UNDP

EVALUATION

OF THE

MDG COUNTRY SUPPORT PROGRAMME

October 2009
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<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>CCA</td>
<td>Common Country Assessment</td>
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<tr>
<td>CD</td>
<td>Capacity development</td>
</tr>
<tr>
<td>CPAP</td>
<td>Country Programme Action Plan</td>
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<tr>
<td>CSO</td>
<td>Civil sector organisation</td>
</tr>
<tr>
<td>DCS</td>
<td>Department of Census and Statistics</td>
</tr>
<tr>
<td>EFAP</td>
<td>Education for All Programme</td>
</tr>
<tr>
<td>ERD</td>
<td>External Resources Department</td>
</tr>
<tr>
<td>GSP+ P</td>
<td>Generalized System of Preferences +</td>
</tr>
<tr>
<td>GSL</td>
<td>Generalized System of Preferences</td>
</tr>
<tr>
<td>GOSL</td>
<td>Government of Sri Lanka</td>
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<tr>
<td>ILO</td>
<td>International Labor Organization</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>Laos DPR</td>
<td>Laos Democratic People’s Republic</td>
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<tr>
<td>LOGOPRO</td>
<td>Local Government Project</td>
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<tr>
<td>LTTE</td>
<td>Liberation Tigers of Tamil Eelam</td>
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<tr>
<td>M&amp;E</td>
<td>Monitoring and evaluation</td>
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<tr>
<td>MDG</td>
<td>Millennium development goal</td>
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<td>MDG-CSP</td>
<td>MDG Country Support Programme</td>
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<tr>
<td>MHA</td>
<td>Ministry of Home Affairs</td>
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<tr>
<td>MOFP</td>
<td>Ministry of Finance and Planning</td>
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<tr>
<td>MPI</td>
<td>Ministry of Plan Implementation</td>
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<tr>
<td>NCED</td>
<td>National Council for Economic Development</td>
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<tr>
<td>NDF</td>
<td>National Development Framework</td>
</tr>
<tr>
<td>NGO</td>
<td>Non government organisation</td>
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<tr>
<td>NDP</td>
<td>National Planning Department</td>
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<tr>
<td>NPRGS</td>
<td>National Poverty Reduction and Growth Strategy</td>
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<tr>
<td>PHCI</td>
<td>Poverty Head Count Index</td>
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<td>PSO</td>
<td>Private sector organisation</td>
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<tr>
<td>SAE</td>
<td>Small area estimation statistical techniques</td>
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<td>Sri Lanka Freedom Party</td>
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<td>SMP</td>
<td>Statistical master plan</td>
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<tr>
<td>TA</td>
<td>Technical assistance</td>
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<tr>
<td>TOR</td>
<td>Terms of reference</td>
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<td>UNDAF</td>
<td>United Nations Development Assistance Framework</td>
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<td>UNDP</td>
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</table>
1. EXECUTIVE SUMMARY

1.1. Introduction

1. The MDG Country Support Programme (CSP) was developed as a follow-up to a first phase MDG Support Programme (beginning in 2003). The CSP was developed on the understanding that MDGs were at the very core of the Government of Sri Lanka’s (GOSL) pro-poor policy framework and central to the President’s vision of a country free from poverty.

2. The CSP was structured to deliver 4 main components: i) national and sub-national enhancement of MDG awareness, ii) operationalizing MDGs in national policies as well as sub-national level plans and programmes, iii) capacity building to sustain the national MDG agenda, and iv) monitoring progress on MDGs.

3. MDG-CSP was initially designed as a two year programme. There were some issues early in MDG-CSP which caused delays and led to it being extended for a further two years. MDG-CSP was very broad in scope. It worked in three separate agencies and supported three significant programmes to operationalize MDGs, to increase national awareness of MDGs and to improve the scope of data collected so that MDGs could be monitored more effectively.

1.2. Purpose and Objectives of the Evaluation

4. The main objectives of the evaluation were to conduct a summative evaluation to examine the efficiency, effectiveness, relevance, sustainability and impact of the CSP against targets set out in the CSP design document and annual work plans. The evaluation was also to provide stakeholders with lessons learned as well as findings and recommendations that will inform any future MDG programming. The evaluation looked forward to a possible further programme supporting MDGs in Sri Lanka.

5. Twelve working days were provided to collect and analyze data and prepare a preliminary draft evaluation report. Consequently, the methodology had to provide quick access to data. It did not have time to examine the sub-national level. The methodology therefore confined itself to reviewing background literature including GOSL’s pro-poor policy framework, examining pertinent documents kept by UNDP and stakeholders, reviewing reports produced with the support of the CSP and, most importantly, interviewing officers who participated in the CSP. Interviews were also held with organizations outside the immediate activities of the CSP including GOSL central and line agencies and private sector and non-government organisations. Documentation provided to the evaluation team was thin.

1.3. Findings and their Relevance to Future Assistance

6. MDG-CSP has enjoyed qualified success. It has addressed an area which ranks highly in GOSL’s policy agenda and in the rhetoric of the President and members of his Cabinet. The importance of MDGs has certainly been communicated to GOSL central agencies. Overall, GOSL has much to be proud of in relation to MDGs, as most of them have either already been achieved or are well on track to being achieved. That seems to lead to two policy conclusions. For those MDGs that have been achieved, a next stage is in order moving from quantitative measures of performance to more qualitative ones, something which GOSL is clearly considering under the guise of MDG+, and has already started to plan for in the education and health sectors. MDG+ can be co-opted onto an MDG monitoring programme once the government has defined where its priorities lie and established goals for those priorities. A second policy issue might benefit from a more targeted approach of development to specific instances where MDG performance remains disappointing and that means targeting specific regions and economic sectors like estates. Two other issues warrant attention where performance still lags MDG targets, which are the environment and gender equality. Consequently, MDG+, pockets of poverty, the environment and gender equality are areas which are strong candidates for future assistance. There would be value in working to improve coordinated service delivery issues at the sub-national levels, but without overextending a programme and introducing complexities which are difficult to manage.
7. MDG-CSP worked entirely within government. NCED was an interesting choice for the bulk of the funding. It provides an important nexus between GOSL and the private sector. So long as it is regarded as having influence with government, it is in a good position to provide a bridge between GOSL and the private and non-government sectors, both of which have a role to play in economic development and poverty reduction. Both were notable absences from the MDG-CSP design (though they were mentioned in the introductory sections). Both have contributed emphatically to poverty reduction in Sri Lanka and there are likely to be benefits in drawing them into an overall national partnership to address the pockets of weakness in the achievement of MDGs. Two important examples of continuing weakness in MDG achievement, in addition to the pockets of poverty in the country, are the environment and gender equality.

8. The MDG-CSP design was complex. It had 15 sub-components in three agencies and lacked a convincing management process whereby the work in each agency could be co-ordinated and linked so that synergies could be achieved. Many of the sub-components were so small that it was unlikely that they would produce a substantial contribution to improving government programmes to improve performance on MDGs.

9. The design was also not clear in its objectives. There was a lack of specificity in the objectives in many of the sub-components with the result that the principal objective of the programme remained vague. One result was that subsequent revisions to the programme tended to be ad hoc rather than convincingly reallocating funds to greater priorities.

10. The programme did produce benefits. It did some useful work with NPD enabling it to explore areas which would benefit from being made more effective, particularly the flow of policy and budget guidelines to sub-national levels, the sub-national response of local level plans and the subsequent allocation of resources through the budget. This area would benefit from further support so long as NPD’s interest in these issues remains strong. MDG-CSP supported NPD in its work to streamline planning and focus on sectors which are key contributors to pro-poor economic growth. MDG-CSP has supported the production of more up-to-date and disaggregated data on MDGs than had been previously available. This work was prepared by the Department of Census and Statistics (DCS) and was outside its normal work plans. This will result in less data being available on MDGs in the future unless DCS has access to additional funding sources.

11. The MDG-CSP design had a significant focus on capacity development (CD). It would have benefited from a greater attention to a number of key success factors which studies have shown contribute to the success of CD initiatives. Those success factors include i) various levels and aspects of ownership; ii) clarity of programme objectives; iii) adequacy of time and resources allocated to the implementation of a programme; iv) the quality of external resources, particularly consultants, provided; v) design flexibility to ensure that a design remains aligned with changing government priorities; and vi) effective management of the relationship between a programme and the stakeholders in GOSL at whom the initiative is targeted. The evaluation’s findings are that:

i. Ownership by the government agencies involved in the programme might have been strengthened, particularly through aligning the design more closely with ongoing and funded work plans of the agencies which were to be involved in the project;

ii. MDG-CSP’s objectives were sometimes too vague which pointed to the critical lack of a prior good diagnostic and situational analysis of the organizational and development environment in which the programme would work so that clear objectives could be set. Clear objectives aligned with agency priorities would seem to be a necessary pre-condition for targeted government buy in to a programme of this kind;

iii. The programme was ambitious and underestimated the cost of achieving many of the objectives it set. That resulted in the design having to be changed quite significantly as budget allocations were transferred to higher priority outputs to ensure that they were able to be completed. These transfers produced inefficiencies
like having to write off amounts spent on sub-components which were not proceeded with;

iv. the quality of consultants varied. There were issues concerning how to manage those who had lost the support of the agencies in which they were working. The issues were not all dealt with satisfactorily;

v. a strength of MDG-CSP was the willingness of UNDP to change the design to accommodate the priorities of GOSL. This was particularly valuable in terms of developing a national awareness campaign of sufficient substance to be national;

vi. MDG-CSP implementation enjoyed satisfactory senior management relations between UNDP and the agencies in which the programme was implemented. That encouraged issues of concern to be addressed effectively, especially the reallocation of the budget to higher priority sub-components.

1.4. Lessons Learned

12. Important lessons from MDG-CSP include:

i. In any programme, get the design right. It is worth investing generously on a design to ensure quality and appropriateness. That is as true for a high rise apartment block as it is for a CD intervention. A good diagnostic is essential, especially when a programme intends to embark on CD interventions. Unforeseen circumstances can render a design inappropriate, especially where the political situation is changeable. Therefore a design should be kept under constant review and as soon as there are indications it is inappropriate, it should be amended. More frequent meetings of the steering committee would have been desirable. UNDP management was extremely accomplished in addressing design weaknesses in some areas, most particularly the proposed community challenge fund, which had unspecified objectives and had insufficient funds to do very much. The decision to cancel this fund might have been the time to review MDG-CSP as a whole. Another possible time was when the former director of NCED was transferred, when a review of progress was warranted;

ii. Where CD is envisaged, it helps sustainability if a project’s or programme’s proposals are part of a change work plan being followed by the agency or units targeted. Also it is advisable to ensure that the agency concerned has allocated an appropriate budget to implement the work plan;

iii. The MDGs should be mainstreamed into extant management information systems rather than have stand alone programmes and systems developed to provide the requisite information, as was the aim of the MDG-CSP. Mainstreaming MDGs into draft Cabinet policy proposals so that they are assessed for MDG impact just as they are for environmental impact, would reinforce their importance in government agencies;

iv. Where a programme has a number of components in different agencies, a management plan is essential to ensure that there is appropriate interaction between each component to ensure that obtainable synergies take place. The management plan would require regular meetings by a senior UNDP official and the heads of the agencies in which the programme is implemented. These meetings would discuss progress and issues and ensure agency interest in a programme remains high. The meetings would be additional to a formal steering committee. They would also be on a one-to-one basis to ensure confidentiality of specific issues and to elicit a close working relationship between stakeholders;
vi. There is little value in presenting funds to agencies which are not keen and energized to utilize them to advance their own agendas. Agencies should be expected to demonstrate their desire for the funds and a continuing commitment to a project throughout its duration;

vi. If budgets and measurable indicators are not provided for something that is required in a programme, the likelihood that it will be done is diminished. The MDG-CSP design was deficient in this regard. For example, it stated that the programme itself was “fundamentally dependent on its ability to leverage and promote effective partnerships”. There was, however, no budget provision provided for partnership development and management. There is little evidence that partnerships, particularly with donors, civil society and the private sector, were actively sought.

1.5. Recommendations

13. At the implementation level:

i. If all MDG-CSP’s funds have not yet been committed, provision should be made for the effectiveness of the national awareness campaign to be monitored. It might also be useful to seek information on what respondents intend to do with that increased awareness;

ii. There has been some useful work started in NPD, especially in relation to planning and budgetary systems at sub-national levels. While grand designs are intellectually attractive, working towards something which is practical at the sub-national levels and demonstrating that it does work and everyone understands it, is an alternative which might be considered;

iii. Any future support should seek to mainstream MDGs into ongoing GOSL systems; not treat them as something requiring special treatment and stand alone responses.

14. A future intervention should consider focusing part of the programme on the exceptions to MDG achievement which are related to poverty. NPD might be interested in developing planning and budgetary systems which can be prioritized to address those issues and areas. It might also be interested in testing novel ways to deliver the requisite programmes as many will require the coordination of line agencies at the programme delivery level in the field;

15. There remain some MDG areas where there still appears to be insufficient information about achievements and about what is being done with regard to them. These areas particularly concern gender equality, environmental MDGs and donor harmonization. They might benefit from a ‘mapping’ exercise or a situational analysis to determine the current situation in terms of programmes and other activities directed at achieving them. Creative interventions might be required if the first two are to show any progress before 2015. In the case of gender equality, consideration should be given to focusing first on the public sector and the value of engaging with the public sector staff associations, possibly in partnership with ILO;

16. Bringing civil society into the overall programme to address MDGs might be overdue. Both the private and non-government sectors have demonstrated their interest in MDGs in their work on proposals to obtain the support of the Millennium Challenge Account. Both could provide substantial benefits. The private sector has particular advantages in marketing and supply chains and the non-government sector at working at the local level in partnership with the needy. This is an area that NCED could work towards, but only after it is clear about the respective roles that government and civil society might play towards the attainment of the MDG goals. UNDP would need to confirm that NCED is supported by GOSL in extending its remit into the non-government sector;

17. There has been no great evidence that there was significant buy-in of MDG-CSP on the part of any government agency. Any continuation should confront this issue. Ownership by government is important if UNDP is to invest its scarce funds on MDG issues and show results. There is no reason why a GOSL team should not design a continuation of the programme with a set of
objectives agreed between GOSL and UNDP. Additionally, a new programme design might consider setting aside some part of the funding and make it available through a lead agency like NCED or a combination of NCED and NPD. Government agencies and non-government organizations could demonstrate their demand for the funding by making a proposal to address objectives regarding MDGs which GOSL, with the agreement of UNDP, regards as a priority. The proposals would need to demonstrate what resources the proposer would contribute towards the achievement of the objectives. Continued funding would be made based on milestones which include the implementer continuing to demonstrate its commitment, especially financial, to the objective.
2. INTRODUCTION

18. Sri Lanka has achieved impressive gains in human development over many years, recording an HDI of 0.751 in 2005 (the highest among South Asian countries). With high levels of universal primary school enrolment, gender equality in primary, secondary and tertiary education enrolment, high literacy rates and favourable health indicators, Sri Lanka today fares well on most MDG targets. However, disaggregated data reveal significant gaps in the reduction of income poverty and attainment of human development within regions and individual economic groups. While nationwide levels of poverty have decreased from 22.7% to 15.2% in the past five years, poverty is on the rise in the estate sector, where it has increased to 32%. The GINI coefficient of household expenditure in 2006/7, at 0.40, clusters Sri Lanka with the most unequal countries in Asia, such as China. With a per capita income of $1,600, only 7.1% of total consumption accrues to the poorest quintile. Malnutrition is prevalent in most districts. Furthermore, concerns about the quality of education and health services are growing. While women have more than achieved equality in education, that has not paid commensurate dividends in employment. There remain a number of concerns with the environment MDG. The Government’s 10 Year Horizon Development Framework aims to meet these challenges through export-oriented, pro-poor growth strategies. However, growth is currently not broad-based. The agriculture sector (absorbing 33% of the workforce) grew at a modest 3.3% in 2007, compared to 7.6% and 7.1% growth in industry and services, respectively.

19. The Sri Lanka National Campaign for Achieving the MDGs is spearheaded and administered by the Ministry of Finance & Planning (MOFP), with the support of the UN Country Team and with direct implementation assistance from the United Nations Development Programme (UNDP). The government appointed the National Council for Economic Development (NCED), then constituted under the President’s Office, to serve as the national focal agency for MDGs. NCED brings together stakeholders from the private and state sectors to develop economic policies and action plans. In addition, a high level inter-ministerial cluster for MDGs was formed in November 2004, (new appointments were also made in line with the machinery of government changes announced in January 2006), with responsibility to facilitate the achievement of MDGs.

20. The strategic focus of the national MDG agenda centres on the integration of MDGs into national policies, planning frameworks and programmes. The focus of the MDG agenda is two pronged. It targets initiatives at national and local levels with a view to enabling a demand driven approach that is people centred and creates two way linkages between national policies and local level development.

21. The CSP was developed as a follow-up to the first phase MDG Support Programme (beginning in 2003) which supported MDG campaigning and awareness raising as well as monitoring and reporting on MDGs. The first phase was not evaluated. Particular challenges confronting the new programme included monitoring and advocacy in the North and East where there was a shortage of reliable national survey data due to the armed conflict situation, high poverty incidence due to the conflict, a unique governance situation and, in other areas, varying capacities of local governments.

22. In line with international MD/MDG frameworks and in consultation with the key programme partners, the second phase CSP has been structured around 4 components: i) MDG awareness enhancement, campaigning and advocacy, ii) operationalizing MDGs in national policies as well as sub-national levels plans and programmes, iii) capacity building to sustain the national MDG agenda, and iv) monitoring progress on the MDGs.

23. The CSP was initially designed as a two year programme. The CSP was implemented in 3 agencies, NCED, NPD and DCS. NCED was selected as lead agency. At the time of the project design, NCED had been identified by the government as the national focal agency for MDGs. It was
located in the President’s Office. In late 2006, a machinery of government change resulted in its being physically relocated to MOFP where it was attached to NPD for accounting purposes.

24. The programme design foreshadowed an evaluation of the programme when it stated that: “An independent evaluation of the overall MDG support programme shall be carried out at the end of the project, to assess its outcome, relevance, and impact. The evaluation shall be designed jointly by the key stakeholders.”

25. The evaluation was also asked to look forwards to a possible continuation of a programme addressing the achievement of MDGs in Sri Lanka. The request could be satisfied by making observations about issues that a future design team might take into account when assessing the value of a future programme, and if positive, designing the programme.
3. EVALUATION OBJECTIVES AND METHODOLOGY

3.1 Evaluation Objectives
26. The main objectives of the evaluation were set out in the terms of reference to the consultants. They were to conduct a summative evaluation which examines the efficiency, effectiveness, relevance, sustainability and impact of the CSP against targets as set in the CSP document and annual work plans as formulated since the initiation of the CSP in 2006. The evaluation was also to provide stakeholders with lessons learned supported by concrete findings and recommendations that will inform any future MDG programming.

3.2 Evaluation Methodology
27. The methodology was predicated on the time available for the evaluation. That precluded visits to provinces and districts and the exercise of any elaborate techniques like market surveys and focus group interviews to determine the impact of those programme initiatives which were directed at information flows and achieving improvements to operations at the sub-national level. Hence, the methodology was limited to:

i. a desk top analysis of all relevant files, reports and documents provided by UNDP Country Office; consultancy and other reports and policy documents produced by stakeholders in the CSP and other relevant information obtained from an internet search. Particular attention was paid to the relationship between proposed outputs of the CSP design document with the overarching government policy and programme framework as it relates to MDGs so that relevance could be assessed. Information in the broad was collected about budgeted expenditure, duration, status of implementation and various other facets of the CSP to assess efficiency. Data sheets were produced which detailed the objectives, targeted outputs and activities of each component of the CSP. Reports and media produced by the CSP were examined to verify outputs and their quality, though the information provided would have benefited from the inclusion of completion reports by consultants employed on the project and evaluation reports on the impacts of the various training initiatives undertaken by the CSP. The data sheets were used as guides for in depth interviews with various stakeholders and a means of organizing and triangulating data relevant to each particular output;

ii. documents pertaining to the CSP were also examined in NCED and NPD, with particular attention being paid to how issues being developed by the CSP were advanced by agencies. Information from this exercise was also used to develop sets of questions which were later applied to agency officials who participated in the CSP interventions;

iii. the conduct of structured interviews with NPD, NCED and DCS staff involved in the project as well as with UNDP and a small number of stakeholders, which were triangulated with available documentary evidence. The interviews sought to establish the degree to which a component met its objectives, the sustainable outputs produced and how any operational changes or other outputs produced have been institutionalized, mainstreamed and built on for the future so that assessments of effectiveness, sustainability and impact could be made;

iv. an indicative identification of key findings, issues and lessons learned. The evidence was tested to ensure that it was sufficient to substantiate each finding and issue identified. Where it was not, subsequent work was done to identify additional evidence which supported a finding or issue. Where such information proved elusive, a finding or issue was discarded;

v. circulation of a draft report and briefings to stakeholders to obtain feedback. The feedback has been taken into account in this final draft of the evaluation report.
28. Generally, documentation was sparse. Completion reports on the part of consultants at the end of their assignments, participant assessments of training courses undertaken so that some idea of their evaluation of the usefulness and quality of the course could be assessed, reports from supervisors about impacts of the training on performance; test results of participants of training courses to gauge what they had learned; reports on the study tour undertaken (though a presentation was given) were not sighted. In some cases, there was also little information about what certain consultants had been recruited to undertake. There did not appear to be any reports of CSP progress. The information on the previous MDG programme could not be accessed because it had been archived and could not be retrieved expeditiously. These observations are not to conclude that the documentation does not exist; only that they were not made available to the evaluation team. The lack of documentation did have consequences for the quality of triangulation.

29. The study did not have time to visit sub-national levels of government. Hence, there can be no attempt to relate the CSP to specific government interventions which have produced direct results in impacting on a specific MDG. The work done by NPD and DCS at the sub-national level was verified from interviews with head office staff concerned and reports produced. Particular attention has been paid to the degree to which the CSP achieved the outputs and outcomes contained in its design document. The intention was that the achievement of planned outputs and outcomes would lead directly to the CSP’s impact on government programmes and government capacity to plan and implement the pro-poor policies which are required to address MDGs being determined.
4. COUNTRY CONTEXT

30. Sri Lanka has performed well on most of the overall MDG targets and the government has every reason to be proud of this achievement. Its New Development Strategy, for example, points out that Sri Lanka’s social indicators, such as life expectancy, literacy and mortality rates, are well above those in comparable developing countries and are on a par with many developed countries. Successive Sri Lankan governments have followed a welfare state policy with significant funds being appropriated to education, health, food subsidies and transport. Consequently, MDG indicators for education, poverty, infant mortality, maternal mortality and the like are good — but only when taken at national level.

31. Whilst the overall situation is satisfactory and progress towards achievement of MDGs is on track, behind the apparently rosy situation there are some underlying trends and issues which warrant attention. There is no census or other statistical data on conflict related poverty and little idea of its extent. The World Bank’s 2007 poverty assessment of Sri Lanka found that, in the period 1990-2002, economic growth unevenly impacted on poverty through the country with urban poverty being halved, rural poverty declining by 5% and poverty on estates increasing by 50%. The incidence of poverty varied significantly between provinces with the Western province having the lowest incidence and Sabaragamuwa and Uva provinces the highest as shown in Table 1. Table 1 also shows that the percentage of poor in each province did not vary greatly except for North-central which had a low incidence. Poverty reduction also varied significantly across districts. For example, between 1990-2002 poverty declined by 27-63% in Western Province’s 3 districts, by 13-31% in Kandy, Anuradhapura and Galle but increased by at least 10% in Ratnapura, Nuwara Eliya, Badulla and Puttalam. The situation suggests that any programme to assist GOSL address poverty issues across the country should consider being issue and region based. Monitoring MDGs which are on track and, in many cases, already achieved might be less important than directing policy and programmatic attention to those localities in which the incidence of poverty is still of concern and, taken on their own, still fall far short of achieving the MDGs.

<table>
<thead>
<tr>
<th>Province</th>
<th>Population in Country %</th>
<th>Poverty Headcount %</th>
<th>Percent of Poor %</th>
</tr>
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<tbody>
<tr>
<td>Western</td>
<td>33</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>North-central</td>
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<tr>
<td>Uva</td>
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<td>12</td>
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</table>

32. The World Bank identified a number of obstacles which inhibited growth and contributed to poverty being reduced only slowly. They included the armed conflict situation, inadequate infrastructure particularly in rural areas, political instability, the fiscal deficit, a stagnant agricultural sector and labour market rigidities caused by existing labour regulations.

33. Overseas development assistance is important to Sri Lanka achieving its development goals. It has tended to dominate the share of foreign exchange transfers, though GOSL started to reduce its dependence on this assistance by entering into the commercial borrowing market in 2006. Overseas development assistance, in turn, is dominated by three players, the Asian Development Bank (ADB), Government of Japan and World Bank which are responsible for 79% of total foreign aid as

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3 Ibid. p. 11
4 Ibid. p. 3
shown in Table 2. This domination suggests that any broad assistance to GOSL towards the achievement of MDGs would be unwise to ignore these major players.

Table 2: Distribution of Foreign Aid, 2004

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<th>Donor</th>
<th>Amount</th>
<th>%</th>
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4.1 The National Policy Environment

34. Sri Lanka has a history of a strong respect for its democratic traditions, the rule of law and fundamental human rights. It is a constitutional democracy with two main political parties and a third significant one. Despite almost 30 years of internal armed conflict, it has maintained an undisturbed and unbroken tradition of free democratic elections. The Constitution provides for a proportional representation system in a 225 member Parliament, which usually results in no party achieving an outright majority of seats. It also can lead to governments falling before their term has expired. Between 1999 and 2005, for example, there were 5 presidential or parliamentary elections. One result of frequent government change is frequent change in policy directions and of senior appointments in government ministries as well as changes to the machinery of government and government priorities. Such volatility has consequences for any long term intervention. Interventions need to have a built-in capacity to adjust to changes, which have the ability to alter the operational environment in which an intervention is working in such a way that it compromises a project’s capacity to deliver on its design objectives. Since 2001, for example, there have been three separate long term development plans: Regaining Sri Lanka under the United National Party in 2002; Rata Perata under the Sri Lanka Freedom Party (SLFP) of President Chandrika Kumaratunga in 2004 and the Mahinda Chintana under the SLFP of President Mahinda Rajapaksa in 2005.

35. Sri Lanka’s New Development Strategy converts the Mahinda Chintana, (the 2005 election manifesto of President Rajapaksa) into a framework for economic growth. The strategy has been operationalized into a medium term macro-economic framework which has 7 key pillars for economic growth, only one of which is specifically directed at poverty reduction:

i. Enhancing effectiveness of public financial management and the efficiency of the delivery system to the people;

ii. Transforming the economy to a knowledge and technology base as a catalyst for economic growth by ensuring a high value added production using domestic resources;

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Improving access through infrastructure at provincial/national level, to attract public and private investment;

Making a production base, that is largely owned by private small and medium enterprises, the nerve centre in the production process;

Strategic state enterprises and the public sector playing a complementary and pro-active role in making development more meaningful to the people;

Reducing poverty through rural sector development and employment creation;

Promoting a caring society and respect for cultural and religious values, leading to a stable democratic society.

36. The New Development Strategy includes a National Poverty Reduction and Growth Strategy (NPRGS) which is the GOSL’s major policy approach to promote pro-poor growth, income and redistribution strategies. The policy recognizes the importance of making the poor and other vulnerable groups into active partners in the development process. It intends to mainstream the long-term MDGs into the national development framework and closely link them to the Medium Term Expenditure Framework. In November, 2004, the National Council for Economic Development (NCED) established a separate MDG cluster to ensure that MDGs are mainstreamed in the national development framework. NPRGS has 5 objectives:

i. Create pro-poor growth to catalyse the poor to engage in productive economic activities using the division level as the micro level framework for poverty reduction;

ii. Satisfy basic human needs, reach/surpass MDGs and achieve a holistic improvement in the quality of life of the poor;

iii. Minimize the sharp regional variations and disparities in terms of wealth creation and poverty;

iv. Help the poor to understand the causes of their poverty, identify their needs and potential and match needs with resources;

v. Reform and synergize existing poverty reduction programmes and projects.

37. The NPRGS recognizes that poverty is not going to be addressed effectively only through national level operations. The challenge is at sub-national levels because that is where the inequalities exist. Consequently, the focus of development assistance to address poverty and to improve further the performance on achieving MDGs needs to be at the sub-national level, indicating that, for planning and monitoring purposes, it is the sub-national level which requires the attention rather than the national level.

4.2 UN Development Assistance Framework

38. The United Nations Development Assistance Framework (UNDAF) (2002-2006 and 2008-2012) for Sri Lanka focused on four pillars, namely poverty reduction, consolidation of peace, improving governance/democracy and gender equality. Analytical inputs into the UNDAF formulation process were provided by the Common Country Assessment (CCA) which adopted a rights based approach to development as well as strategic frameworks for development activities of the Government. The frameworks include protection of human rights, environmental sustainability, disaster risk management, capacity development (CD), HIV/AIDS and results based management. It is noted that most of these issues are the concerns also of the MDGs. However, MDG programmes

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7 Ibid. p. 3
8 Ibid. p. 25
have tended not to expand to all the pillars in a direct form and hence have concentrated mainly on the pillars associated with poverty reduction. Gender equality, the environment and developing a global partnership have generally not shared a corresponding amount of attention.

39. UNDP’s 2008-2012 Country Programme Action Plan (CPAP) makes achieving the MDGs the core objective in all the agency’s priority areas. There is to be a strong emphasis on linking upstream policy with capacity development strategies and alternative pro-poor downstream and rights based development approaches. The plan recognizes that emphasis needs to be given to the sub-national level if MDGs are to be addressed effectively and promises CD related to ‘downstream pilot activities’ in disadvantaged districts and divisions. CD would also be provided to regional based agencies and local authorities to incorporate the MDG agenda into local level planning and budgeting as well as to improve the quality of services delivered to the communities in selected UNDAF focus districts. The CPAP also promises support in raising MDG awareness among government officers and the general public, though it is silent on the level of awareness that would satisfy its objectives. DCS would continue to receive assistance to improve MDG statistics, especially at the sub-national level. NPD would also receive continuing support to ensure that MDGs are utilized to inform policy and planning both at national and local levels. MDGs are important enough to warrant an inter UN agency MDG working group to complement ongoing efforts of UN agencies to build government capacity for operationalisation of MDG strategies as well as to promote a coordinated approach to MDG data collection for monitoring of the UNDAF and to promote a policy dialogue with the government on MDG related issues. Assessing the effectiveness of this working group is beyond the scope of this evaluation.
5. PROGRAMME DESIGN AND IMPLEMENTATION

40. The MDG-CSP design warrants some discussion because it sets up a framework for a long term programme of assistance based on the assumption of an increasingly concentrated GOSL focus on poverty and MDGs even though the framework itself is not as clearly articulated in the document as it might have been. The design was based on an overall amount of $1 million being available from UNDP funds for MDG-CSP and distributed across four components as shown in Table 1 and expended $1.26 million. MDG-CSP was planned to be completed in 2 years but has taken closer to 4 years. During implementation, the outputs were reorganized into three components which largely followed the location of MDG-CSP activities in NCED, NPD and DCS. For convenience, this report follows the design framework rather than the implementation framework. A summary of MDG-CSP achievements is provided in Annex 1.

5.1 Design Considerations

41. The situation analysis would have been much improved had it systematically examined MDGs in Sri Lanka, what the previous UNDP programme had achieved, government policies and programmes operating in sectors which would have impacts on MDGs, machinery of government issues, and particularly done a comprehensive diagnostic of the capacity of key areas of the public sector which impacted on MDGs and other issues of relevance. The latter include: i) an examination of potential priority conflicts between policies which emphasized the importance of economic growth as distinct from pro-poor economic growth, ii) the substance of public pronouncements about the importance of achieving the MDGs which are made in the knowledge that performance on most was already very satisfactory in 2000; iii) the capacity of government agencies to perform in certain areas which impact on the achievement of MDGs and iv) where the executive push for a concentrated action on MDGs might best be located based on an interest in progressing their achievement. Had a thorough situation analysis been completed, the design might have:

i. concluded that the distribution of poverty and government performance in a number of areas was uneven and that there were pockets of disadvantage in various parts of the country. It might then have considered as an alternative, seeding targeted programmes to address those areas or concentrating a better flow of information about those areas. Poverty reduction must remain the priority: not more information about the relative success of GOSL’s policy agenda;

ii. followed the budget appropriation flows and examined the role of the Finance Commission and how pro-MDG it was in its distributions to provinces as well as the way in which resource allocations are made in the budget and how they are not necessarily used for their designated purpose by spending agencies;

iii. considered the feedback loop in more depth and concluded that while DCS played an important role in producing statistics on MDG performance and should not be ignored, the recently re-established Ministry of Plan Implementation (MPI) played an even more important role through its own monitoring programmes of public sector investment performance. Where performance lagged, it had ‘clout’ in the government system to get something done about less than satisfactory performance, which DCS does not. A more expeditious feedback loop might have been particularly important given that one broad objective of the MDG-CSP design was to ‘support the emergence of a sustainable coordinated national system for monitoring progress towards the MDGs’, which was precisely what MPI had developed to monitor investment programmes. Machinery of government-wise, such monitoring might be most effectively mainstreamed in MPI because it has responsibility for all programme monitoring and already possesses the systems and other organizational attributes to do so. Such mainstreaming would have been consistent with then government policy which stated that NCED had established a
separate MDG cluster to ensure MDGs were mainstreamed in the national development framework (MPI was a late entry into the cluster). The design might also have concluded that an effective feedback loop for management purposes requires expeditious production of data. With DCS, there is a significant lead time before reports from surveys are produced making the information less amenable for management purposes. For example, the 2009 DCS report on MDG indicators was based on data collected in 2006 and 2007.

The situation of NCED on effective MDG reporting is less promising than MPI. NCED’s core work is to bring together stakeholders from the private and state sectors to jointly develop national economic policies and action plans. A principal focus is to eliminate all administrative impediments obstructing or delaying economic progress and facilitating and assisting the Government in the effective implementation of its policies and development programmes. Consequently, MDGs are peripheral to the core business of NCED. It would, however, be in a good position to use private sector based market research to seek feedback on progress in specific MDG initiatives. If MDGs are a peripheral issue for GOSL, having them reported outside mainstream reporting, so long as that is paid for by a donor, makes sense, because it does not divert resources away from high priorities to peripheral ones;

iv. looked at key processes in government like the cabinet process and noted that, while cabinet submissions required statements on issues like financial and environmental consequences of proposals, there was no requirement for any statement about implications for MDGs. Get MDGs recognized at this level, and they are more likely to get attention as well as signaling that the government does regard them as important;

v. considered making more provision for linking MDG-CSP proactively to donor initiatives which addressed various poverty issues and developing synergies with these projects with respect to the management of MDGs. As donor initiatives would not have been able to be predicted accurately at MDG-CSP design time, such positioning would have required funds to be set aside as a kind of contingency for such opportunities. Also it would require some kind of human resource to identify opportunities and develop an agreed MDG-CSP response to them. The World Bank Public Sector Capacity Building project presented just such an opportunity;

vi. considered undertaking some kind of market survey of demand and potential demand for the activities it proposed so as to guard against the ever present danger of a donor project strong on sensible ideas for CD but with little resonance with the department/division/unit heads to which they are directed. As a consequence, design tests for relevance could not have been as exacting as they might have been.

42. The sub-components tended to be stand alone without having synergistic linkages with other sub-components. There was an advantage with a poorly costed design. It meant that cancelling individual sub-components had no direct impacts on other sub-components. Three sub-components had their budgets re-allocated to other sub-components. Objectives for many of the sub-components were not precise. Nor was there any 'tree' which linked the contributions of these objectives to an overall objective for the programme. The costing of the sub-components was poor. The budget was increased by 26% over the course of the project. There were a number of reallocations of budget between different outputs. Component 1 exceeded its budget by $280,000 and 361%, Component 3 by $51,000 and 11% and Component 4 by $18,000 and also 11%. Probably the most important stakeholder in terms of its ability to address MDGs, NPD, underspent by $89,000 or 28%. The variance column in Table 1 pays testimony to the inadequacies of the costing.
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<th>2007</th>
<th>2008</th>
<th>2009</th>
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<th>%</th>
<th>Budget</th>
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9 UNDP, MDG Country Support Programme, March 2006
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43. A second area that the MDG-CSP design document might have discussed in more detail was the added value that UNDP could bring to MDG-CSP. Providing a sum of money to GOSL to be spent on priority areas relating to the achievement of MDGs is important, but enabling that money to be leveraged by UNDP to achieve more through specific government investments would provide an immediate synergy for the GOSL/UNDP partnership. UNDP’s comparative advantages provide areas in which such synergies could be achieved. The MDG-CSP design addressed two such areas:

i. It had a small output in component 2 to harmonize donor coordination for more effective delivery of donor assistance, the planned activities of which included mapping ‘external support programmes’, an activity which might appear ideally suited for MPI. MDG coordination might well be an activity which UNDP should encourage outside the boundaries of this programme as it does not seem to have been formalized by GOSL.

Another objective of this component was to strengthen ‘development cooperation and aid management and practices for more effective delivery of assistance’. If this programme was to be the flagship of UNDP’s support for MDG implementation, a steering committee including key donors and GOSL ministries and departments involved in the broad overall management of MDGs such as MPI, NPD and DCS and chaired by NCED might have had value. As it was, there was an alternative UNDP programme which had an intervention targeted at harmonizing donor assistance. As a consequence, the small budget amount allocated to donor coordination was transferred to the national awareness campaign;

ii. A community challenge fund was proposed, starting with a small contribution of $132,000, to provide small grants for an unspecified diverse set of initiatives with the prospect of being scaled up as additional resources were mobilized. Given the small initial contribution, seeking contributions from other donors would fall within UNDP’s comparative advantage to leverage. The design, however, did not make clear who might be responsible for seeking other contributions. As a result, the fund was not managed proactively. Possibly as a consequence, the community challenge fund was abandoned as an intervention at an early stage in MDG-CSP and its budget transferred to the national awareness campaign.

44. UNDP’s most conspicuous comparative advantage, especially with respect to MDGs, lies in knowledge management. MDGs are a key platform of its work throughout the world. No other multilateral agency has the broad focus on MDGs that UNDP has. The most recent CPAP recognizes this comparative advantage with an objective of identifying and disseminating good practices and connecting national partners to global knowledge, as well as expertise from regional and other centres. UNDP has access to rich information about lessons learned in the management of MDGs throughout the world. The information would benefit from being passed on to agencies involved in programmes addressing MDGs. There was little evidence of this occurring in MDG-CSP, except in the case of the national awareness campaign reviewing MDG media campaigns in Laos DPR and Thailand and a related campaign in the Philippines with support from the local regional centre. As a result, changes were made to the initial approach to the awareness campaign, one of which was the adoption of the principle of cascading messages in its media work. A future programme might consider how UNDP’s knowledge base might be distilled proactively to GOSL stakeholders.

45. A second comparative advantage of UNDP in the area of knowledge management is its capacity to run regional courses which bring together interested parties from a range of countries as participants. They present opportunities to develop communities of practice and extend the professional networks of participants as well as to develop the competencies of participants in the content matter of a course. The courses have a potential downside. As the participants to the courses are often also funded by UNDP or other donor agencies, the relationship between course content and the actual work programme of the participants in their agencies can be weak. That risk transpired in MDG-CSP with respect to developing statistical capacity in line with best international practice. A
A small number of DCS statisticians, including a member of the Research Division which has responsibility for MDGs, attended a course on small area estimation (SAE) statistical techniques in Bangkok, funded by MDG-CSP. There was no provision for employing such techniques in the divisional work plan. Consequently, there has been no opportunity for the senior statistician concerned to employ his newly learned skills. As a result, it is likely that his understanding of the techniques will decline through lack of use as is likely to be the case with other participants. One participant from a different division, however, was reported to have applied the techniques as part of a concurrent World Bank project in DCS.

46. Turning to the MDG-CSP design itself, it signaled that it would adopt the four step approach to achieving MDGs proposed by the 2005 UN Millennium project report:

i. Map the dimensions and underlying determinants of extreme poverty by region, locality and gender;

ii. Undertake a needs assessment to identify the public investments necessary to achieve the goals;

iii. Convert the needs assessment into a 10 year framework for action;

iv. Elaborate a 3-5 year poverty reduction strategy within the context of the 10 year framework.

5.2 Component 4: Monitoring the Progress of MDGs

47. The first step was, in a sense, provided for by Component 4 – Monitoring the Progress of MDGs. It had a budget of $181,000, which represented 18.1% of the CSP budget and spent $199,000, which was equivalent to 15.8% of overall expenditure. The objective of the component was principally to strengthen DCS to be able to monitor MDG performance more effectively. Five outputs were designed comprising:

i. formulation of an MDG M&E action plan;

ii. capacity building of staff to best international standards for MDG monitoring and reporting;

iii. well structured statistical coordination;

iv. conduct of a survey in the north and east of Sri Lanka;

v. execution of a regularized bi-annual survey which was changed to conducting surveys in east central and the south.

48. The research division (No. 15) of DCS is principally responsible for reporting on MDGs. To a large extent, mapping the dimensions and underlying determinants of poverty was already regularly done in the ongoing statistical work of DCS. Many MDG indicators were reported to divisional level. The data produced showed the uneven distribution of poverty in Sri Lanka and identified where it was most acute. It also elaborated some of the underlying determinants. DCS possessed a Statistical Master Plan (SMP) which the World Bank described as ‘sound’.

The master plan was operationalized by an implementation plan which is central to capacity building in the department. The SMP sets out a core work programme to secure basic data required by DCS to fulfill its statistical responsibilities. This programme includes monitoring progress towards the fulfillment of MDGs. As the SMP was the core operational plan for DCS, MDG-CSP might have been better advised to work within this framework, possibly seeking to amend the SMP to provide a stronger focus on MDGs if that was needed. Instead, it set out to establish a stand alone M&E action.

10 UN, Investing in Development: A Practical Plan to Achieve the Millennium Development Goals, 2005
plan. Such stand alone plans introduced by donors always run the risk, once external support is withdrawn, of being ignored in annual and other priority setting exercises as they would be expected to be based on the core planning instrument (the Statistical Master Plan) and the resultant mainstream programmes.

49. The capacity building sub-component to bring staff up to best international standards was intended to enhance the range of statistics produced, particularly at divisional level. MDG-CSP provided funds for national statistical staff, out of office hours, to train regional statistical officers to conduct those parts of the household survey which addressed MDGs. This activity was part of the departmental implementation plan. The national staff considered the training effective, though there is no evidence of any objective follow up to determine how effective the training was and no verifiable indicators to demonstrate that the quality of surveys has improved.

50. At national level, the capacity building included the development of competencies in small area estimation statistical techniques (SAE) to enable statisticians to produce local level statistics disaggregated by gender and other factors. As mentioned in paragraph 45, this training was provided by UNDP in Bangkok and, for the participant from research division, was not followed by practical application of what was learned in the form of undertaking a small area survey. MDG-CSP also purchased the computer software package STATA for the analysis of small area surveys. Again, though statisticians were trained in its application, it has not yet been used for data analysis. Consequently, much of the value of this CD has been diminished by the new competencies not being put into practice in the work programmes of DCS.

51. Producing well structured coordination under output 3 resulted in a Data Producers Technical Working Group which coordinated the production of data required by Research Division from other sources, but did not develop common statistical platforms as planned by the design. There was also no evidence that national data sets were mapped.

52. The surveys in the north and east required by output 4 did not occur. Research Division, however did collect and analyze data from administrative sources and produce data on MDG indicators. Surveys, however, were conducted in the east central and south regions. Output 5 also did not result in regular bi-annual district level surveys, though a survey instrument was designed and district staff were trained as noted in paragraph 52 above.

53. The DCS component had no consultancy assistance unlike other MDG-CSP components. It organized its CD itself with the exception of the overseas training course mentioned in paragraph 51 above. Had a good diagnostic been performed at design stage, it might have concluded that the Research Division would have benefited from additional CD, especially with regards management, data analysis and report writing.

5.3. Component 2: ‘Operationalizing’ MDGs

54. Steps ii) – iv) of UN’s four step approach to achieving MDGs fall within the responsibility of NPD. Being able to convert the vision of Mahinda Chintana into action plans on the part of line ministries was recognized by NPD as one of its priorities. The CSP design stated that a principal aim of the component to operationalize MDGs was to contribute towards the development of policy innovations that would effectively address the social and economic disparities that exist across the country, generate robust self-sustaining growth, reduce poverty and create an equitable society. It promised that “as a first step, a target setting exercise in the form of an MDG plus scenario would be conducted with key national stakeholders, including the sector ministries and other relevant institutions” but then failed to include this activity in the logframe. There were 5 outputs proposed for this component:

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12 The evaluation of the results of the CSP in Research Division was made difficult by the retirement of its Divisional head at the beginning of the evaluation and her unavailability for subsequent interview.
i. develop NPD’s competencies in developing poverty reduction strategies and convert the strategies into annual costed plans for budget purposes;

ii. extend these planning mechanisms to the sub-national level;

iii. strengthen macro-economic planning capacity in NPD;

iv. establish a community challenge fund presumably to extend local level plans to an implementation stage;

v. enhance donor coordination.

55. As mentioned in paragraph 42, the budgets for the last two mentioned outputs were transferred to supplement the national awareness campaign and the outputs were cancelled. A budget of $311,200 was proposed for this component representing 31.1% of the proposed MDG-CSP budget. With outputs 4 and 5 being cancelled, just under $223,000 has been expended on this component, amounting to 17.7% of total expenditure. In terms of priorities for the achievement of MDGs, this component is undoubtedly the most important.

56. In certain important respects, this component followed on from earlier technical assistance provided by the Asian Development Bank (ADB). This TA set out to develop a three phase budget preparation cycle. The cycle included a medium term macro-economic framework to be prepared by NPD. To assist the macro-economic calculations, an Excel based macro-economic model was developed and became operational in 2002. In the first phase of the cycle, NPD was to establish aggregate fiscal objectives and determine sector priorities followed by a bottom up phase in which sector agencies would formulate and cost their sectoral spending programmes and budgets within the spending guidelines proposed in the first phase. The final phase would be the reconciliation of these spending ‘bids’ within the macro-economic framework. This intervention did not produce significant sustainable change in the macro-economic planning and budget planning areas. NPD would acknowledge that its macro-economic planning capacity remains weak, it does little macro-economic modeling and it is still experiencing difficulties reconciling the top-down and bottom-up phases in the budget preparation cycle. NPD is more concerned about improving the linkages between the top down priorities of government and ensuring that resource allocations are applied to them as well as improving linkages between district and divisional levels of budget planning and execution than in macro economic planning issues. Moving into an area like macro-economic planning which has recently had a less than totally successful intervention is high risk if sustainability is being sought. Addressing a priority like budget planning which is directed at a systemic issue by a narrowly focused non-systemic interest like seeking to develop capacities in MDG based approaches for local level planning, as the CSP design did, also possessed a serious risk of not achieving any significant sustainability.

57. Bottom up planning still requires attention as planning practices at sub-national levels have weaknesses. Line agencies are reported to experience difficulties in converting objectives into costed programmes. Within these systems difficulties, NPD does not have the resources to prepare studies of the underlying factors leading to increases in poverty at district levels, which it needs to do so that its planning can be more effectively targeted at poverty and MDGs. NPD also reports a need to improve its systems and processes, including those operating at sub-national levels. That means that support for changes which focus only on MDGs is likely to lead to changes that are less sustainable than support for a change to the system or process as a whole, which is an objective which NPD is pursuing.

58. Progress in ‘operationalizing MDGs’ has been achieved, though much of it is transitional and would benefit from further support so that new proposed procedures are fully integrated into NPD processes. An expatriate consultant who had previous experience with NPD working on the current 10 year framework was employed with terms of reference (TOR) covering a broad spectrum of tasks. He was largely used as a kind of roving resource to address what NPD considered were the weaknesses.

most pressing priorities in his terms of reference. That ensured departmental ownership of the work. MDG-CSP also provided for other consultants to work on various issues which would progress the operationalization of MDGs. The work has covered the following areas:

i. In the context of formulating MDG based poverty reduction strategies and integrating sub-national plans into national plans, support was provided for the production of a training needs analysis which has resulted in changed training programmes directed particularly at new intakes of planning officers. The needs of higher level officers were also addressed but that has only partially been met in ongoing changed training programmes;

ii. The National Development Framework (NDF) was reviewed and officers have gained experience in incorporating MDGs into strategies. 16 sectors were provisionally prioritized, but further work needs to be done to have the prioritized sectors recognized for planning and budget purposes;

iii. Support was provided for the National Development Strategy, 2007-2016 through the preparation of sectoral papers in fisheries, environment, public administration reforms, development in conflict affected regions and irrigation. The studies produced an overall vision for a sector, identified key issues and resource gaps, developed baseline indicators and projections, established targets including MDGs, identified specific strategies to achieve the targets, and produced an investment plan. They were prepared in 6 weeks, which left little time to work through issues and proposals with senior officers in NPD. The quality of the studies was considered to be variable. They undoubtedly contributed to the Development Strategy. The exercise also resulted in skills being passed on to NPD officers, particularly in the conduct of such studies, analytical techniques and goal setting;

iv. Support was provided to develop costed plans based on MDG needs together with guidelines to encourage MDG targeting within national level policies. Policy guidelines probably need revision for, among other things, there is no compulsion on line agencies and sub-national levels of government to follow them. According to NPD, the guidelines would also benefit from being more performance based, which could receive attention from a future programme;

v. Guidelines have been prepared so that local area development planning is focused on achieving results associated with MDGs. Other work has also been done on guidelines at sub-national levels. The Ministry of Home Affairs (MHA) (which manages District Secretariats and Divisional Secretariats), has launched a more practical approach to localization of MDGs under the Local Government Project (LOGOPRO). The guidelines still need to be agreed at sub-national levels and the momentum in this area seems to have diminished with the departure of the consultant and the termination of the UNDP focal point both of whom worked to promote these guidelines;

vi. A provincial development plan has been prepared for Eastern Province, with a second one for Northern Province in course of preparation. There are also plans to prepare two district plans for Uva Province which follow up from earlier work of MDG-CSP but are not directly supported by MDG-CSP;

vii. Issues experienced integrating local level plans (which are made with little reference to planning guidelines) with the funding priorities designated in national plans were addressed and were probably the most important contribution of MDG-CSP. The work built on activities already started by NPD. As a result, the work

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14 NPD, Guidelines for Local Area Development Planning (LADP) towards Achieving Millennium Development Goals, 2009
received enthusiastic support. A mapping exercise was produced at provincial levels of funds available to districts and details of the funds were published in a series of reports, *Development Expenditure Identified by Divisional Secretary Division, 2006-2009*. The mapping exercise produced information about funds available to district levels which had not been transparent before and led to a number of questions in Parliament as MPs became aware of the detail of budgets. The information proved particularly useful to Divisional Development and Coordinating Committees. Planning guidelines were also produced in this exercise. Shortly after the production of the development expenditure reports, the team disbanded with the end of the CSP supported consultancy assignment and key NPD staff being transferred to other divisions. MDG-CSP has undoubtedly produced appropriate building blocks for further work to be done at district level, particularly in providing modest advances towards greater integration of the bottom up planning process with the top down national plans and budget and in strengthening divisional planning capacities. The work, however, would have been better directed at the overall planning and budget process and not specifically at MDGs as occurred in developing the planning guidelines. MDGs might be an important focus of the planning, but they are only a part. Getting the planning right is paramount, in which case MDGs will benefit. Focusing only on MDGs will not necessarily get the planning right and MDGs will derive little overall benefit as a consequence.

59. The third sub-component had an objective of strengthening macro-economic and sectoral trade and debt policies. This would normally be an area that would be regarded as a comparative advantage of the IMF or World Bank. At issue for UNDP is the effectiveness of its own quality control systems to cope with monitoring interventions in macro-economic planning and what added value it can bring to such an exercise. The counter argument that the World Bank is not working in this area and that the vacuum needs to be filled, has merit. The question, however, remains as to whether or not UNDP is the donor agency to do this.

60. This sub-component provided consultancy assistance to NPD. Consultants provided some training in macro-economic modeling which introduced NPD, DCS and line agency staff to macro-economic modeling. Members of the Central Bank also participated and contributed as the Central Bank does do macro-economic modeling as part of its fiscal work. One reported outcome was that participants found that the concepts were not as daunting as they had expected and that the modeling was useful and would provide flexibility in planning. The MDG-CSP’s awareness raising was valuable in terms of keeping the importance of macro-economic modeling alive in NDP and with line agencies. NPD, for example, is considering the purchase of eView software so that its staff can continue to develop their competencies in macro-economic modeling. MDG-CSP’s work, however, needs follow up if it is to bear fruit. Whether or not an MDG focused programme is the ideal mechanism to do this work needs careful consideration. Further, if UNDP believes that it can meet the macro-economic planning need of NDP, it should also scope the needs carefully and ensure that it has the funds available to complete all the necessary tasks.

5.4 Component 1: MDG Advocacy and Training

61. The national advocacy campaign has been the biggest spending item in the CSP. It was budgeted to cost $77,300. Supplemented by transfers from other CSP components and additional funding, it has cost slightly over $380,000, which amounts to 30.3% of total CSP expenditure. The CSP planned to implement the MDG campaign strategy which had been formulated in Phase 1 of the MDG support programme and for it to be completed by 2006. It was to be accomplished in two stages and was expected to be completed towards the end of 2009.

62. The national information/awareness campaign strategy had several thrusts. The strategy was based on a concept of ‘cascading flows’ which was developed with UNDP support from an approach used in the Philippines. The idea of ‘cascading flows’ was to use core aspects of the campaign like the MDG logo and jingles in all media in which the campaign was mounted. The
work on publications, bill boards, advertising stickers and production of T shirts and caps displaying MDG logos and messages has been completed and the products are now being distributed. A video has been produced promoting the major thrust of each MDG so that viewers will not only be made aware of the overall concept of MDGs, but will be introduced to their constituent elements. Broadcasts over local radio and television are expected to take place in the third week of November, 2009. The initial idea of “staging” MDG street drama and school plays was dropped from the campaign programme. Training workshops for journalists and a national media award for MDG awareness creation and a national exhibition have been planned but are yet to be carried out.

63. The awareness campaign got off to a slow start. Initially NCED developed terms of reference for suppliers and started the administrative process to award contracts with little consultation with outside sources and no apparent input from people with expertise in such campaigns. With a change of leadership in NCED, it was decided to review the situation. The review identified weaknesses and a decision was made to change the approach. A small committee was established with 3 UNDP media experts, MOFP’s media director, the newly appointed director of NCED, an officer of NCED, and a representative from NPD. The UNDP regional office in Colombo was also referred to for comments as the ideas were developed. Consequently, UNDP played a major supporting role in the design, which was an excellent way of facilitating the free flow of its knowledge about such campaigns in the rest of the world. The process of working through the UNDP regional centre, country office and MOFP proved time consuming. The result, however, is a carefully planned campaign of which NCED is proud.

64. Planning for the awareness campaign was not preceded by any market research to get some idea of the level of awareness and what issues were of most concern to rural, urban and other people. The campaign was directed at the population at large. There were no parts directed at sectors like the private sector and non government sectors. There is no base line study of MDG awareness, where it is strongest and weakest and the MDGs which would most benefit from greater publicity. Messages were not first tested for their impact before they were fully incorporated into the campaign. There are also no plans to monitor the campaign to determine its impact unless funds are made available in a further stage of the project. The campaign has been planned as a stand alone activity; not as the first step in drawing civil society into an ongoing debate with government about MDGs and their achievement.

65. The work of NCED on the campaign and its contacts with the private sector has had indirect benefits, NCED encouraged the Chamber of Commerce in its participation in an application to the Millennium Challenge Account and helped broaden the focus of the proposal from being simply on poverty to one on MDGs. The Ceylon Tobacco Company has a Sustainable Agriculture Development Programme which has financed village level development projects in, for example, Uda Dumbara DS’s Division in Kandy District. It is gearing up to reach a target of at least 10,000 households by 2010. The Company also has a biodiversity programme where it is converting local people from burning wood to using other combustible material like paddy husks. The positioning of NCED is such that programmes like these can be drawn into the overall national push to improve Sri Lanka’s MDG profile in those areas where the government programmes are yet to make any significant inroads. The private sector is particularly important in estate areas of the country, where poverty is a serious issue.

66. The second proposed output of expanding sub-national awareness has received scant attention. It had a budget of $30,000, which was deemed more useful if committed to the national awareness campaign. The national programme was designed to produce increased awareness at sub-national level. There were some early initiatives, such as newspaper advertisements in the local press, and independent actions at a youth festival held in Badulla and the introduction by the Ministry of Education of MDGs to the education curriculum, which were on the spot successes. These showed the potential for integrating the national MDG awareness campaign with other national and sub-national events. Funding however, remained a constraint.

67. For the future, there appears to be the potential for an important role for NCED in the management of an MDG agenda which leverages off the national awareness program. MDGs are an
issue which would benefit from partnerships between government and civil society and the latter’s constituent parts, particularly the private and non-government sectors. Information is important to such partnerships. A public affairs programme might be useful in developing and sustaining public interest in MDGs and in contributing to an active debate leading to improved programmes designed to achieve MDGs.

5.5 Component 3: MDG Capacity Development

68. Component 3 – MDG capacity development had two outputs: establishing a fully fledged MDG Country Secretariat with a regional network by the end of 2006 and establishing well-developed regional capacities at provincial levels. The CSP design allocated 40% of the planned budget to Component 3. A budget of just over $400,000 was allocated and just over $450,000 expended. In budget terms, this component had the highest budget allocation of all components, and, therefore, can be regarded as very important. The expenditure, however, neither established a separate MDG Secretariat nor well-developed regional capacities at provincial levels. NCED simply does not have the staffing establishment to do this. Nevertheless, the NCED Secretariat has been strengthened. Organizationally NCED is not big enough to have two distinctive secretariats working to the Executive Director and a sensible decision was made not to have a specific MDG Secretariat. The sustainable priority given to MDGs by NCED must remain in doubt as NCED’s major focus is directed at formulating and implementing policies to improve the investment climate for the private sector. An examination of the MDG website lists the key objectives of NCED. MDGs are not mentioned.

69. The expenditure has resulted in a full-time professional being provided to the NCED Secretariat, equipment including ICT equipment, training for secretariat staff which has included a small number of overseas programmes on subjects like trade negotiations, financial and risk management, negotiation skills and governance. An expatriate consultant was also employed partially under this output to assist with the management and coordination of MDG-CSP. That was important given that it operated in three different agencies of GOSL. MDG-CSP expenditure has enabled the Director of NCED to build a good and competent administrative team to further the work of NCED. The team undoubtedly possesses the technical capacity to coordinate the MDG agenda on the part of GOSL, the objective of output 1 of this component, but, for the objective to be achieved, GOSL needs to develop that agenda and give NCED the authority to coordinate it across government. An MDG data base which would enable NCED to monitor line agency performance on government programmes to address targeted MDG issues has not been developed. NCED requires additional resources if it is to develop mechanisms to obtain the necessary data to enable MDGs to be monitored effectively and they can only come through an increase in its annual budget, from donor assistance or a combination of both. It would also require GOSL directives to ensure agencies report the necessary data so that NCED can consolidate, analyse and report them.

70. An MDG cluster has been added to 25 other clusters supporting NCED in its objectives. There are 19 members of the cluster and it was expected to meet annually. Some key ministries working towards poverty reduction have not been included in the MDG cluster. They include the Ministries of Home Affairs and Public Administration which have the authority over district secretariats and divisional secretariats and local government and provincial councils respectively. These omissions have partly been addressed by having representatives of the two ministries on the capacity development mission team which did the quick assessment of CD needs in three divisional secretariat divisions in Monaragala district and one divisional secretariat division in Badulla district in Uva Province. The effectiveness of the MDG cluster needs review by any future design team. It is not clear how frequently it does meet, if at all.

71. The second focus of CD was the sub-national level of government with 5 provinces being targeted for assistance. The sub-national level is strategically important because of the uneven

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nature of MDG progress throughout Sri Lanka. The MDG-CSP budget set aside $118,000 for this output and just under $80,000 has been committed.

72. The main thrust of the CD output was to identify weak areas in strategizing, planning, implementation and monitoring of programmes at the sub-national level. There has been no attempt at CD in any province as specified in the MDG-CSP design. Instead, CD needs were assessed and reported on at sub-national levels in three reports focusing on:

   i. Localizing MDGs\textsuperscript{16};
   ii. Planning and budgeting systems\textsuperscript{17};
   iii. CD needs for improved local level service delivery throughout Sri Lanka and, specifically, in Uva province\textsuperscript{18}

73. NCED has experienced difficulties in producing these reports. The reports were not formulated in close consultation with stakeholders resulting in a number of findings and proposals not having strong support. Consequently, they do not yet present a basis for developing a charter of action to address the capacity weaknesses at sub-national level. They also have a weaknesses in not scoping the scale of the problem in the sense of giving realistic estimates of what would be required to address the issues to bring capacity up to a satisfactory level, how long a programme would take and what it would cost. Rather than capacity developing 5 provinces, what the project has done is to begin the work of scoping what CD needs at sub-national levels are, which is an important and necessary first step in developing a costed plan to address capacity weaknesses at sub-national levels. The CD needs go well beyond a narrowly focused MDG programme and relate to the whole cycle of effective management to ensure good policy formulation, planning and programme design and development, followed by implementation in a customer responsive service delivery culture and a monitoring and evaluation loop. Piloting promising approaches in a restricted number of provinces, as intended by MDG-CSP, seems a sensible approach in the circumstances. It relates to the work which NPD is doing and, consequently, is most appropriately located there. It deserves consideration for further assistance, but, if such assistance is to be effective, it needs careful attention to ensure that the budget is sufficient to complete the task.

\begin{itemize}
  \item \textsuperscript{16} Banerjee Niloy, Casazza Alessandra, Manage Sanath, Gunasinghe Kumara and Gunawardene Chanaka, \textit{A UNDP Capacity Development Quick Assessment Mission}, 2007
  \item \textsuperscript{17} Ragragio, Juan Mayo, \textit{Report: A Quick Assessment of Planning and Budgeting in Selected Provinces and Districts of Sri Lanka}, 2007
\end{itemize}
6. PERFORMANCE AND IMPACTS

6.1 Relevance

Relevance has a number of referents and they include, relevance to:

i. government policy and priorities. The design of the CSP was very relevant to the central place the MDGs have in the Mahinda Chintana vision statement, in the broad development framework of Sri Lanka, in the work of MOFP to have MDGs clearly enunciated in budget papers and budget appropriations and in the focus of other central agencies like the President’s Office and MPI. The design’s setting MDGs apart from the mainstream work of the government to reduce poverty through pro-poor growth, however, made the operationalization of the CSP less relevant for the three implementing organizations, particularly NPD;

ii. UNDP’s own corporate objectives and priorities. The CSP was very relevant as exemplified by CPAP 2008-2012 in which MDGs are central. The CPAP states that cooperation strategies would “make achieving the MDGs the core objectives in all priority areas, with strong emphasis on linking upstream policy with capacity development strategies and alternative pro-poor downstream and rights based development approaches”. It is doubtful that MDGs have the same prominence in government priorities as they have in UNDP’s. Consequently, there is a less than perfect fit between the two sets of priorities;

iii. Civil society. It was not considered for the CSP and, consequently, there was little relevance to civil society other than indirectly through the national advocacy campaign. In Sri Lanka, there are a number of organizations working with government at the grass roots village level in programmes to reduce poverty. For example, at the time of the CSP design, the NGO Lanka Jathika Sarvodaya Shramadana Sangamaya was working in 15,000 villages, including in the north and east, with the objective of making them MDG compliant. That programme would certainly have benefited from assistance and recognition in the form of donor finance;

iv. The institutional level in which the programme was to be implemented. The relevance of the CSP to the institutional priorities of the agencies concerned was low. While each of the three agencies concerned spoke of the usefulness of the CSP, their subsequent actions indicated that relevance was less central in agency priorities than it might have been. One agency was unequivocal that ownership of the CSP was UNDP’s and not by any of the agencies which implemented the CSP.

v. The positioning of the programme in the most appropriate agencies. The relevance of the CSP in this regard is partial. There can be no doubt that NPD is central to the planning for the achievement of MDGs. Implementation of plans and budgets, however, is undertaken by line ministries with a small number playing a crucial part in the context of MDGs. Steering Committee Meetings stressed the importance of bringing on board the Ministries of Local Government and Provincial Councils and Public Administration and Home Affairs, both of which were completely ignored by the CSP design. MPI, which is responsible for reporting on plan implementation performance was also a notable absentee from the CSP design. It should be more important than DCS in the context of monitoring and evaluation, because it reports on the effectiveness of government programmes. While DCS does report on MDGs, the time delays before the information is reported make it less effective than MPI for the purposes of M&E. The decision to have NCED responsible for M&E of MDGs had the effect of taking MDGs out of the mainstream GOSL performance reporting loop, rendering them non-central.
vi. **Internal coherence of the CSP.** There were no synergies in the design of the CSP nor in its implementation. Each of the three stakeholders implementing the CSP pursued an exclusive set of objectives. Without linkages between the four components, the CSP, in effect, was three mutually exclusive projects, one implemented by NPD, a second by NCED and a third by DCS. There were opportunities for synergy but they were not taken. For example, the work in NPD to improve the nexus between bottom up planning and top down budget and medium term expenditure framework guidelines might have been enhanced by corresponding work done by DCS on small area surveys and qualitative research investigations. The achievement of synergies was significantly constrained by the management arrangements provided for the CSP. The achievement of synergies would have required centralized direction to ensure that programme interventions were synchronized appropriately within an effective timetable and that the stakeholders worked closely together in teams.

6.2 **Efficiency**

75. In CD programmes, efficiency is very difficult to estimate, especially when there is no initial diagnostic study to scope the extent of the issues to address and the constraints that have to be managed effectively. Experience of externally supported CD in Sri Lanka has not been conspicuous for its success; so there are no benchmarks to use to compare costs. A programme which was designed to be completed in 2 years and took double the time to complete is likely to have major issues with efficiency. One important consequence is that UNDP has two years less to support the kind of initiatives which GOSL is likely to require to address MDGs.

76. The work of the CSP delivered by NCED accounts for about 61% of CSP expenditure. The costs of both the national advocacy campaign and the capacity development of NCED exceeded the budget. That variance is explained by the fact that in the case of the national advocacy campaign, the cost of the activity was seriously underestimated. In the case of establishing the NCED Secretariat, additional activities were undertaken. The national advocacy campaign is only just getting underway; so it is too early to be able to measure its impact in the sense of improved knowledge of MDGs and calculate a per capita ‘increased awareness’ cost. For the broad campaign that has been designed, the costs seem reasonable and the contract was awarded after a rigorous tendering process. Whether or not the media selected are the most cost-effective to deliver the required messages, this evaluation was not able to determine. Establishing the MDG Secretariat and supporting its operations and the progress of the CSP also has been efficient.

77. In other components, efficiency was satisfactory. For example, having DCS statisticians train district level personnel out of working hours and for very reasonable costs compared with the alternative of outsourcing the work, was efficient. Consultants have been carefully chosen and expensive western ones eschewed. There is no reason to believe that, on average, more expensive western ones would have been any more cost effective for the work contracted than those commissioned from India, Nepal, the Philippines and Sri Lanka.

78. Efficiency has been weak in certain areas. Sending staff on overseas courses, as happened with DCS statisticians, before the work programmes are ready to use the new skills learned is not efficient, because the newly learned skills are gradually forgotten. Nor is the purchase of computer software which has no part yet in the IT plans of an agency as occurred with the purchase of the computer software package STATA for the analysis of small area surveys by DCS. There might also be questions raised about the choice of study tour (not the principle, which is a good one when new ideas are introduced to agencies already advanced in a programme to change the way in which they do their business), which certainly produced presentations to interested people on the way in which the Malaysian Economic Planning Unit in the Department of the Prime Minister operated, but whether or not it will lead directly to any changes in planning and monitoring procedures must be considered unlikely.

79. Efficiency also has a nexus with effectiveness. Produce goods, however cheaply, which nobody wants to buy is not an efficient use of resources. In the course of the CSP, a number of
reports have been produced, some of which have not led to any action on the part of the agencies concerned. Some of these reports prepare the ground for change and, with further support, could lead to important changes. Efficiency, therefore, in these cases, is conditional on subsequent actions being taken to ensure that the report findings and recommendations are acted upon.

80. Efficiency was also compromised when MDG-CSP was gearing up by NCED not following government regulations regarding the keeping of proper books of account and other financial records until the current director was appointed. Some expenditures have been difficult to account for, there were examples of duplicated payments and the national awareness campaign started with insufficient preparatory work with the result that preparation for the campaign had to be started again, resulting in the initial costs being written off.

6.3 Effectiveness

81. Effectiveness of MDG-CSP in its two high cost activities is still to be demonstrated. A national campaign strategy has been designed and is currently being implemented. The campaign has used a cascaded approach in which elements are combined to produce a more powerful message. The campaign is still work in progress in the sense that the campaign has not been completed. The media campaign, for example, is being mounted in the third week of November 2009. Consequently, it is still too early to determine how effective the campaign is in raising national awareness. That determination might be made more difficult by the fact that there are no plans to monitor effectiveness. The plan was not preceded by any market research to determine levels of national awareness and the kind of issues which had resonance with people. Consequently, there is also no detailed base line to measure the amount of change. There are some rough base line indicators, however. For example, World View Sri Lanka estimated that more than 90% of the population of Sri Lanka was not aware of MDGs 19.

82. MDG-CSP has strengthened the NCED Secretariat which has played a major role in developing the national awareness campaign and in supporting other MDG-CSP components. The Secretariat works well as a team and has developed excellent skills in facilitation and administration which would be valuable to any continuation of MDG-CSP. NCED’s major focus, however, remains the private sector. NCED is proposing to build bridges with the NGO sector which, strategically, is important because the future of effective MDG achievement would need to navigate government pro-poor programmes to the villages where there are wide disparities in the achievement of MDGs. Of interest to any future programme is the fact that World View Sri Lanka established a ‘Multi Stakeholder Steering Committee’ for an MDG Program in 2006 20, though what happened to that has not been established by this evaluation. Working at the village level might well be facilitated as effectively by being outsourced by GOSL to the non-government sector as by government agencies working directly there, though present government policy does not appear to regard NGOs as a potentially effective partner. There is a simple way of finding out. Having government agencies and non-government organizations work at the village level would quickly demonstrate which is the most effective. Competition has been demonstrated to be a factor which lifts government agency performance so long as the incentives are right for the government agencies to do so.

83. MDG-CSP has also been effective in keeping the profile of MDGs high on GOSL’s agenda. NPD and DCS have developed a strong focus on MDGs and other key government agencies like MPI continue to reinforce the importance of MDGs in GOSL’s policy and development agendas. The location of MDGs in NCED has also had spin offs in the private sector with the Sri Lankan Chamber of Commerce, for one, participating in an MDG based proposal to the Millennium Challenge Account. Clearly, with initiatives like World View’s Multi Stakeholder Steering Committee, there are already promising building blocks in the NGO sector.

84. MDG-CSP has been effective in supporting NPD to advance important work in a number of different areas involving MDGs, including doing a training needs assessment and, based on that,

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19 World View Sri Lanka, MDG Advocacy Campaigns, presentation at South Asia MDG Forum, Kathmandu, Nepal, 2006, slide 5
20 World View Sri Lanka, op. cit., 2006, slide 15
delivering training to new intakes of planning officers and sensitizing them to MDGs, producing two MDG Country Reports, prioritizing 16 sectors for pro-poor programmes, demonstrating how objectives are converted into costed programmes to line agencies, preparation of sectoral papers for the 10 year national development programme, improving planning capacities at district level and beginning to address the need to reconcile the bottom up planning produced at sub-national levels to the overall programme priorities of GOSL. Much of this work remains unfinished and would benefit from continued support if it remains an NPD priority.

85. A cautionary note might be added about MDG-CSP’s effectiveness. There has been a tendency for MDG-CSP to treat MDGs as something particular and separate from overall GOSL’s programmes in a number of areas. Consequently, MDG-CSP has sought to establish processes and systems to advance MDGs rather than improving processes and systems to facilitate GOSL planning and implementation and report on a range of important performance indicators including MDGs. The consultant who supported NPD in producing the guidelines for local area development planning drew attention to this weakness when he wrote that: “In spite of its specificity for MDGs, the guidelines also help to partially fulfill a long felt need to develop planning practices at sub national levels”.

MDGs establish but one set of performance indicators in an armoury of performance indicators used by GOSL to monitor and manage its programmes. Consequently, a better strategy would have been to seek to mainstream MDGs into ongoing GOSL monitoring systems (particularly those of MPI which is the foremost agency working on monitoring agency performance) rather than seeking to develop stand alone processes and systems to report on MDGs alone. Inevitably, stand alone processes will produce duplication and inefficiencies with the risk that the importance of MDGs in government programmes is diminished because of the added costs to monitor them.

86. MDG-CSP has been less effective in introducing synergies between its four design components and their sub-components. The work in DCS, NCED and NPD has been treated as if each set of interventions was discrete. There were opportunities for synergies. One small example is the important relationship between information and national awareness of MDGs. DCS, with assistance from MDG-CSP, produced a report MDG Indicators of Sri Lanka – A Mid Term Review, 2008 and NCED, the Country MDG Indicators Report, 2008. Quite apart from the question of duplication in these two reports, the content was dense and DCS charged $15 for its report. Consistency of data between the two reports would have been important. The information could have been used for publicity. There might have been an opportunity to break down the data so that they were more amenable for dissemination to media outlets and to other potential outlets like the Ministry of Education for utilization in school curricula. As it is, the reports tend to be treated as end results rather than leading to other activities which build on them.

6.4 Sustainability

87. The work done by NCED on national awareness will be completed with the airing of the media campaign in November and the distribution of posters and other material. NCED has learned a lot about awareness campaigns from this experience. NCED, however, is not in the business of national awareness campaigns. If the awareness raising programme is to have a successor, NCED might consider a more public affairs’ role so that it can use targeted information to impact on opinion about MDGs which still lag in terms of their achievement and that would also have potential spin offs for its work with the private sector.

88. NPD received a range of consultancy support. The training in particular is reported as having been effective and enhanced planning competencies and is sustainable. The support given to the Eastern Province Development Plan has led to similar work with the Northern Province. It is doubtful that the work in macro-economic planning has advanced NPD’s capacity in this area of planning much beyond staff having a greater awareness of the benefits of macro-economic planning to the more detailed sector planning demanded by capital budgets and expenditure frameworks. MDG-CSP also assisted NPD to start to grapple with the nexus between top down planning guidelines and bottom up planning so that resource allocations can be made more effectively. There

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21 NPD, op. cit., 2009, p.2
still remains much to be done before that nexus is fashioned effectively with sub-national levels of government and line agencies. The work done by MDG-CSP is unlikely to be sustainable unless NPD receives further assistance and the personnel involved in the first part of the work are able to transfer their current knowledge and enthusiasm to their successors.

6.5 Impact

i. The national awareness campaign should produce heightened awareness of MDGs throughout the country. Such awareness could be important at district and divisional levels if it enables communities to focus on poverty reduction in their annual plans, especially the communities which experience high levels of poverty. This observation remains speculative as the awareness campaign is just getting under way and there is no feedback about impact;

ii. NCED’s interest in MDGs might have reinforced a similar interest on the part of the Sri Lanka Chamber of Commerce, which participated in a proposal to the Millennium Challenge Account and, if funded, would have presented an interesting public/private sector approach to poverty reduction. For the future, involving the private sector in the MDGs presents an interesting opportunity given the work done by Ceylon Tobacco Company in a number of deprived agricultural villages. It is an area which would be enhanced by pro-poor tax incentives to the private sector, an issue which could be pursued by NCED. There are models for such tax incentives. For example, the UK government has given tax breaks and introduced more helpful regulations for private investment in social projects as recommended by the Social Investment Task Force it set up in 2000. Any tax breaks, however, should be based on performance that the government wants;

iii. NPD’s focus on MDGs has been reinforced by the project. The work it has undertaken to improve the planning processes between the national level and sub-national levels has focused some District Development Committees on MDGs and advanced the time when better planning mechanisms are introduced to link all budget appropriations and subsequent resource transfers to national priorities. So long as NPD regards this issue as a priority, it would benefit from further assistance to progress the work it has already started and, when complete, would enhance the targeting of pro-poor budget appropriations;

iv. NPD has cranked up MDGs to MDG+ in some sectors, especially education and health. This work has been linked to its interest in making the capital budget at least more performance orientated. That should galvanise sector agencies to improve their performance, especially regarding quality. Targeted programmes will need careful management if the extant pockets of poverty are not to disappear for planning purposes behind the all encompassing drape of satisfactory national statistics. If the quality of public services improves across the nation and planning remains pro-poor and is more effectively targeted, that can only be to the lasting benefit of the poor.

89. Where MDG-CSP has had little lasting impact is in the feedback loop changing work practices. The loop has produced volumes of information, none of which seems likely to have fed back into changing the policy environment or enabling GOSL to put pressure on line agencies to improve MDGs through enhanced performance in those locations where they remain weak. That requires more immediate performance data, most economically produced on an exception basis. There is little need to collect detailed data where poverty is not an issue. Collecting targeted data where poverty remains an issue would serve to focus agencies, especially line agencies, on the areas where pro-poor resource allocations need to be targeted and agencies need to collaborate to provide the basket of services which is usually necessary to address poverty effectively. DCS is not in a position to produce management information. Its turn around times for the surveys it has done are too long. It is also likely to be diverted in the near future by the need to prepare for the 2012 census
and by the World Bank capacity building project which, in the design at least, extends across the whole of the Department. Whether NCED is in the best position to produce the required management information needs to be investigated. Currently, it is assumed by GOSL to have this role. It has not yet, however, developed the systems and the contacts in the field to be able to collect and publish the information required. There seems an organizational logic which would keep all monitoring of performance in one agency, which is currently MPI.

90. As discussed in paragraph 86, the absence of synergies has, to a small extent, diminished MDG-CSP’s impact. Its decision not to involve civil society also has prevented a wider ambit of interest in MDGs and opportunities to leverage the funds invested in the programme within civil society, though it must be acknowledged that any proposal to do so might not have received government support. If MDGs, essentially, are to act as a scorecard of a government’s pro-poor performance, civil society is in a good position to be one of the score keepers, regardless of the view of GOSL of some of the more prominent agents of civil society.

6.6 Gender

91. Gender is not specifically mentioned in the MDG-CSP design document as a special or cross-cutting issue and no particular attention was given it by the CSP.

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7. FINDINGS, LESSONS LEARNED AND RECOMMENDATIONS

7.1 Findings

92. MDG-CSP has enjoyed qualified success. It has addressed an area which ranks highly on GOSL’s policy agenda and in the rhetoric of the President and members of his Cabinet. The importance of MDGs has certainly been communicated to central agencies. Overall, GOSL has much to be proud of in relation to MDGs, as most of them have either already been achieved or are well on track to being achieved. That seems to lead to two policy conclusions. For those MDGs that have been achieved, a next stage is in order moving from quantitative measures of performance to more qualitative ones, something which GOSL is clearly considering under the guise of MDG+. They deserve some consideration by UNDP both in assisting GOSL to formulate progressively improving MDGs and to assist it to orientate its programmes to achieving them. The second policy issue, given the fact that the overall good national performance disguises pockets in the country where achievement still languishes, requires a more targeted approach of development directed to where MDG performance remains disappointing and the human consequences remain desperate. That is an area which is a strong candidate for assistance and which MDG-CSP did not get as deeply into as was envisaged by its design. MDG-CSP programme priorities were directed at prioritizing the idea of MDGs and their role in the management of GOSL poverty reduction programmes rather than directly addressing poverty and other MDG issues which are still extant in Sri Lanka.

93. The challenges are most effectively addressed by some kind of special projects unit in an agency or at central agency level tasked with addressing a particular problem area or the problem areas respectively. In a sense, NCED is such a unit, but it has been tasked to focus on private sector issues. It is not bound into the machinery of government. It has an advisory role, though the national awareness campaign has set a precedent for it to become more active in programme matters. It is not well positioned in government to exert influence on line agencies to deliver specialized programmes. At the micro-level, civil society organizations like NGOs are an alternative to delivering targeted pro-poor programmes, though, politically, how acceptable an alternative they are needs to be assessed.

94. A key finding of this evaluation is that a poorly scoped design is likely to present a host of problems for the people responsible for implementing it. A rigorous diagnostic would have provided background from which to make a clear identification of a set of issues to address, followed by a clear set of objectives. It would also have enabled constraints to their achievement to be detailed and would have enabled a detailed plan to be developed of how the objectives would be achieved within the budget proposed and the constraints managed effectively. The design left a number of important questions unanswered. Why have a national awareness campaign when a greater priority might have been addressing the pockets of poverty in the country? The need for good diagnostics prior to a CD programme is nothing new. It has been reiterated by all studies of donor failure in CD. It needs to be emphasized in TORs for any team trying to develop a CD programme in any area of government endeavour and that includes any successor to MDG-CSP. A problem tree should be produced so that UNDP management can assess the rigour of a design more easily. A second important requirement is to present a set of design objectives for which there is sufficient budget resources to achieve.

95. When considering criteria to evaluate the likelihood of success of a programme proposal, a focus on key success factors can be very useful. Key success factors focus management on what is important and needs to be managed well; provide management with an effective check list to screen proposals and evaluate risk; and provide management with a set of core factors to monitor closely with confidence that if they are managed well, the programme or project is likely to be effective. There are numerous potential key success factors, but the 6 below are significant and important in terms of screening CD and other interventions and, if met, increase the likelihood of success. They certainly apply to MDG-CSP. Most of the factors are recognized in studies of CD interventions and their success rates:

i. **Ownership.** To be able to verify its strength, ownership is best broken down into a number of constituent parts:
a.  

The initial approach for the assistance being made by the government concerned, thus indicating a commitment to the donor investment. In the case of GOSL, the request might have been to improve the prioritization of MSGs in line with the prominent position they had in the Mahinda Chintana Ten Year Horizon Framework. All indications, however, are that the impetus for MDG-CSP came from the UNDP rather than GOSL at a time when a number of senior public servants, including very senior personnel in the MOFP, could not be described as being enthusiastic supporters of outside assistance for CD;

b.  

The government nominating the resources and budget it will commit to the work, demonstrating that the work is of sufficient importance and priority for the government to invest in it. In the case of MDG-CSP, the only investment GOSL made was in the opportunity cost of public servants working with consultants, attending courses, participating in study tours and the like. The national awareness campaign is a case in point with GOSL not contributing any budget resources to the campaign. It does, however, provide considerable funding on other MDG related activities in its recurrent and capital budgets, but nothing to promote MDGs per se. A government continuing to allocate resources to a project provides ongoing confirmation of a government’s commitment to the objectives of a project which provides an important test of the ongoing relevance and importance of a project. That has been absent in MDG-CSP;

c.  

The agencies in which outputs are to be produced determining the objectives of the interventions. Ideally that would occur within the context of an agency’s published forward plans for CD or other changes and would form part of the agency’s ongoing work programme. There was undoubtedly agency support for some of MDG-CSP’s interventions, most strongly in NPD. It is worth repeating that one of the most successful interventions of MDG-CSP was the mapping exercise of district budgets, an exercise which had already begun in NPD but which required additional resources to complete effectively. Other parts of MDG-CSP could not be said to have been priority issues of the agency concerned. The training provided to DCS in SAE is an example of an outwardly very appropriate initiative not having the ongoing operational support to make it sustainable;

d.  

The agencies determining the consultancy support they require for ongoing activities already included in their work plans. There was no evidence that a number of MDG-CSP interventions were part of any ongoing agency work plans. Consequently, decisions about what parts of a work plan would benefit from external assistance were never placed on the table for discussion;

e.  

The work implemented with senior management directing and consultants working in a participatory way with managers and officers in the areas targeted. The work in NCED on increasing national awareness exemplified such an approach. The campaign was entirely developed in-house and enjoyed strong support from the NCED director. There was also close work between consultants and staff in NPD, but the involvement of the upper echelons of NPD management was tenuous as the interests of MDG-CSP did not appear to have enjoyed a similar resonance with them. For them, MDGs were peripheral to the priority changes they were trying to introduce;

ii.  

Clarity of objectives. Clarity is enhanced when objectives are measurable. Where objectives are intermediate, i.e. a step towards an ultimate objective, the end objectives and goals also need to be clearly specified. 9 ‘broad objectives’ were delineated for MDG-CSP, many of which were stated to be even more at an activity level than at an objective level. A more concentrated and focused set of objectives would have been advantageous. For example, the design of the national awareness campaign
might have been different if there was a clear indication of what the purpose of the campaign was to be. Simply having a whole population aware of MDGs might be useful, but it would be far more useful if it led to something else, like, for example, an enhanced national debate about poverty and its amelioration. Similarly with the work in DCS and NPD, there might have been opportunities of focusing DCS on producing data which would enhance the planning of NPD, especially at district level. The overall concept of MDG-CSP seemed to point in such a direction but the objectives did not bring the initiatives in the two departments closely together.

iii. **Adequacy of time and resources.** This seems a statement of the obvious. If there are insufficient resources allocated to an objective, it won’t be achieved in full. This success factor is also obviously related to the requirement for objectives to be clear. The MDG-CSP design was very ambitious, working at national level and extending that work down to the district level, albeit on a pilot basis. It covered numerous activities which, if they were to be sustainable, needed to be embedded in the ongoing work of the organizational units in which they were implemented. Some of the proposed outputs seemed challenging given the funds budgeted. For example, output 3 of the Monitoring Progress of MDGs component was to produce well structured statistical coordination across MDG indicators with a budget of $6,000, which seems modest in the context. A simple comparison of the budget and actual expenditure also indicates that there were other examples of underestimates of costs, particularly in relation to the national awareness campaign which had a budget of $77,300 and expenditure of $381,597. Part of the additional funding was made up by UNDP increasing its contribution to MDG-CSP. The remainder was made up by cancelling the community challenge fund and the work required for improving donor harmonization. If the latter planned areas were crucial to the achievement of the overall objective set for MDG-CSP, the achievement of the objectives would be compromised by the removal of some of its necessary parts. In many other areas, MDG-CSP has made promising beginnings, but further funds will be required to complete the work that was started including the budget planning at district levels in NPD and the introduction of small scale studies and analysis in DCS. At issue, also, where funds are insufficient to complete a job, is that momentum is lost when resources run out and time is required to replenish them, resulting in a degree of inefficiency as the responsible organizational unit is re-energized again;

iv. **Quality of external support.** External support is usually provided by expatriate consultants, often backed up by local consultants. A comparative advantage of UNDP is that it can provide GOSL with access to international best practice through deploying appropriate consultancy assistance. In the case of the consultants selected, technical competencies and communication skills are two key attributes. MDG-CSP has had a mixed experience with consultants. Some have been excellent, while others have been less so. One issue with a number of consultants working on particular issues is that they produced reports which were not wholly satisfactory. NPD, for example, found it could use parts of the reports only, which detracted from their impact or, as with the report on capacity building, parts were sufficiently controversial to make it difficult to progress the report to a situation where recommendations could be accepted and acted on. Management of consultant work plans is important in this regard, making sure that reports are delivered to give time for feedback and having that feedback addressed effectively. That management is most appropriately exercised by the managers who will be responsible for actioning the report. In MDG-CSP, the delivery of a report usually signaled the completion of a consultancy assignment. Ideally, reports should be developed in a participative way with the management of the area in which the work is being done to ensure that there is management ‘buy in’ of the findings and recommendations of the report. In MDG-CSP, there was no time allowance for consultants to do this;
v. **Flexibility to ensure interventions remain aligned with government objectives.**
A strength of MDG-CSP was the willingness of UNDP to respond to GOSL requests for changes in the work of MDG-CSP. The transfer of additional funds to the national awareness campaign is an excellent example of such flexibility. There was a willingness to support agency staff on overseas courses which GOSL considered important. An example of where flexibility might have been considered was on the approval of the World Bank *Public Sector Capacity Building Project* and the prospect of a major initiative in DCS. Harnessing the MDG initiative of UNDP to the broader CD envisaged in the World Bank project might have introduced synergies for UNDP and ensured that the timing of UNDP’s initiatives was more effective, though it must be said that the World Bank intervention had a strong focus on amenity rather than on capacity building. Terms of reference for consultants are another area which can be made more conducive to flexibility. They might be improved by making them more outcome based rather than activity based, which would enable the consultant to respond effectively to agency requirements and not be constrained by a programme of activities which might not necessarily be aligned closely to agency priorities. Specifying such outcomes would be made more effective if made on the basis of GOSL specifying the outcome it requires and that being set for the consultant concerned;

vi. **Clear agency management plan.** The objective of an agency management plan is to ensure that, ideally, the head of the agency in which support is to be provided or the manager who commissioned the work are, at all times, satisfied with progress and, importantly, readied in advance for difficult decisions they might have to take so that a programme or project can advance efficiently towards its objectives. This objective requires that the responsible programme officers have sufficient time to devote to what might be called client management responsibilities. UNDP clearly enjoys excellent relationships with senior management in NCED, NPD and DCS. Its management plan eventually included the appointment of an expatriate consultant to act as a focal point for MDG-CSP. Having someone dedicated to progressing MDG-CSP with the three agencies added to the strength of client management while relationships remained positive, though DCS tended to be a little ignored. MDG-CSP also had a Programme Steering Committee. The officials who attend such steering committee meetings are often a litmus test of its importance. The steering committee got off to a slow start with no meeting in 2006, and met regularly, though infrequently, after this. Its composition was also large with three line ministries, the Central Bank, a development authority and UNICEF with membership but only having a peripheral, at best, association with MDG-CSP. Reducing membership of the steering committee to a small number of senior personnel who are able to facilitate matters to the benefit of the programme as well as provide guidance and scrutiny, would have provided a more effective body. If the Steering Committee comprised core players, organizing the quarterly meetings might have been facilitated.

7.2 Lessons Learned

96. Important lessons from MDG-CSP include:

i. In any programme, the basics of the design need to be right. Key factors include objectives, budget and resources, and how implementation will be managed. In terms of process, ownership of the implementing agencies is very important as are regular objective reviews. It is worth investing generously on a design to ensure quality and appropriateness. That is as true for a high rise apartment block as it is for a CD intervention. A good diagnostic is essential, especially when a programme intends to embark on CD interventions. Unforeseen circumstances can render a design inappropriate, especially where the political situation is changeable.
Therefore a design should be kept under constant review and as soon as there are indications it is inappropriate, it should be amended. UNDP management was extremely responsive in this respect in some areas, most particularly the proposed community challenge fund, which had unspecified objectives and had insufficient funds to do very much. That might have been a time to review MDG-CSP as a whole as was when the former director of NCED was replaced;

ii. Where CD is envisaged, it helps sustainability if a project’s or programme’s proposals are part of a change management plan being implemented by an agency or unit targeted. Also it is advisable to ensure that the agency concerned has allocated an appropriate budget to implement the management plan;

iii. Where new indicators are introduced like MDGs, they should be mainstreamed into extant management information systems and added to the indicators already monitored rather than have stand alone programmes and systems developed to provide the requisite information;

iv. Where a programme has a number of components in different agencies, a management plan is essential to ensure that there is appropriate interaction between each component to ensure that obtainable synergies take place. The management plan would require regular meetings by a senior UNDP official and the heads of the agencies in which the programme is implemented to discuss progress and issues and ensure agency interest in a programme remains high, not only through a formal steering committee, but also on a one-to-one basis to ensure confidentiality of specific issues and to elicit a close working relationship, as generally occurred in MDG-CSP;

v. Programme designs should limit themselves to what UNDP does well. Macro-economic planning, for example, if it were to be sustainable, required a significant initiative to be integrated into MOFP systems. It is the kind of initiative which is a comparative advantage of IMF and World Bank, not of UNDP. The best a UNDP funded intervention might do is to create an interest, as happened in MDG-CSP. That is only effective if there is another donor ready to progress that interest;

vi. There is little value in presenting funds to agencies which are not keen and energized to utilize them to advance their own agendas. Agencies should be expected to demonstrate their desire for the funds and a continuing commitment to a project throughout its duration;

vii. If budgets and measurable indicators are not provided for something that is required in a programme, the likelihood that it will be done is diminished. The MDG-CSP design stated that the programme itself was “fundamentally dependent on its ability to leverage and promote effective partnerships”. There was, however, no budget provision provided for partnership development and management. There was no evidence that partnerships, particularly with donors, civil society and the private sector, were actively sought.

7.3 Recommendations

97. At the implementation level:

i. If all MDG-CSP’s funds have not yet been committed, provision should be made for the effectiveness of the national awareness campaign to be monitored. It might also be useful to seek information on what respondents intend to do with that increased awareness;

ii. There has been some useful work started in NPD, especially in relation to planning and budgetary systems at sub-national levels. How strongly this view is shared by
senior MOFP and NPD management, this evaluation was unable to determine. The way MDG-CSP was utilized, however, suggested it was not a high priority. If senior management does regard work on sub-national planning systems as a priority, consideration should be given to continuing to support that work, particularly the work to improve district and divisional level planning and expenditure management. It would be important, however, that NPD, if it is interested, demonstrates it regards the work as a priority. While grand designs are intellectually attractive, working towards something which is practical at the sub-national levels and demonstrating that it does produce incremental improvements and everyone understands it, is an option which might be considered;

iii. Any future support should seek to mainstream MDGs into ongoing GOSL systems; not treat them as something requiring special treatment and stand alone responses.

98. A future intervention should consider focusing part of the programme on the exceptions to MDG achievement which are related to poverty. NPD might be interested in developing planning and budgetary systems which can be prioritized to address those issues and areas. It might also be interested in testing novel ways to deliver the requisite programmes as many will require improved coordination of line agencies at the programme delivery level in the field.

99. There remain some MDGs for which there still appears to be insufficient information about achievements and about what is being done with regard to them. These areas particularly concern gender equality, environmental MDGs and donor harmonization. These MDGs might benefit from a ‘mapping’ exercise or a situational analysis to determine the current situation in terms of programmes and other activities directed at achieving them. Creative interventions might be required if the first two are to show any progress before 2015. In the case of gender equality, consideration should be given to focusing first on the public sector and the value of engaging with the public sector staff associations, possibly in partnership with ILO.

100. Bringing civil society into the overall programme to address MDGs might be overdue. Both the private and non-government sectors have demonstrated their interest in MDGs in their work on proposals to obtain the support of the Millennium Challenge Account. Both could provide substantial benefits. The private sector has particular advantages in marketing and supply chains and the non-government sector at working at the local level in partnership with the needy. This is an area that NCED could work towards, but only after there is a clear policy about the respective roles that government and civil society might play towards the attainment of the MDG goals. UNDP would need to confirm that NCED is supported by GOSL in extending its remit into the non-government sector.

101. There has been no great evidence that there was significant buy-in of MDG-CSP on the part of any government agency. Any continuation should confront this issue. Ownership by government is important if UNDP is to invest its scarce funds on MDG issues and be confident they will produce results. There is no reason why a GOSL team should not design a continuation of the programme with a set of objectives agreed between GOSL and UNDP. Additionally, a new programme design might consider setting aside some part of the funding and make it available through a lead agency like NCED or a combination of NCED and NPD. Government agencies and non-government organizations could demonstrate their demand for the funding by making a proposal to address objectives regarding MDGs which GOSL, with the agreement of UNDP, regards as a priority. The proposals would need to demonstrate what resources the proposer would contribute towards the achievement of the objectives. Continued funding would be made based on milestones which include the implementer continuing to demonstrate its commitment, especially financial, to the objective.
ANNEX 1: SUMMARY OF PROGRAMME ACHIEVEMENTS

<table>
<thead>
<tr>
<th>Component 1: MDG Advocacy and Campaigning</th>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
<th>Summary of Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and implementation of a national campaign strategy</td>
<td>77,300</td>
<td>381,597</td>
<td>After a slow start, a national campaign has been designed and is in the process of being implemented. The campaign is based on an MDG logo, jingles, radio advertisements, TV spots, advertising stickers and production of T-shirts and caps displaying MDG logos and messages. The messages are cascaded into each other with all including the MDG logo. The broadcast media includes jingles and targeted messages. The media campaign is planned for the 3rd week of November, 2009. The UNDP regional centre in Colombo facilitated the campaign committee, enabling it to review similar campaigns in Laos and Thailand and a relevant campaign in the Philippines.</td>
</tr>
<tr>
<td>Improved MDG awareness at sub-national level</td>
<td>30,000</td>
<td>5,652</td>
<td>This budget was deemed more useful if committed to the national awareness campaign, on the basis that it would result in increased awareness at sub-national level. There were some early initiatives, such as newspaper advertisements in the local press and independently of the MDG-CSP action pursued at a youth festival held in Badulla and the introduction by the Ministry of Education of MDGs to the education curriculum.</td>
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**Component 2: Operationalizing MDGs**

<table>
<thead>
<tr>
<th>DNP capacity building on MDG based planning</th>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
<th>Summary of Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>The following work was produced:</td>
<td>96,200</td>
<td>162,562</td>
<td></td>
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<tr>
<td>a. A training needs analysis supported by training of new planning intakes, with a particular reference to MDGs;</td>
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<td>b. Assisted in the preparation of the Millennium Development Country Report;</td>
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<tr>
<td>c. Identification of 16 priority sectors for pro-poor programmes. They have not yet been validated with stakeholders and need extra work to be accepted;</td>
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<tr>
<td>d. A demonstration of issue based needs assessments leading to objective setting and then to costed plans. Further work is required for this intervention to be sustainable, especially in line agencies;</td>
<td></td>
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<tr>
<td>e. Assistance with preparation of sectoral papers for the 10 year national development programme, 2007-2016 in fisheries, environment, public administration reforms and development in conflict affected regions. Quality was mixed. Skills passed on in conducting such a study, analytical techniques, goal setting and analytical techniques;</td>
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<tr>
<td>f. Improvement of planning competencies at district level, but there is still need for further improvement;</td>
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<tr>
<td>g. Support for the preparation of the Eastern Province Development Plan;</td>
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<tr>
<td>Integrated planning and budgeting guidelines prepared at divisional level. Guidelines were presented, received comments from implementers at divisional level and finalised. They still need to be presented and discussed at sub-national level and integrated into the overall planning process. A first stage mapping exercise was done at district level which produced reports of the funds available for each district. Produced interested responses from a number of sources because it was the first time that a full district level budget had been produced in a consolidated form.</td>
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Identification of priority areas for analytical work

<table>
<thead>
<tr>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
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<tbody>
<tr>
<td></td>
<td>42,482</td>
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Identified 16 priority sectors for pro-poor programmes but not yet validated with stakeholders and needs extra work to be accepted.

Strengthened macro economic planning

<table>
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<th>Initial Budget</th>
<th>Actual Expenditure</th>
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<tbody>
<tr>
<td>60,000</td>
<td>-</td>
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Expatriate consultants provided training sessions on macro-economic modelling for forecasting based on the software eVIEW. 4 sessions are remembered and included staff from NPD, the Central Bank, DCS and line agencies. Macro-economic modelling needs to be accompanied by good human resource management systems because it is usually a scarce skill. NPD reportedly did have a macro-economic modelling system, but all the people left the unit responsible and the capacity was lost. This expenditure was probably charged to output 1.

Community challenge fund

<table>
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<tr>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>132,000</td>
<td>3,892</td>
</tr>
</tbody>
</table>

The community challenge fund was abandoned as an intervention at an early stage in MDG-CSP and its budget transferred to the national awareness campaign. A small amount was expended while MDG-CSP was being established, but led nowhere.

Harmonized donor coordination

<table>
<thead>
<tr>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,000</td>
<td>-</td>
</tr>
</tbody>
</table>

There was a concurrent UNDP project which also had an intervention targeted at harmonizing donor assistance. As a result the small budget amount allocated to donor coordination was transferred to the national awareness campaign.

Component 3: MDG Capacity Development
Set up MDG Secretariat and national MDG network

<table>
<thead>
<tr>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>282,500</td>
<td>371,584</td>
</tr>
</tbody>
</table>

An MDG resource has been added to the NCED Secretariat. The NCED Secretariat has been supported by MDG-CSP with equipment and training. The overseas training was more focused on the Secretariat’s overall responsibilities like trade negotiations, financial management, governance and negotiating skills, but has contributed to a good team which works on MGD issues as well as the other issues within the responsibility of NCED. A good user friendly web site has been installed. Has produced a number of reports on capacity development needs at sub-national levels. The reports are useful introductions to “how” matters like how planning and budgeting systems operate at sub-national levels and to scoping the need for capacity development. They do not, however, lead easily to the formulation of a plan to address weaknesses which can be scoped for a future assistance project to address. They certainly suggest that a pilot scheme in a select few divisions and districts might be an alternative to consider in addressing the weaknesses identified. The issue goes far beyond MDGs though, and addresses the whole planning and service delivery operations at the sub-national level.

Regional MDG Capacity Building

<table>
<thead>
<tr>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>118,000</td>
<td>79,719</td>
</tr>
</tbody>
</table>

Component 4: Monitoring the Progress of MDGs
Formulation and implementation of national poverty/MDG M&E action plan

<table>
<thead>
<tr>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,000</td>
<td>20,000</td>
</tr>
</tbody>
</table>

MDGs remain a special task of the DCS Research Division and dependent on UNDP funding for activity. There is no national MDG action plan and apparently little prioritisation of MDGs in the mainstream work of DCS, despite its high priority in GOSL policy and programmes. Without MDG-CSP, there would probably
## Summary of Achievements

<table>
<thead>
<tr>
<th>Activity Description</th>
<th>Initial Budget</th>
<th>Actual Expenditure</th>
<th>Summary of Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>DCS capacity building on MDG monitoring</td>
<td>90,000</td>
<td>108,656</td>
<td>The objective of bringing the statistical capacity of DCS to best international practice for MDG monitoring and reporting was ambitious, given the funds available. There is still a lot of work required.</td>
</tr>
<tr>
<td>MDG Coordination</td>
<td>6,000</td>
<td>1,872</td>
<td>A Data Producers Technical Working Group was established through MDG-CSP and acts as a resource to Research Division. When Research Division needs material for or advice about its work on MDGs, it consults the Working Group which then organises a response to the request. Rather than being a mechanism to coordinate MDGs, the Working Group coordinates the production of data needed by Research Division from a number of different sources. The future of the Working Group is likely to be dependent on the continuation of MDG-CSP.</td>
</tr>
<tr>
<td>MDG survey north/east</td>
<td>10,000</td>
<td>9,766</td>
<td>No survey was conducted. Instead, administrative data was collected and analysed to produce data on MDG indicators. According to DCS, it was too dangerous to conduct a survey, though one was specifically designed for the purpose. One district in East Province also took part in the production and analysis of this data.</td>
</tr>
<tr>
<td>MDG survey east central/south</td>
<td>38,710</td>
<td></td>
<td>Surveys were conducted for the preparation of the DCS publication: <em>MDG Indicators of Sri Lanka – A Mid Term Review, 2008</em></td>
</tr>
<tr>
<td>Bi-annual district level survey for core MDG indicators</td>
<td>60,000</td>
<td>20,000</td>
<td>This has not been done. The recurrent budget of the Research Division of DCS is not sufficient to undertake such surveys. The output was an example of unrealistic expectations on the part of the MDG-CSP design.</td>
</tr>
</tbody>
</table>

be no specific DCS work on MDGs unless requested by GOSL and there seems a strong likelihood that work will be discontinued in the absence of continued MDG funding.
ANNEX 2: REPORTS AND OTHER SIGNIFICANT DOCUMENTS CONSULTED

Banerjee Niloy, Casazza Alessandra, Manage Sanath, Gunasinghe Kumara and Gunawardene Chanaka, A UNDP Capacity Development Quick Assessment Mission, 2007
Capacity Development Group, Capacity Assessment Results and Capacity Development Response for Strengthening Local Services Delivery of De-concentrated Structures in the Uva Province, 2009
DCS, MDG Indicators of Sri Lanka - A Mid Term Review – 2008, 2009
Egulu, Lawrence, Unions and PRSPs – an Analysis of the World Bank’s View, nd.
Jayaweera, Swarna, Sri Lanka National Paper on the Millennium Development Goals (MDGs) in Breaking with Business as Usual: Perspectives from Civil Society in the Commonwealth on the Millennium Development Goals, Commonwealth Foundation 2005
Kelegama, Saman and Deshal de Mel, Sri Lanka Country Study, 2007
Ministry of Education, Education for All: Mid Decade Assessment Report, 2008
NCED, New Model for Development: The “Pearl” of the Indian Ocean, nd
NPD, Guidelines for Local Area Development Planning (LADP) towards Achieving Millennium Development Goals, 2009
NPD, State of MDG Achievement in Sri Lanka and Application of RCC Model, nd
Ragragio, Juan Mayo, Report: A Quick Assessment of Planning and Budgeting in Selected Provinces and Districts of Sri Lanka, 2007
UNDP, MDG Country Support Programme, March 2006
UNDP, MDG Good Practices – Scaling up Efforts on the Ground, nd.
United Nations, CCA Sri Lanka, October 2006


World View Sri Lanka, MDG Advocacy Campaigns, presentation at South Asia MDG Forum, Kathmandu, Nepal, 2006
ANNEX 3: PERSONS CONSULTED BY EVALUATION TEAM

Ariyaratne, Dr. Vinya S.  
Executive Director, Lanka Jathika Sarvodaya Shramadana Sangamaya

Abeyatne, Dr. Fred  
Senior Programme Analyst, UNDP

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Operations Adviser, Sri Lanka and Maldives, World Bank

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Deputy Secretary to Treasury, MOFP

Dadallage, Mr. J  
Additional Secretary, Ministry of Public Administration & Home Affairs

de Silva, Mrs. A.P.  
Director, DCS

de Silva, Ms. Ayanti  
Director, NPD

Dharmadasa, Mr. Dinesh  
Corporate and Regulatory Affairs Director, Ceylon Tobacco Company

Gunasekera, Mr. H.M.  
Director General, NPD

Gunathunga, Mr. C.  
NCCO, MDGs, NCED

Gunawardena, Mr. A.S.  
Former Chairman, Finance Commission

Gunawardena, Mr. W.A.D.S.  
Director, NPD

Jayamaha, Mr. J.  
Director General, ERD

Jayaweera, Dr. D.S.  
Executive Director, NCED

Khan, Mustanser Ali  
Managing Director, Ceylon Tobacco Company

MacKinnon, Ms. L.  
M&E Specialist, UNDP

Mahipala Dr. P.G.  
Deputy Director General - Public Health Division, Ministry of Health

Pandithasekera, Ms. Ashoka  
Director, Ministry of Education

Parsasothy, Mr. Shiva  
Director General, MPI

Ratanayake, Mr. R.M.K.  
Director, NPD

Sabaranjan Ms M  
Deputy Director (Plantation Schools), Ministry of Education

Saheswerie, Ms. A  
Deputy Director, Ministry of Education

Samarasinghe, Mr. D.G.  
Additional Director General, NPD

Senanayake, Mr.  
Senior Statistician, DCS

Sumanapala, Mr. P.  
Additional Director General, NPD

Thilakasena, Mr.  
Director, DCS

Trankmann, Ms B.  
Deputy Resident Representative (Programmes), UNDP

Vithanage, Ms. Bhadra  
Director EFA and MDG Monitoring Unit

Vokes, Mr. Richard  
Country Director, Sri Lanka Resident Mission, ADB

Walpitigama, Ms. Uresha  
Accountant, NCED

Wickremasinghe, Ms. Hasitha  
Economist, Sri Lanka Resident Mission, ADB

Wijayaratne, Mr. L.S.J, de S.  
Deputy Director, DCS

Wijesekara Ms. Lalani  
Deputy Director EFA

Wijethilake, Mrs. D.  
Secretary, MPI