

Management response

UNDP management response template

Mid-term Evaluation for the Governance for Inclusive Development Programme (GIDP)

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Preamble

The Mid-Term Evaluation (MTE) of the Governance Inclusive Development Programme (GIDP) was carried out from 21 October 2019 until 7 November 2019 by a team of 2 independent experts recruited by UNDP who were joined by one consultant appointed by SDC. The evaluation was carried out on the basis of the standard OECD evaluation criteria.

The Mid-Term Evaluation of the GIDP was commissioned to assess the programme in such areas as relevance, efficiency, effectiveness, and potential impact at the output level and their contributions to outcome level goals, to analyse budget and resource allocations in terms of emerging issues that the project need address and to capture lessons and recommendations for the future.

UNDP, UNCDF and implementing partners who have commissioned the evaluation are of the opinion that the evaluation report has serious limitations possibly due to lack of sufficient time for the evaluators to familiarize themselves with objectives and achievements of the project which limited the scope, relevance and depth of observation in the context of a governance project with a comprehensive mix of outputs. Some of the findings and statements fall short of analysis or supportive arguments not fully taking into account the policy, regulatory and fiscal environments in which the GIDP operates and the reforms it supports. Ideally the purpose of project, i.e. that of enhancing local governance and the central-local fiscal relationships, should have been brought out. On the contrary, the MTE appears to present a perception that the GIDP is about community-based development and did not recognize the focus of governance systems change.

GIDP is contributing to the efforts of the government's National Governance and Public Administration Reform programme (NGPAR). Governance does not have a final destination and is a continuing process of incremental reforms. Similarly, the government's NGPAR is not time bound and this element behind the project design is not forthcoming. UNDP and the partners are of the considered opinion that the objectives of the GIDP remains valid and still an appropriate strategy to strengthen its public administration's ability to achieve the goals of better service delivery, promote wider governance improvements and increase citizens' systematic engagement, especially at the local levels where basic services are coordinated, planned, tracked and reported.

The Ministry of Home Affairs (MoHA) which is the lead government partner is of the opinion that the report displays limited understanding of the GIDP objectives and undermines the contribution made by National Governance and Public Administration Reforms (NGPAR) over the years in strengthening public administration and governance processes.

Evaluation recommendation 1.

Either go back to DDF 1.0 or develop a DDF 2.1 that

- a. Takes the discretionary fiscal grant principle of DDF 1.0 as starting point
- b. Takes provinces (and no longer districts) as the primary units of sub-national governance (and decentralization)
- c. Allows targeting of particular provinces (1 or 2 maximum under GDP) – other provinces could be targeted by the UNDP/China SDG localization project if it materializes

Management response: Disagree

According to the evaluation team, DDF 1.0 was in alignment with the principle of discretionary fiscal grant allocation and its concern is to keep the spirit of a funding mechanism that respects and strengthens the demand and decision power of local authorities.

It has been made clear to the evaluation team that DDF1.0 could not be integrated into to the financial system of the government and remained as an off-budget parallel project activity.

According to the three build (*Samsang*) policy of the Lao Government, districts have a key role to play within the sub-national governance. By recommending that provinces rather than districts serve as the primary units of sub-national governance, the Evaluation Team has ignored this government policy and consequently did not understand the rationale behind DDF 2. In addition, the Evaluation team did not make an analysis of the DDF 2 process and decision-making chart nor the Leave No One Behind (LNOB) methodology for final selection that was developed through extensive consultations inviting all stakeholders. We believe that the accepted principle of targeting the SDG LNOB agenda is supported effectively by DDF2.

Furthermore, applying two formulas for the DDF, (i) minimum conditions, screened at provincial level and (ii) an LNOB formula that uses official government data sets being undertaken to finalize awards through a cross-ministry committee have potentially increased the transparency of the system. This is not considered or referenced by the MTR. Under the new system, the government has now taken ownership of DDF in terms of: (i) developing and issuing Lao language SOPs, (ii) official issue by MoHA of an executive order to regulate the DDF under government expenditures and (iii) a committed budget allocation of 15% to co-finance DDF projects, and (iv) full adoption within the national planning and national finance systems.

Evaluation recommendation 2.

Define and explain the strategy and aim of SUFS to avoid multiple interpretations. As they are meant to contribute to the preparation of the national development plan, they could be a tool for consultations in the planning process

Management response: Disagree

The Evaluation Team's assumption / statement that the designed role of SUFS is to contribute to the preparation of the national development plan, is incorrect and a mistaken notion. SUFS is not a planning tool, it is a governance initiative to introduce the practice of citizen's voice/ feedback on the performance of local administration. Institutionalizing a practice of capturing citizens' voice in a meaningful way on a range of service and GPAR (Governance and Public Administration Reforms) issues. SUFS builds awareness and strengthens the relationship between duty holder (Districts Admins) and the rights of the citizen. Sharing results of SUFS with PPA to support PPAs oversight role as representative of the local people has been appreciated by PPA members from

the districts that participated in the survey. Moreover, SUFS as a system provides a platform for citizens' voice & accountability which are the basic tenets of inclusive local governance.

Evaluation recommendation 3.

Define a strategy for the PSIF (e.g. aiming at generating policy discussion at local level through involvement of civil society)

Management response: Partially Agree

The Government, UNCDF and UNDP acknowledge that the donor agrees with the Evaluation Recommendation. The donor's expectation of PSIF is to have a strategy with concrete actions aiming at engagement with civil society (especially NPAs) to generate policy discussion at local level and to ensure PSIFs are better linked to DDF activities (concentrate projects in the same provinces as DDF projects)

UNDP believes that the PSIF strategy is well designed for **innovative pilot projects** that test or prove new knowledge, technologies, processes or practices to deliver public value and that can be **scaled or replicated across government** while **promoting collaborative, networked and innovative ways of working** between government, citizens and communities to improve outcomes for rural communities, **especially women, youth and ethnic communities**. The lessons learned from the projects are discussed in the PSI-SSWG workshops under the GSWG to generate discussion that could feed into policy making at the national and sub-national level.

UNDP is aware of the low response rate (about 10% of applicants) from NPAs to calls for small grants facility projects. While priority is given to projects that are jointly proposed by administration, communities & NPAs and private sector, government agencies have accounted for some 90% of applicants, despite extensive and widespread calls for Expressions of Interest. GDP is currently researching the underlying causes and based on evidence will adjust the PSIF accordingly.

Key action	Time frame	Responsible units	Tracking	
			Comments	Status
Revisit the strategy based on a policy discussion at local level to ensure the next round of PSIF involves civil society organizations	March 2020	IP project team	a) Discussion with local authorities were conducted by MoHA during internal meetings b) The project organized a consultation with CSO /NPA network in March 2020 to identify barriers	a) Completed b) Completed

			that prevent CSOs from engaging actively with local authorities under the PSIF	
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Evaluation recommendation 4.

Ensure that PSIFs are better linked to DDF activities (concentrate projects in the same provinces as DDF projects)

Management response: Partially Agree

UNDP partially agrees with this recommendation as 20% of the PSIF projects are already implemented in districts that have linkages to DDF activities. Moreover, the primary purpose of PSIF is promoting innovative projects that can lead to scaling up of service delivery to the communities through collaborative efforts of NPAs and local authorities. Limiting PSIF solely to provinces where DDF activities are being undertaken will undermine the purpose of PSIF and the project, as PSIF will have even greater difficulty in working with NPA's as there are challenges in attracting a sufficient number of NPA's working with local authorities in provinces/districts even when the call for proposals is national.

Key action	Time frame	Responsible units	Tracking	
			Comments	Status
Orient MoHA on the linkages between DDF and PSIF as explained in the GIDP project document.	Dec 2020	<ul style="list-style-type: none"> IP project team Chief Technical Advisor-GIDP	MoHA PSIF committee members were briefed during the selection of the projects under round 3 of the PSIF in Dec 2020.	Completed

Evaluation recommendation 5.

Reduce overheads and re-allocate savings for cancelled activities to the DDF grant

Management response: Disagree

This project is a governance project with clear objectives to improve public administrative systems and governance capacities of the public officials. DDF and PSIF are not only "grant" but a package of capacity development for the local authorities'. Technical assistance (30%) and other activities costs (17.7%) mentioned in the comments are part of the package. Measuring the financial efficiency of the activities based on the amount of grants is inadequate and illogical as any governance programme or project invests heavily in capacity-building through transfer of technical knowledge and skills. GIDP has been enhancing the effectiveness of targeted government

institutions and officials which is evident through improvement in public service delivery in accordance with the vision of the Governance and Public Administration Reforms (GPAR).

Evaluation recommendation 6.

Redefine the workplan based on the (to be) revisited project objectives

Management response: Partially Agree

UNDP is of the opinion that the Work Plan/ budget have always been prepared at the activity level & summarised at outcome level. GIDP AWP & reporting will fully comply with the formal agreement between UNDP and SDC on reporting, etc.

Key action	Time frame	Responsible units	Tracking	
			Comments	Status
Align work plans for 2021 with project objectives	Feb 2021	IP project team	AWP for 2021 has been developed on the basis of this recommendation	Completed

Evaluation recommendation 7.

Update the RRF to define clear qualitative indicators which will allow measuring the project contribution to better governance

Management response: Agree

The Government, UNCDF and UNDP acknowledge that the Donor agrees with the Evaluation Recommendation. The Donor is aware that a partial revision/ adaptation of the RRF has taken place with its participation but nevertheless expects a revision as per the MTE recommendations.

UNDP believes that the RRF has been updated and qualitative indicators have been developed. The updated RRF has been shared with SDC and there has been no further comments.

Key action	Time frame	Responsible units	Tracking	
			Comments	Status
Revise RRF framework on the basis of the recommendation	Dec 2020	IP project team	RRF has been revised and qualitative indicators have been defined and incorporated in	Completed.

			the RRF. The revised RRF was shared with the donor and there has been no further comments from their side.	
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Evaluation recommendation 8.

Align project staff behind the (to be) revisited overall project objectives

Management response: Agree

The Government, UNCDF and UNDP acknowledge that the Donor agrees with the Evaluation Recommendation. The Donor is of the view that it is important that all related staff implementing project activities have a mutual understanding about project objectives, and rationales behind regarding purposes of why certain activities are implemented and what are desired outcomes each activity aim to achieve.

UNDP also acknowledges the importance of staff having a good understanding of project objectives and outcomes, and believes that there is adequate level of understanding among the project implementing staff about the different components of the project and the expected outcomes of each activity.

Key action	Time frame	Responsible units	Tracking	
			Comments	Status
The project staff have to be oriented further on the complementarity of the components of the project and that the rationale behind the project design needs to be reiterated.	March 2020	Chief Technical Advisor (CTA) to GIDP /UNDP	The CTA has been briefing and orienting the project implementing staff on a regular basis during the monthly and quarterly meetings. Quarterly meetings are attended by the donor and they are aware of the progress made in this regard.	Completed.

Evaluation recommendation 9.

Convene the PB more frequently than once a year and possibly revert to the quarterly frequency as originally planned.

Management response: Agree

The Government, UNCDF and UNDP acknowledge that the Donor agrees with the Evaluation Recommendation. The Donor requested the PB to meet twice annually.

UNDP and UNCDF are of the opinion that the Board has the discretion to meet as it deems appropriate, as mentioned in the Project Document. It was mutually agreed between the implementing partners to have quarterly meetings at the technical level so that the PB could meet twice a year and as and when necessary if situation warrants for a meeting.

Key action	Time frame	Responsible units	Tracking	
			Comments	Status
Discuss the recommendation made with the government partner (MoHA) and the donor	March 2020	IP project team	The Donor requested the PB to meet twice annually. UNDP and UNCDF are of the opinion that the Board has the discretion to meet as it deems appropriate, as mentioned in the Project Document. It was mutually agreed between the implementing partners to have quarterly meetings at the technical level so that the PB could meet twice a year and as and when necessary if situation warrants for a meeting.	No further action required as the PB has held its meeting in Dec 2020.

* Status of implementation is tracked electronically in the ERC database.