

Annex II:

Summary form the Meta-evaluation of the Monitoring and Evaluation System of SEED

From the Meta-evaluation of the Monitoring and Evaluation System of SEED

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0.1.1 General findings about the M&E system

The culture of monitoring and evaluation was deeply embedded in SEED. Their M&E function, which considerably evolved over time, was a complex structure, which made use of a plurality of monitoring and evaluative tools, and made complementary use of external evaluations. This allowed the exploitation of complementary skills and competences of internal staff and independent evaluators. Hierarchically, the function was autonomous from project activities; this guaranteed its independence inside of SEED.

The ICT¹ M&E application (operational since the beginning of the year 2003) was placed very soon at the core of the widest SEED management information system. SEED managed the M&E findings in an open and transparent way. Internal and external M&E reports were sent to all interested parties; moreover, those reports that could have been of interest to a wider audience were published on the SEED website.

From the comparative analysis with M&E systems of other bilateral or multilateral donors, the M&E system of SEED shows an elevated level of evolution and sophistication.

After this first period of full deployment, its full effectiveness can be reached with the implementation of the suggestions and recommendations issued in this report.

0.1.2 M&E and its main stakeholders

SEED clients participated to M&E initiatives in a large majority, and their response rate to IA surveys increased over time. There are signs confirming that an excessively high frequency of contacts could however turn into a negative factor, thus affecting their overall satisfaction. Suggestions issued on CS and IA surveys aim to prevent this problem.

In general, **Donors and IFC** appreciate the M&E activities of SEED, and acknowledge management commitment to M&E. Room for improvement was underlined in data analysis, comparison *vis-à-vis* plans, and analysis with synergies with other Donors.

SEED Project Officers have a large sense of ownership of M&E, and initial resistance has now been overcome. They use the M&E findings for their planning purposes, and expect the continuation of the M&E activities under PEP-SE. Some recommendations for improvement were issued; they mainly refer to a more structured project planning, a more accurate analysis of achievements *vis-à-vis* plans, the elimination of duplications, and a close collaboration with M&E.

¹ ICT= Information Communication Technology

0.1.3 Accuracy of information collected for evaluation purposes

During its internal activities M&E gathered a plurality of evaluative elements from Clients of the services. The report analyses these elements in order to reach a conclusion on their accuracy and usefulness for evaluative purposes.

In the context of the present evaluation, the following definitions of the five evaluative criteria are adopted:

- **Relevance** - *The appropriateness of the project objectives to the problems that it is supposed to address, and to the physical and policy environment within which it operates.*
- **Effectiveness** - *An assessment of the contribution made by results to the achievement of the project purposes.*
- **Efficiency** - *The ability of the project to achieve its results at a reasonable cost.*
- **Impact** - *The effects of the project on its wider environment, and its contributions to wider policy or sector objectives. Impact evaluations look beyond the immediate results of projects to identify their long-term as well as unintended effects.*
- **Sustainability** - *An assessment of the likelihood that benefits produced by the project will continue to flow after the end of the intervention. Particular reference is made to ownership by beneficiaries, policy support, economic and financial factors, socio-cultural aspects, gender equality, environmental respect, etc.*

Box 1 – Definitions: the five evaluative criteria

In synthesis the following conclusions are drawn:

- **Elements allowing a conclusion on relevance**
In order to reach a conclusion on relevance of the activities managed by SEED, the elements gathered by the M&E function need to be integrated with clear project objectives, to be formulated during the planning stage. The adoption of a Logical Framework Approach (LFA) and the integration into the project design of a Logical Framework Analysis will provide a substantial help in addressing this issue.
- **Elements allowing concluding on effectiveness**
In general, the elements and indicators collected by the M&E function allow gauging with accuracy the level of effectiveness of the activities managed by SEED. The adoption of a LFA will further strengthen the efficacy of the M&E system.
- **Elements allowing concluding on efficiency**
The financial and budget elements allowing an analysis of the cost structure of the services delivered by SEED, and its changes over the years were properly collected by M&E; this analysis is an indispensable prerequisite for the evaluation of the internal efficiency of SEED. Further elements needed to reach a conclusion on internal efficiency are to be gathered from an assessment of effectiveness. A comparative analysis of the efficiency of SEED in relation with the efficiency of further IFC facilities seems feasible by resorting to external, experimented evaluators; the analysis of the internal efficiency of SEED will be an indispensable prerequisite

to this exercise.

The evaluation of the internal efficiency of SEED is also an indispensable prerequisite for a comparative assessment of SEED in relation with the efficiency of other donors. This assessment seems anyhow hardly feasible in relation to the difficulty to access evaluative data from third-party organisations.

- **Elements allowing to reach a conclusion on impact**

By definition, a proper programme impact assessment can only be carried out some years after the end of the programme activities. It is a truly complex exercise, which requires to be implemented by external, independent and experienced evaluators. On a timeline base, the impact evaluation of SEED should ideally be carried out two-three years from the end of its activities. It should take into consideration several elements that could not be gathered by the M&E function, like long-term effects on clients of the services, long-term effects on the wider environment, the respective contribution of SEED and other donors to the reaching of common long-term objectives, or the competitive advantage of SEED in some market niches where the turbulence due to the co-existent presence of further donors is lower. In case of interest, this study should be commissioned by entities such as IFC or the Donors' community, which will survive after the end of the lifetime of SEED. This exercise – if carried out – will greatly benefit from the evaluative evidence collected by M&E during its institutional activities, and in particular by the indicators of early impact gathered during the IA surveys. The adoption of a LFA will have positive consequences on the possibility to assess impact.

- **Elements allowing to reach a conclusion on sustainability**

Some of the clusters of projects managed by SEED are suitable to be assessed for sustainability. In general, M&E did not gather elements allowing the formulation of a conclusion on sustainability. The only exception to this rule was made for the cluster of projects “Business Membership Organisations”, where elements allowing a conclusion on financial viability (which is one of the elements of sustainability) were gathered. The assessment of sustainability could be easily integrated among the objectives of M&E under PEP-SE, for selected groups of projects. The hiring of external experienced evaluators for the carrying out of this analysis is recommended.

0.2 Recommendations

Eight recommendations are formulated for the further strengthening of the system under PEP-SE.

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| R01 | The hierarchical reporting of the M&E function inside SEED proved to be optimal because M&E was made independent from the operational structure of SEED. It is recommended to confirm this hierarchical reporting also under PEP-SE. |
| R02 | The organisation of the M&E Unit with a central coordinator and local antennas proved to be very effective; it is recommended to confirm this organisation also under PEP-SE. In consideration of the tasks to be covered by |

M&E, and of the anticipated increase in workload under PEP-SE, a slightly different staff attribution and time allocation seems more adequate, summing up to a total of 1,040 working days per year (4.72 FTEs) instead of the present 4.11 FTEs, to be shared among 6 people.

- R03 The integration of the internal activities of M&E with specific tasks assigned to external evaluators proved to be effective because it allowed the exploitation of complementing competences and skills. It is recommended to identify under PEP-SE specific activities that ought to be externalised to independent experts, such as evaluation of relevance, efficiency, impact, and sustainability, while keeping in-house activities such as monitoring and assessment of effectiveness.
- R04 It is strongly recommended to adopt a Logical Framework Approach as from the planning stages of PEP-SE; to produce a LogFrame for each of the projects / cluster of projects to be carried out; to adapt LogFrames during the whole lifetime of projects whenever needed; and to exploit all the potentialities of this instrument in project management, *ex-ante* and *ex-post* evaluation, and monitoring. The adoption by PEP-SE of a simplified program logic model is seen as a first step towards this objective.
- R05 It is recommended to implement all the suggestions issued for the amelioration of the structure and layout of the CS and IA forms.
- R06 It is recommended to carry out future IA surveys (to be more properly defined as “Outcome Assessment surveys”) by clusters of projects instead of by single projects, taking into account the whole of the services provided to single, selected clients; and to limit to two the number of reminders to non respondents.
- R07 It is recommended to continue to use Focus Groups for future end-of-the-year assessments, and to implement the related suggestions given in the main text.
- R08 The adoption of the IFC’s document called “TAAS - Supervision” requires the personnel of PEP-SE to embrace an innovative approach to monitoring. In order to properly exploit the new potentialities of this approach it is recommended to adequately train and motivate PEP-SE staff.