

TERMS OF REFERENCE FOR OUTCOME EVALUATION

POVERTY REDUCTION IN KAZAKHSTAN (2000 – 2005)

UNITED NATIONS DEVELOPMENT PROGRAMME

A. INTRODUCTION

Background

The United Nations Development Programme (UNDP) has been focusing to achieve clearly stated results of its activities. As part of these efforts UNDP has shifted from traditional project monitoring and evaluation (M&E) to results-oriented M&E, and outcome monitoring and evaluation (that cover a set of related projects and programmes intended to achieve a defined outcome).

An outcome evaluation assesses how and why an outcome is being achieved in a given context, and investigates UNDP's contribution. Outcomes are influenced by the whole range of UNDP activities (projects, soft assistance...). Outcomes are also influenced by the activity of other development agents and actors. Outcome evaluations help to clarify underlying factors affecting developmental changes, highlight unintended consequences (positive and negative), recommend actions to improve performance in future programming, and generate lessons learned.

Based on the above, the overall objective of this outcome evaluation is to evaluate the progress towards development change in Kazakhstan and the impact of UNDP Poverty Reduction interventions in the period of 2000-2005 as well as lessons learned and practical recommendations for the future. The outcome evaluation will be directly linked to an evaluation of the Kazakhstan National Poverty Reduction Programme 2003-2005.

Outcome to be evaluated

An outcome evaluation is to be conducted to assess how UNDP stated outcomes were achieved in the 2000-2005 period and to evaluate the appropriateness of the outcomes. Evaluators are expected to evaluate progress toward the Outcome I stated in the current United Nations Development Assistance Framework (UNDAF) 2005-2009. Detailed outcomes, indicators, targets and baselines are to be found in separate UNDP strategic documents, the Strategic Result Framework (SRF) 2000-2003, the Country Cooperation Framework for Kazakhstan (CCF) 2000-2004, and the Country Program Action Plan (CPAP) 2005-2009."

Since 2005 is only the first year of the five-year CPAP, the outcome for the current programme cycle has of course not yet been achieved. However, UNDP has provided a significant contribution in recent years and has not previously evaluated its work as a whole in this area. UNDP would like to evaluate its contribution to poverty alleviation in the period 2000-2005 and take stock of its previous efforts to plan new interventions within the remaining CPAP period 2007-2009.

Therefore the evaluators should design the outcome evaluation in order to review at best the results towards the defined outcomes for the period 2000-2005 as well as assess the relevance of the outcome stated in the CPAP 2005-2009 and the strategic positioning of UNDP in reaching the latest.

UNDAF OUTCOME

UNDAF Outcome I: Reduced (income and human) poverty at national and sub-national levels

DETAILED OUTCOMES

CCF/ SRF Outcome (2000-2004): Formulation of poverty eradication and employment promotion programmes at central and local level / National Anti-Poverty Programme

Indicator: increase in number of draft laws and amendments developed by Parliament

Baseline: one draft law on Environmental Protection initiated by the Parliament

Target: at least five draft laws/ amendments developed by the Parliament

CPAP Outcome (2005-2009): the Government is more capable of reducing poverty, achieving MDGs targets, and monitoring its progress to these ends.

Indicator: allocation from national budget to poverty alleviation initiatives.

Baseline: in 2002 national budget expenditures (as % of GDP) were 1.9% healthcare 3.2% education and 5,6% social services.

Target: by 2009, higher public spending in the social sector as % of GDP

The indicators provided in the CPAP/CCF/SRF documents are unlikely to yield sufficiently relevant evidence of development changes. Evaluators are expected to propose and develop with UNDP CO other outcome indicators. The detailed definition of outcomes and indicators will be discussed with UNDP staff prior to the evaluation.

Brief national context related to the outcome

Extensive reforms since independence in 1991 helped Kazakhstan achieving substantial progresses in its economic transition mainly due to its oil wealth. A strong economic rebound started in 1999 and in 2003 and 2004 the real growth of GDP equaled 9.5 % and 9.2 % respectively. It is estimated that GDP will continue to grow approximately 7% per annum in the next several years.

The strong economic growth helped Kazakhstan achieving the First Millennium Development Goal (MDG 1, Target 1), as income poverty was reduced by half in 2004 (16%) compared to 1996 (35%). By 2004, 16.1 % of the population lived below the subsistence minimum of KZT 5,427 per month (or about USD 3.5 per day at PPP). However poverty has largely become a rural phenomenon, indicating new problems of inequality across the country. It is expected that relatively high poverty rates will remain in a number of regions due to significant income disparities. Further, there is also a widening gap in poverty rates within oblasts. The inability of the oil, gas and mining sectors to create a large number of jobs continues to hamper poverty reduction efforts and poses serious challenges to sustainable development.

The challenge for Kazakhstan in the coming years will be to reduce social and geographic inequities; improve the delivery of public services; protect vulnerable groups; improve government efficiency, and promote broad-based participation in the political and

economic development of the country. To ensure that the benefits of economic growth are more equitably distributed, the Government will need to improve public investments and promote economic diversification beyond the oil, gas and mining sectors. Diversification will need to yield employment opportunities and broaden the economic base through widespread small and medium-sized enterprise (SME) activity.

UNDP support related to the outcome

UNDP support in the area of poverty alleviation consists of both national and local efforts to promote poverty alleviation and rising living standards in Kazakhstan. The UNDP support can be divided into the following three areas:

- a. Pro-poor policies and poverty monitoring*
- b. Private sector development*
- c. Quality of life in Semipalatinsk*

UNDP promotes gender equality through gender mainstreaming. The organization's strategy on gender is designed to integrate the promotion of women's empowerment and equality fully in all areas of work. Specific indicators have to be developed to assess the results of gender mainstreaming in the UNDP Poverty reduction interventions.

a. Pro-poor policies and poverty monitoring

The Country Cooperation Framework (CCF) for 2000-2004 drew largely on the Government's long-term strategy, Kazakhstan 2030, and the priorities outlined in the mid-term Strategy Kazakhstan 2010. In the area of poverty alleviation UNDP, in partnership with the Asian Development Bank, supported formulation of the National Poverty Reduction Program 2003-05 and its Action Plan by providing policy advice and technical expertise.

Together with the Ministry of Labour and Social Protection, UNDP Kazakhstan has cooperated over several years on the development and implementation of the Concept of Social Protection of the People of Kazakhstan (adopted in 2001) and the programme "Deepening of Social Reforms 2005-2007". As a result of close cooperation with UNDP amendments to the law on "Subsistence Minimum" were adopted by Mazhilis and Senate at the end of November 2005 and by President of Kazakhstan in December 2005.

UNDP has worked, together with Agency on Statistics of Kazakhstan, closely with other UN agencies on capacity building for poverty monitoring, which has resulted in improved set of data for monitoring MDGs through the production of an annual publication - Living standards and poverty in Kazakhstan (statistical monitoring).

UNDP Kazakhstan has over the past 6 years been producing, in addition to the National Human Development Reports, several high-quality analytical reports to support the national debate on issues related to poverty and MDGs. The evaluators are expected to assess the impact of at least one of following theme reports:

- Microfinance in Kazakhstan: an inclusive financial sector for all (2005)
- Gender equality and the status of women in Kazakhstan (2005)
- Poverty in Kazakhstan: causes and cures (2004)
- Assessment of targeted social assistance scheme Decent Work: integrated approach to social sphere in Kazakhstan - Volume 1/2 - (2003)

In 2006, UNDP will support the Government in evaluating the National Poverty Reduction Programme 2003-5 and provide recommendations for future pro-poor policies. Beside a short report on programme's achievements, the national indicators will be compared

with baseline data from 2002 and regional surveys in Kyzylorda and East Kazakhstan Oblasts. It is expected that the evaluation of the National Poverty Reduction Programme will be closely linked and feed into the UNDP outcome evaluation.

b. Private sector development

UNDP Kazakhstan developed several projects aimed at maximizing the impact of the private sector development on poverty reduction. In Atyrau a self-sustainable microfinance institution, a business advisory center and a business incubator have been established. UNDP involved the private sector, namely Citibank and Chevron Texaco, in these projects, attracting 1 million of USD.

c. Semipalatinsk Programme

Following three UN General Assembly Resolutions, UNDP created an open Trust Fund for the former nuclear test sites area in the Semipalatinsk region. UNDP Semipalatinsk Programme started in April 2002 with funding from Japan. The goal was to foster socio-economic development helping to alleviate poverty and raise living standards among women, small and micro entrepreneurs and rural poor people. Three different projects were developed under this umbrella, which have been evaluated in September 2004 (outcome-based programme evaluation).

UNDP projects associated with the outcome

The following table shows the UNDP-supported ongoing or closed projects that are associated with the poverty reduction outcome. Contribution to the outcome was also made through non-project activities (soft assistance).

Project No.	Project title	Focal area	Source of fund	Total budget (US\$)
KAZ/03/007	Support to Implementation of National Poverty Reduction Programme to Deepen Its Impact on the Poor and Advance MDGs in Kazakhstan	Pro-poor policies and poverty monitoring		
KAZ/03/006	Helping local communities to cope with consequences of the recent earthquake in Southern Kazakhstan	Pro-poor policies and poverty monitoring		
KAZ/03/003	Decent Work: Integrated Approach to Social Sphere in Kazakhstan	Pro-poor policies and poverty monitoring		
KAZ/02/005	Increased National Ownership of Poverty Reduction Interventions in Kazakhstan	Pro-poor policies and poverty monitoring		
KAZ/02/M07	Poverty Monitoring System in Kazakhstan	Pro-poor policies and poverty monitoring		
KAZ/01/Q03	Small Grants to NGOs and CBOs in Semipalatinsk Region	Semipalatinsk Programme		
KAZ/01/Q04	Business Skills and Support Training for Small Businesses in Semipalatinsk Region	Semipalatinsk Programme		

KAZ/01/Q05	Micro-credit support for women in Semipalatinsk region	Semipalatinsk Programme		
KAZ/00/011	National Capacity Building for Effective Poverty Reduction	Pro-poor policies and poverty monitoring		
KAZ/00/010	Business Incubators in the Caspian Region	Private sector development		
KAZ/00/004	Building capacity of women's organizations to implement National Action Plan on improving the status of women in the Republic of Kazakhstan	Pro-poor policies and poverty monitoring		
KAZ/00/U07	Gender mainstreaming in decision making in Kyzylorda	Pro-poor policies and poverty monitoring		
00035969	Tomiris: Gender, leadership and networking across borders	Pro-poor policies and poverty monitoring		
KAZ/00/001	Programme Support Document on Human Security Promotion (Preparatory Assistance Phase)	Pro-poor policies and poverty monitoring		
KAZ/99/001	Semipalatinsk Micro-credit Scheme	Semipalatinsk Programme		
KAZ/99/004	Support to the Social Protection Concept of Kazakhstan	Pro-poor policies and poverty monitoring		
KAZ/98/010	Atyrau Micro-credit Centre	Private sector development		
KAZ/98/009	Atyrau Business Development Centre	Private sector development		
KAZ/98/006	Strategic support to Semipalatinsk	Semipalatinsk Programme		
KAZ/97/019	Trade Promotion and Export Development	Private sector development		
KAZ/95/012	Status and economic advancement of women in Kazakhstan	Pro-poor policies and poverty monitoring		

B. OBJECTIVE AND SCOPE OF THE OUTCOME EVALUATION

The purpose of this evaluation is to assess the achievements toward the selected outcomes. The assessment will consider the scope, relevance, efficiency, and sustainability of UNDP's contribution in achieving those outcomes. Based on this assessment, the evaluators will provide recommendations on how UNDP could improve the prospects of achieving the selected outcomes through adjusting its programming, partnership arrangements, resource mobilization strategies, working methods and management structures.

The findings of the outcome evaluation will be used to finalize a set of recommendations / lessons learned and to draft the UNDP interventions in the area of poverty reduction for the rest of the current programming cycle 2007-9.

1 Status of the outcome

- Have the outcomes been achieved or has progress been made towards the achievement?
- Were the outcomes, indicators and targets (both from SRF and UNDAF/CPAP) relevant, given the country context and needs, and UNDP's niche?
- Is UNDP in strategic positioning of reaching the UNDAF/CPAP outcome in the remaining programming cycle 2007-9 and what are the prospects for achieving the outcome with the indicated inputs and within the indicated timeframe?

2 Factors affecting the outcome

- What factors (political, sociological, economic, etc.) have affected the outcomes, either positively or negatively?
- How have these factors limited or facilitated progress towards the outcomes?

3 UNDP contributions to the outcome through outputs

- Were UNDP's contributions to the achievement of the outcomes appropriate, sufficient, effective and sustainable?
- What were the key outputs produced by UNDP that contributed to the outcomes?
- Were the outputs produced by UNDP relevant to the outcomes?
- What were the quantity, quality and timeliness of outputs? What factors impeded or facilitated the production of such outputs?
- How well did UNDP use its resources to produce target outputs?
- Are UNDP's management structures and working methods appropriate and likely to be effective in achieving target outputs?
- Were the monitoring and evaluation indicators appropriate to link outputs to outcomes or is there a need to establish or improve these indicators?
- Did UNDP have an effect on the outcome directly through "soft" assistance (e.g., policy advice, dialogue, advocacy and brokerage) that may not have translated into clearly identifiable outputs or may have predated UNDP's full-fledged involvement in the outcomes?

4 UNDP partnership and resource mobilization strategy

- Were partners, stakeholders and/or beneficiaries of UNDP assistance involved in the design of UNDP interventions in the outcomes area? If yes, what were the nature and extent of their participation? If not, why not?
- Is UNDP's resource mobilization strategy in this field appropriate and likely to be effective in achieving this outcome?

5 Lessons learned

- What are the main lessons that can be drawn from the experience that may have generic application?
- What are the best and worst practices in designing, undertaking, monitoring and evaluating outputs, activities and partnerships around the outcomes?

6 Recommendations

- Based on the above analysis, how should UNDP adjust its programming, partnership arrangements, resource mobilization strategies, working methods and/or management structures to ensure that the proposed outcome is fully achieved by the end of the CPAP period?
- What corrective actions are recommended for the new, ongoing or future UNDP work in the CPAP outcome?

C. PRODUCTS EXPECTED FROM THE EVALUATION

1. The key product expected is a comprehensive analytical report that includes, but is not limited to, the following components (see the UNDP Guidelines for outcome evaluators for detailed information):

- Executive summary
- Introduction
- Description of the evaluation methodology
- Development context
- Key findings
- Lessons learned
- Recommendations for the future
- Annexes

The evaluator should provide a proposed report structure to UNDP prior to the start of fieldwork. The report should be prepared in English. The Evaluation Focal Team will ensure that report is translated into Russian and Kazakh. The report should provide the results of the evaluation in an interesting and easy to read way. It should take into account the opinions/voices of people from Kazakhstan, government representatives, donors and NGOs. It should also take into account (and further analyze if necessary) the results of the review of the National Poverty Reduction Programme 2003-5. The evaluators will prepare a presentation of the preliminary findings to be discussed at a roundtable in Almaty with UNDP and its partners.

2. Separately from the report, viable project proposals for the remaining years of the poverty reduction programme cycle (2007-9) should be delivered. The evaluators are asked to develop, based on evaluation results, a set of concise project concept papers (2/3, 1 pages each). The form and the contents of these documents will be discussed with the staff of UNDP.

D. METHODOLOGY

Overall guidance on outcome evaluation methodologies is provided in the *UNDP Handbook on Monitoring and Evaluation for Results* and the *UNDP Guidelines for Outcome Evaluators*.

Based on these guiding documents, and in consultation with UNDP Kazakhstan, the evaluators should develop a suitable methodology for this outcome evaluation.

During the outcome evaluation, evaluators are expected to apply the following approaches for data collection and analysis:

- Desk review of relevant documents;
- Discussions with UNDP Kazakhstan senior management and program staff;
- Interviews with Government stakeholders and UNDP partners;
- Field visits;
- Roundtables & meetings.

E. EVALUATION TEAM

The evaluation team will consist of two consultants:

- International consultant (Team Leader)
- National consultant

The international consultant should have an advanced university degree, at least 5 years of work experience in results-based management with focus on results-oriented monitoring and evaluations, and sound knowledge of poverty alleviation, private sector development and gender issues. Working experience in transition economies and Russian language skills are preferred. The Team Leader will have overall responsibility for the quality and timely submission of the evaluation to UNDP.

Specifically, the team leader will perform the following tasks:

- Lead and manage the evaluation mission;
- Design in detail the methodology of the evaluation;
- Ensure an efficient division of work between mission members;
- Conduct the evaluation in accordance with the proposed scope and objectives;
- Draft and submit the evaluation report;
- Finalize the evaluation report in English and submit it to UNDP;
- Draft project concept papers for the new UNDP 2007-2009 Poverty Reduction Projects/Programme.
- Present findings at a roundtable in Kazakhstan
- Participate to 2 field missions in Kazakhstan

The national consultant should have advanced university degree and at least 3 years of work experience in the area of poverty alleviation (or a related field). S/he should have a sound knowledge and understanding of poverty related issues in Kazakhstan, and have experience in international organizations. A working knowledge of English is required. S/he will perform the following tasks:

- Review documents;
- Data collection;
- Assessment/construction of indicators' baselines;
- Prepare a baseline study
- Participate in the design of the evaluation methodology;
- Conduct the evaluation in accordance with the proposed scope and objectives;
- Draft related parts of the evaluation report;
- Assist the Team Leader in finalizing the evaluation report.

F. IMPLEMENTATION ARRANGEMENTS

Evaluation Focal Team

To facilitate the outcome evaluation process, UNDP Kazakhstan will set up an Evaluation Focal Team (EFT). The EFT will assist in connecting the evaluation team with the program unit, senior management, and key stakeholders. In addition the EFT will provide both substantive and logistical support to the evaluation team, ensure participatory evaluation processes and comment on the draft evaluation report. The EFT will assist the evaluators to develop a detailed plan for the evaluation mission; conduct field visits; and organize meetings. The EFT will also help evaluators to identify key partners for interviews and roundtables. However, the evaluation will be fully independent and the evaluation team will retain the biggest flexibility in collecting and analyzing data.

Evaluation Schedule

The detailed schedule of the evaluation and the length of the assignment will be discussed with the evaluators prior to the assignment. The estimated duration of evaluators' assignment is 30 working days. The draft of the evaluation report should be delivered by 5 May 2006.

G. REFERENCES

- UNDP Handbook on Monitoring and Evaluation for results
- UNDP Guidelines for Outcome Evaluators
- UNDP Result-Based Management: Technical Note
- Second Country Cooperation Framework for Kazakhstan (CCF), 2000-2004
- Strategic Result Framework for Kazakhstan (SRF) 2000-2003
- UN Development Assistance Framework (UNDAF) for Kazakhstan 2005-2009
- Country Program Document for Kazakhstan (CPD) 2005 – 2009
- Country Program Action Plan for Kazakhstan (CPAP) 2005 – 2009
- Common Country Assessment (CCA)
- Millennium Development Goals in Kazakhstan Reports (2002 and 2005)
- National Human Development Reports
- The State Program "Strategy of Development of the Republic of Kazakhstan by 2030"
- National Poverty Reduction Programme (2003-05)
- Final Evaluation of UNDP Semipalatinsk Programme Outcomes
- UNDP Poverty Theme Reports
- UNDP Living Standard Surveys
- UNDP projects reports (Projects documents, Annual Progress Report)
- Other documents and materials related to the outcome (e.g. by the Government, donors)