmarks used. Examine contextual information and baselines contained in project documents and all relevant documents and, relevant evaluation reports.;

b) Use of interviews, field visits, questionnaires and meeting including participatory forums to validate information about the status of the outcome that is culled from contextual sources such as the CPAP or monitoring reports; also use to the extent possible the data collected and analysis undertaken by the country office prior to the outcome evaluation; and examine local sources of knowledge about factors influencing the outcome;

c) Identification of the major contributing factors that "drive" change.

d) investigate the pre-selected outcome indicators, go beyond these to explore other possible outcome indicators, and determine whether the indicators have actually been continuously tracked;
e) Undertake a constructive critique of the outcome formulation itself; determine whether or not individual outputs are effective in contributing to outcomes, drawing the link between UNDP outputs and outcomes.

f) Determine whether individual outputs are effective in contributing to outcomes.

g) Determine whether or not the UNDP strategy and management of overall country operations appears to be coherently focused on change at the outcome level. Examine whether UNDP's in-house planning and management of different interventions has been aligned to exploit synergies in contributing to outcomes.

h) Determine whether or not there is consensus among UNDP actors, stakeholders and partners that the partnership strategy designed was the best one to achieve the outcome; examine how the partnerships were formed and how they performed; Examine how the partnership strategy affected the achievement of or progress towards the outcome.

VIII. Evaluation Consultant:

The consultant must have the following qualifications:

- A senior level development expert with substantive knowledge of development theories and issues.
- Has a strong background in development research methodologies and evaluation with specific focus on the areas of poverty, advocacy and the MDGs.
- Has a good knowledge of the country's development issues and significant experience in working on poverty, human development, gender and in evaluating complex multilateral aid programmes.
- Has an advanced degree in the social sciences or related fields
- Familiarity with UNDP or UN operations will be a plus
- Fluency in English and Arabic is a must

IX. Implementation Arrangements

a) The UNDP Country Office will appoint an Evaluation Focal Person that will be responsible for the evaluation mission.

b) The modalities of carrying out the evaluation will be agreed among the CO and the Evaluation consultant. It could include:
   (i) Briefing of the evaluation consultant;
   (ii) Setting up of field work parameters and responsibilities for data and information gathering;
   (iii) An analysis segment;
   (iv) Plenary meeting with stakeholders and
   (v) Report writing.

c) An initial note (inception report) will be prepared and submitted by the Evaluation consultant within commencement of evaluation, reflecting in it all substantive and logistical issues that would have to be addressed in order to complete the evaluation successfully.

d) A draft report comprising especially the findings, outline lessons, conclusions and recommendations will be made available prior to the scheduled completion date of the evaluation mission.

e) A wrap up meeting will be held in UNDP Saudi Arabia office prior to the scheduled completion date of the evaluation mission. The consultant will give a presentation of the evaluation findings and recommendations.
f) The Evaluation consultant will forward a Final Report of the Evaluation to the Resident Representative, UNDP Saudi Arabia within 10 days of completion of the evaluation mission.

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Interested evaluators should send their CVs outlining their background experience and qualifications to:

Abeer Al-Najai, Monitoring and Evaluation Associate atabeer.alnajai@undp.org
Deadline: **Wednesday, 30th September, 2009**