**Terms of Reference**

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| **TERMS OF REFERENCE**  **Innovations for Decentralization and Local Development (IDLD)**  **Final Evaluation** |  |

**A. Purpose of the Final Evaluation**

The **objectives of this evaluation** are:

* To assist the recipient Government, beneficiaries, and the concerned co-financing partners, to understand the efficiency, effectiveness, relevance, and likely sustainability of results;
* To assess the level of satisfaction of programme stakeholders and beneficiaries with the results;
* To assess whether UNCDF and its partners have been effectively positioned to achieve results;
* To contribute to UNCDF and partners’ learning from programme experience;
* To help programme stakeholders assess the value and opportunity for broader replication of the programme;
* To help programme stakeholders determine the need for follow-up on the intervention, and general direction for the future course of UNCDF local development programming in Cambodia;
* To ensure accountability for results to the programme’s financial backers, stakeholders and beneficiaries;
* Comply with the requirement of the programme document/funding agreement and UNCDF Evaluation Policy.

**Evaluation collaboration**

* The overall evaluation process will be managed by the UNCDF Asia-Pacific Regional Office in Bangkok under the guidance and supervision of the UNCDF Evaluation Unit in New York.
* An in-country Advisory Group, composed of representatives of project stakeholders including UNCDF and NCDD, will be established to work closely with the Evaluation Team to provide necessary direction and support throughout the evaluation process, including substantive inputs to draft ToR and key deliverables, participation in the in-country briefing and de-briefing and designation of in-country evaluation support team to provide necessary documents and information, facilitate contacts, and ensure logistical support.

**B. Programme profile**

**a) Country context/status of decentralization in terms of strategy, policy and implementation**

* The [2005 Strategic Framework for Decentralization and Deconcentration](http://www.ncdd.gov.kh/attachments/026_2005%20Strategic%20Framework%20for%20Decentralization%20and%20Deconcentration%20Reforms(Eng).pdf) signaled the start of fast-paced decentralization reforms in Cambodia.
* By late 2006, new opportunities emerged for advancing decentralization reforms. The first is the commitment of the National Committee of the Management of Decentralization and Deconcentration (NCDD) Secretariat to proceed with the preparation and implementation of the Sub-National Democratic Development (SNDD) programme which was intended to pilot and support the establishment of the new sub-national structures and systems to be defined by the Organic Law as well as channel resources they need to deliver local development outcomes. Furthermore, there was growing consensus that sub-provincial (District/Commune) system of governance and public administration should be re-structured and strengthened**.**
* By 2008, the Royal Government of Cambodia (RGC) had passed the [Organic Law on Administrative Management](http://www.interior.gov.kh/uploads/files/Organic-Law-eng.pdf), a landmark legislation that established the roles and functions of sub-national government structures and plans for fiscal decentralization. Local government elections were held in May 2009.
* Today, Cambodia disposes three levels of sub-national government (Province, District and Commune). The year of 2010 in particular was marked by major progress in the reform with the endorsement of the 10 year National Programme and 3 year implementation plan. Development partners agreed on principles of engagement which stipulate a shift away from projectized support towards an integral programme-based approach with pooled funding arrangements managed directly by Government. This presents a new environment for UNCDF local development programming in Cambodia.

**b) Programme summary:**

**i. UNCDF support in Cambodia:**

* UNCDF has been supporting decentralization reforms and local development in Cambodia since the mid-1990s. In 1997, UNCDF designed and piloted a Local Development Fund (LDF) in two provinces, which later became the fully institutionalized the “Commune and Sangkat Fund” and represents the backbone of the lowest tier of government in Cambodia. UNCDF set up fiscal transfer and local financial management mechanisms to support the Communes/Sangkats both prior to, and after, the creation of elected Commune/Sangkat Councils in 2001.
* After the completion of the LDF, UNCDF in partnership with UNDP, has continued to support the Cambodia decentralization reform process through the “Fiscal Decentralization Support Project” (FDSP) conceived as a component of the larger UNDP-supported “Decentralization Support Project” (DSP). Through the FDSP, UNCDF provided support to the Ministry of Economy and Finance (MEF), including drafting of MEF regulations and guidelines, formulation of field pilots, and background studies on local service delivery and sectoral decentralization.
* UNCDF embarked on a third round of financial and technical assistance supporting innovations in local development through the Innovations for Decentralization and Local Development (IDLD).IDLD was conceived as complementary to the UNDP/DFID/SIDA-supported Project to Support Democratic Development through Decentralization and De-concentration (PSDD) so asto avoid duplication of development partner support being provided to NCDD to promote the D&D agenda and to focus on UNCDF’s comparative advantage in piloting local “policy-relevant” innovations, in leveraging wider policy lessons, and in supporting the development of more appropriate fiscal decentralization policy frameworks.

**ii. Background information on IDLD:**

* IDLD works in the context of the Organic Law and of the 10 year National Programme for Sub-National Democratic Development under the mandate of the National Committee for Sub-National Democratic Development.
* The IDLD is conceived as complementary to the larger UNDP/DFID/SIDA-supported PSDD. The goal, purpose, and strategic objectives of this project are the same as those of the PSDD: (i) Strengthening sub-national government institutions, (ii) Increasing investments in local development; and (iii) developing a more effective policy, legal, and regulatory framework (prior to, and following, the enactment of the organic law on D&D).
* IDLD has three outputs/components that contribute to the achievement of the PSDD strategic objectives: (i) supporting local innovations and two-tier local authority system (ii) advancing the fiscal decentralization agenda (iii) supporting the NCDD management and monitoring of D&D policy development and implementation
* The IDLD (duration: 2008-2011[[1]](#footnote-1)) project document has been approved by the RGC and UNCDF since May 2008 and has been managed by the Program Support Team of the Secretariat of the National Committee for the Management of Decentralization and De-concentration (NCDDS-PST). IDLD is funded by UNCDF, with parallel funding from Danida.

**c) Programme expected results:**

* As set out in the results and resources framework of the original project document, the expected results of the programme are as follows:

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| **Intended outcome (as stated in the Country Programme Results and Resources Framework):**  Outcome 1: Increased participation of civil society and citizens in decision-making for the development, implementation and monitoring of public policies  Outcome 5: Increased efficiency and effectiveness of the public administration to delivery basic services  **Outcome indicator:**  Outcome 1.5.: Increased efficiency and effectiveness of the public administration and decentralized governance structures to deliver basic services  Goal: Poverty reduction in Cambodia.  Purpose: Pro-poor local (sub-national) development (including an improvement in coverage and quality of local infrastructure and services, better local-level natural resources management and accelerated and broad-based local economic development). |

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| **Component 1: Supporting local innovation & development and experimentation of a “2-Tier Local Authority System”**  *Indicators*:   1. District Councils (2-tier) are established in pilot districts 2. Integrated models of district administration are developed and piloted in selected districts 3. Delegation arrangements, between provincial departments and interim district authorities, for services delivery are developed and implemented in pilot districts 4. An integrated Commune/District planning process is developed and implemented in pilot districts 5. A fiscal model for the two-tiers Local Authority system is developed and implemented in pilot districts 6. Delegated services are satisfactorily delivered 7. Priority infrastructure investments are satisfactorily delivered by District authorities | **Component 2: Support to the formulation and implementation of fiscal decentralization reforms**  *Indicators*:   1. System-wide capacity for FD policy formulation and implementation is developed 2. Assist to improve sub-national transfer mechanism of C/S Fund 3. Improved S/N level budgeting and financial management 4. Improved S/N level revenue mobilization 5. A FD strategy consistent with the D&D Strategic Framework is developed 6. Options papers for Sector Decentralization are developed in the Education, Health, and WSS sectors | **Component 3: Management support to Ministry of Interior and NCDD Secretariat**  *Indicators*:   1. Management support to MOI and NCDD Secretariat (Management functions undertaken by MOI and NCDD) 2. A high-level SNDD program M&E framework is developed and adopted by RGC and donors stakeholders (top level indicators) 3. Evaluation of IDLD |

**d) Programme status:**

* IDLD was initially designed as a 2 year project, starting from May 2008. However, the actual implementation only started in December 2008 with the arrival of the Chief Technical Advisor. The board took note of this delay and established the running period of the project until December 2010 (as registered in the board meeting minutes of the 8th of June 2009). In early 2011, the project was granted a no-cost extension until end of 2011.
* With the project team fully on board, the year 2009 started with a thorough revision of the IDLD project document and the drafting of a detailed IDLD program of work 2009-2010 taking into account the changes in project environment since signature of the project document.
* The original Prodoc was finalized long before its implementation started. The D&D context/priorities changed substantially and so, even though the general objectives/areas of work for CDF did not change, specific activities/objectives were redefined in the three individual Annual Work Plans and related process (in agreement with the National Project Director and UNCDF).
* As much of development financing for LD activities is provided by other donors both within and outside the PSDD, the IDLD focuses essentially on institutional and policy development outputs, with only minor elements of capital financing, as they may be needed, for testing the proposed policy and institutional innovations.
* To date, IDLD has contributed to the D&D agenda in Cambodia by providing policy analysis and strategic technical support to national stakeholders in three key areas – sub-national planning, sub-national finance, and sub-national analysis. IDLD provided technical support to the RGC’s efforts to draft a sub-decree on sub-national planning and accompanying guidelines, and to design a sub-national finance system and a draft law on sub-national finance which have been subsequently endorsed by the RGC. In 2010, financial means were made available to three targeted Districts in order to test and amend the planning guidelines before extending the guidelines nationwide.
* In 2010, UNCDF launched the ‘Cambodia Local Development Outlook’ which analyzes local development trends in Cambodia, reviews policy and governance arrangements, finally provides options to accelerate local development which development partners can strategically and jointly provide support to. This study has been done in collaboration with various development partners engaged in advancing the D&D agenda in Cambodia.
* Finally during 2011 the Project began to focus on the piloting of Climate Change Resilience grants. Preparatory work has been carried out through IDLD.

**C. Evaluation methodology and tools**

**a) Evaluation methodology**

The methodology used for this final evaluation of the IDLD is based on an approach developed within UNCDF’s Special Programme Implementation Review (SPIRE) initiative. This involves testing the intervention logic/development hypothesis underlying a programme against evidence on its implementation performance. Two main tools have been developed for this purpose:

1. Intervention Logic Diagrams for the Local Development area (which are further detailed in an Effects Diagram below):
2. An Evaluation Matrix, which contains 8 key evaluation questions that are used in all SPIRE exercises.

The findings are built incrementally through pre-mission deskwork resulting in the formulation of an Inception Report by the evaluation team leader (which, *inter alia*, reviews the relevance of the overall Intervention Logic and makes a judgment whether there will be a need to adjust the Assessment Matrix to the particular country context).

This deskwork phase is followed by mission assessments at the country level. The team’s understanding of the programme design, and its emerging findings and recommendations are deepened through review and analysis of data and information, dialogue with the programme stakeholders and the service users in a series of interviews, focus group discussions and facilitated kick off and debriefing workshops.

This approach concludes with a final report, which then leads to the formulation of a Management Response involving the relevant stakeholders. The final evaluation report and the Management Response are then uploaded into the UNDP Evaluation Resource Centre Database which is a public website.

**b) Intervention Logic/Development hypothesis for local development in UNCDF**

The *development hypothesis* underlying UNCDF’s model of local development is that the efficiency and effectiveness of service delivery in LDCs will be increased and the level of poverty reduced by decentralising service delivery to democratic local government, using capital development funds to provide grants for investment in a small scale service infrastructure that is constructed and maintained either directly by local government or by communities and/or the private sector, with financial inputs and supervision from the local government.

This hypothesis gives rise to UNCDF’s local development model, the intervention logic of which is illustrated in Figure 1 below. The three main outputs of the model are: 1) institutional capacity, particularly in public expenditure management (encompassing data collection and needs assessment, *participatory* planning, budgeting, procurement, management of project implementation, accounting and reporting) and public, private partnerships, 2) investments in local development in the form of infrastructure service delivery (ISD), natural resource management (NMR), and local economic development (LED) and 3) decentralisation policy, including fiscal decentralisation, and legal and regulatory frameworks. The intermediate outcome is good local governance. The purpose, or development goal, is local development in both urban and rural areas. The overall goal is poverty reduction. The programme contributes to the achievement of the MDGs within a country and thus, to UNCDF’s *global strategy* of localising the MDGs. This is an ideal type from which any given country LDP may deviate to a greater or lesser extent. This logic has changed somewhat since the IDLD programme was designed but remains a point of reference for the evaluation.

**Figure 2: Local development intervention logic**



**c) Evaluation Framework**

The evaluation framework is based on the intervention logic described above. It sets out the chain of anticipated effects brought about by the programme’s intervention. The framework traces the effects of the intervention from inputs to outputs, through outcomes and impacts, distinguishing the different areas of capacity building and service delivery. It traces how experience gained in the local arena informs replication, policy reform and national roll-out of the programme. It also shows how experience in the country relates to UNCDF’s country and global objectives and informs future strategy debate.

It is important to note that the while the evaluation framework lays out the overall intervention logic, the evaluations do not have the ambition to assess whether projects have achieved final outcomes or impacts. The methodology confines itself to responding to efficiency, effectiveness and relevance and likely sustainability concerns, as defined in the Evaluation Matrix.

**d) Evaluation matrix**

The Evaluation matrix for local development is based on the intervention logic described above. The questions posed in the matrix seek to establish whether the anticipated effects illustrated in the evaluation framework have actually been achieved. The matrix relates each question to indicators, tools and sources of information. The tools used by the team are documentary and data review, key stakeholder interviews, facilitated kick off and debriefing workshops, focus group discussions, community meetings and site visits.

The evaluation matrix is presented in Annex 3 in its general formulation, descending from the general evaluation framework and therefore applicable to different country programs. As described above with reference to the evaluation framework, the general matrix shall serve as reference tool and guidance in tailoring and applying question on the basis of the specificity of each program.

**D. Contents and Scope of the Evaluation**

Taking into account the implementation status of the programme and the resource disbursements made to date, the assessment team will assess the performance of the project in terms of the eight questions included in the evaluation matrix for local development (**attached in Annex 4**) and reproduced below:

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| **Evaluation Questions for Local Development** | **Corresponding UN Evaluation Criteria** |
| **Question 1**: To what extent is the programme relevant and well-designed? | Relevance |
| **Question 2**: To what extent has the programme contributed to increased capacities and improved systems at local and national government level? | Efficiency and Effectiveness |
| **Question 3**: To what extent has the programme contributed to sub-national planning, sub-national finance/ financial management and local development policy? | Efficiency and Effectiveness |
| **Question 4**: To what extent have LDF-funded investments contributed to enhancing opportunities for socio-economic development? | Effectiveness |
| **Question 5**: To what extent are programme results likely to be sustainable in the longer-term? | Sustainability |
| **Question 6**: How effective has management of the programme been at the Regional, national and local levels? | Efficiency |
| **Question 7**: To what extent did piloted approaches lead to up-scaling and replication as well as to policy developments? | Effectiveness |
| **Question 8**: To what extent did the programme enhance the partnership with the government and other donors at national and regional level? | Effectiveness |

These eight questions have been drawn up with a view to focusing the evaluators’ attention on the main results of project implementation to date, as well as important factors affecting project results such as project relevance and quality of design, project management, and the project’s positioning with regard to other actors in the area of local development in Cambodia.

Each of the eight questions includes sub-questions (**see Annex 4**), which guide evaluators in what aspects of project performance they should be focusing on during their work. These sub-questions also include indicators, data collection methods and information sources, which should be used as a means to answer the overall evaluation question.

The eight evaluation questions will remain the same for evaluations of other local development projects in order to ensure comparability of results over a sample of different projects.

That said, the evaluation team should feel free to propose alternative sub-questions, indicators and data collection methods to fit the project in question. In choosing these sub-questions and indicators, the team should feel free to refer, where appropriate, to the indicators included in the Results and Resources Framework. The evaluation team may additionally be asked to incorporate specific sub-questions by the local project team depending on the context of the project.

**These changes should be presented as part of the Inception Report and agreed by the Evaluation managers before the start of the in-country phase.**

**E. Evaluation Steps and Sequence**

The evaluation will comprise the following steps after the Terms of Reference is concluded: the **Inception Phase**, **In-Country Phase,** the **Report Writing Phase** and the **Management Response phase.**

**Inception Phase**

* Partners consultations and briefing: The lead consultant will be briefed prior to the fieldwork by the UNCDF Evaluation Unit and Asia-Pacific Regional Office about the evaluation approach and expectations of the evaluation.
* Desk review of relevant documentation:A list of key reference documents and people to be interviewed is provided in Annex 2.
* Inception Report: the team leader will produce a brief report which outlines the intervention logic relevant to IDLD within the context of the overall development hypothesis set out for SPIRE, any modifications to the sub-questions contained in the Assessment Matrix and preliminary conclusions reached from the review of documentation. Updated timeline for deliverables will be also be included. On the basis of evaluators’ reading of project documents and interviews with key programme staff, the evaluators will propose a simple representation of the actual intervention logic IDLD has turned out to be (in terms of activities, outputs, outcomes and intended impacts). Then, evaluators should ensure that the evaluation matrix is best set up to capture the actual intended results of the projects by adding/or taking out relevant sub-questions.

**In–country phase**

* Hypothesis workshop conducted by the team leader with the rest of the team to ensure common approach to the evaluation process.
* Finalization of work plan:the team will review the draft workplan (Annex 1) with the in-country evaluation support team and make any adjustments they see fit, taking into account practical and logistical considerations.
* In-country briefing: The Team will be briefed on the first day of the mission by programme stakeholders. Where feasible, the team should meet with the in-country Advisory Group that has been set up to support the evaluation process.
* Fieldwork:Conducted in the capital and locations where supported local authorities are based. As far as possible, the Evaluation Team should discuss findings with beneficiaries and stakeholders at each stage of the evaluation and obtain their feedback.
* Findings are shared with the in-country UNCDF team prior to the national debriefing.
* Preparation for National debriefing -*Aide Mémoire*/Power Point presentation: On the basis of its findings, the Evaluation Team will prepare an *aide mémoire*, which will be shared, through the in-country evaluation focal point, with all key stakeholders as a basis for discussion.

**Debriefing**

* National Debriefing: At the meeting, the team will present their key findings and recommendations to key stakeholders for discussion. The minutes of the meeting will be taken by the in-country support team and submitted promptly to the UNCDF Asia-Pacific Regional Office and all key stakeholders for their consideration in drafting the final report.
* Draft report and Summary:The lead consultant will submit a draft evaluation report and Evaluation Summary to the UNCDF Asia-Pacific Regional Office, which will circulate the draft to all key stakeholders for written comment
* Global Debriefing: A final debriefing at UNCDF Regional Office via teleconference will be provided by the lead consultant. The debriefing will be chaired by the Head of Regional Office of UNCDF and other stakeholders will also be invited to attend. The Regional Office will be responsible for writing up minutes of the debriefing, which will be submitted promptly to the lead consultant for consideration in finalizing the evaluation report and summary.

**Report Finalization Phase**

* The Final Report will be submitted by the lead consultant to the UNCDF Asia-Pacific Regional Office, who will disseminate it to all key stakeholders. **This final report will include an Annex in which the Evaluation Team will present the findings, recommendations and issues for consideration and response by the programme managers.** The standard Management Response template, available on the UNDP Evaluation Resource Centre (ERC) database, will be used for this purpose.

**Management Response Phase**

* Management Response: the Director of the Practice Area will be responsible for facilitating the formulation of a Management Response to the findings and recommendations by relevant stakeholders **within 30 working days** of receiving the final report from the Evaluation Unit. The Management Response will be submitted to the Deputy Executive Secretary for approval and then noted by the Executive Secretary. The completed Management Response will be uploaded into the UNDP ERC database by the UNCDF Evaluation Unit, together with the completed report. Progress in terms of implementing action agreed to in the Management Response is the responsibility of the Directors of the Practice Areas.

**Deliverables**

The Team Leader is responsible for preparing and submitting the following deliverables:

* An **Inception report** is prepared and shared with the UNCDF Asia-Pacific Regional Office and other key stakeholders in the period prior to the fieldwork
* ***Aide Mémoire*/Power Point Presentation**: A summary of key evaluation findings and recommendations prepared towards the end of the evaluation and submitted to the project secretariat and the UNCDF Asia-Pacific Regional Office before the Evaluation Consultation meeting.
* **Draft Evaluation Report**:The lead consultant is responsible for consolidating the inputs of team members, and taking into consideration comments received at the in-country evaluation consultation meeting, to produce a coherent Draft Evaluation Report and Evaluation Summary, according to the format in **Annex 3**.
* **Final Evaluation Report and Management Response**: Based on comments received on the Draft Evaluation Report, and at the UNCDF evaluation debriefing, the lead consultant will finalise the evaluation and summary, with input from the other evaluation team member, as required, and submit the Final Evaluation Report and Summary to the UNCDF Asia-Pacific Regional Office within five days of the receipt of the minutes of the UNCDF evaluation debriefing, or by the agreed date.
* **Evaluation Summary:**

The Evaluation Team’s contractual obligations are complete once the UNCDF Evaluation Unit has reviewed and approved the Final Evaluation Report for quality and completeness as per the TOR. Monitoring of progress of the assignment will be done based on status of the deliverables and activities as presented in the *Evaluation Steps and Sequence* above.

**F. Composition of Evaluation team**

**1. Consultant profiles and responsibilities**

The Final Evaluation is to be conducted by a team of two consultants (i) Team Leader (International) (ii) Team member (National).

**i. Profile specifications for Evaluation Team Leader**

* International consultant with strong international comparative experience in the field of decentralization and local development including: fiscal decentralization; decentralized infrastructure and service delivery; local government capacity building for decentralized public expenditure management and operationalization of decentralized systems of planning and budgeting; policy, legal and regulatory reform related to decentralization; rural development.
* Experience leading evaluations of decentralization and local development programmes, including experience using a range of qualitative and quantitative evaluation methodologies to assess programme results at individual/household, institutional, sector and policy level.
* Sound knowledge and awareness of issues related to gender and social inclusion.
* Thorough understanding of key elements of results-based programme management.
* Demonstrated capacity for strategic thinking, and excellent analytical and writing skills.
* Strong task management and team leading competencies.
  + - * Experience or knowledge of decentralization in Cambodia and/or regional experience in the area of decentralization would be considered as an advantage;
* Master’s degree or higher on governance specializing in public administration,

decentralization, local governance and other relevant fields;

* + - * At least 15 years of professional experience in decentralization and local development, especially in developing countries;
      * Fluency in English, in speaking and writing. Knowledge of Khmer would be an asset.

**Responsibilities of the Evaluation Team Leader:**

* Documentation review
* Inception Report
* Leading the evaluation team in planning, execution and reporting (hypothesis workshop, Inception workshop, kick-off and feedback meeting, national and global debriefings).
* Deciding and managing division of labour within the evaluation team
* Use of best practice evaluation methodologies in conducting the evaluation
* Conducting the initial debriefing for UNDP and UNCDF and the debriefing for UNCDF Regional Office
* Leading the national debriefing for project stakeholders in Cambodia
* Leading the drafting and finalization/quality control of the evaluation report
* Preparing the Management Response template in terms of Findings and Recommendations
* The team leader will allocate roles and responsibilities within the team, including meeting schedules and drafting duties, and be responsible for timely delivery.

*G. Workplan for the Evaluation mission*

*The in-country team will provide a tentative workplan using the format provided in Annex 2. This will be finalized during discussions with the team leader/member.*

***Below is an estimation and subject to change depending on finalization of workplan:***

**i. Workplan for Team Leader:**

Inception phase (6 days- home based)

* + 1. Desk Review/ Pre-mission briefing

In-country phase (6 days – Cambodia based)

* + 1. Arrival in Phnom Penh
    2. Initial consultations
    3. Inception workshop in Phnom Penh
    4. Meetings with various GOV and DPs counterparts
    5. Field visit to Takeo Province (where IDLD held pilots)
    6. De-brief
       1. National level debriefing
       2. Final in country wrap up with UNCDF

Finalization phase (6 days – home based)

* + 1. Debriefing to UNCDF Regional Office
    2. Feedback requested from stakeholders
    3. Completion of Final Report including synopsis
    4. Completion of Management Response matrix with recommendations (response to be completed by UNCDF)

\*) Without annexes

1. IDLD was granted a no-cost extension until end of 2011(original closing date as per project document: 2010) [↑](#footnote-ref-1)