# 6. SRI LANKA

## COUNTRY-LED NATIONAL EVALUATION SYSTEM: INDEPENDENCE, CREDIBILITY AND USE OF EVALUATIONS; CHALLENGES AND SOLUTIONS

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### INTRODUCTION

The Government of Sri Lanka has given high priority to ensuring value-for-money in public management. As a result, public management is giving very high focus to concepts such as managing for development results, development evaluation and performance audit.

The August 2012 circular issued by the Presidential Secretariat makes it mandatory for all line ministries to set out a medium-term strategic plan with well-defined outcome-based key performance indicators with baseline and medium-term targets. Further, to enable His Excellency the President to monitor and evaluate progress of the ministries, six outcome-based key performance indicators have been set for each ministry in the medium term. The achievements must be reported on key performance indicators through a scorecard with a traffic light signal-based dashboard. Although managing for development results has been institutionalized in the Sri Lankan public sector, it needs to be further broadened and deepened. National evaluation systems are being strengthened to support these expectations.

## COUNTRY-LED NATIONAL EVALUATION SYSTEM

The Paris Declaration, endorsed in 2005 and followed by the Accra Agenda for Action in 2008, focused on aid effectiveness. The 2011 Busan Declaration shifted the focus from aid effectiveness to development effectiveness. Accordingly, there was a parallel shift from evaluating aid to evaluating development effectiveness, which entails a country-based national evaluation system.

In Sri Lanka, development policy and programme evaluations are undertaken by line ministries, the Department of Project Management and Monitoring, Auditor General's Department and development partners. Most of the evaluations during the early 1990s were driven by donors, were heavily confined to aid-funded projects, and were thus focused on accountability rather than learning. Following the Paris Declaration, there was a greater emphasis on country-owned, country-led and country-managed development efforts, and as such national ownership and leadership were recognized as the overarching factors for development outcomes. In this context, country-led national evaluation systems were recognized, supported and strengthened.

## INSTITUTIONALIZING EVALUATION IN GOVERNMENT

In the early 1990s, on the request of Government of Sri Lanka, development partners such as the United Nations Development Program (UNDP) and the Asian Development Bank assisted the government to establish a country-owned, country-led, *ex-post* evaluation system.

Presently, at the central level, the Department of Project Management and Monitoring of the Ministry of Finance and Planning undertakes ongoing, *ex-post* and impact evaluations of selected mega projects. In selecting projects for evaluation, criteria such as policy relevance and usefulness, problematic implementation, innovative intervention, projects of a replicable nature and projects that may throw light on new or upcoming policy initiatives are given due consideration. In particular, when new programmes are formulated, the national planning authorities and line ministries like to know the outcomes of previous, similar programmes, including factors of success and failures. Under such circumstances, consideration is given to learning-based demands that significantly help improve the planning and design of new public programmes and policies (see papers published in the proceedings reports of the 2009 and the 2011 national evaluation capacities conferences, available on nec2013.org.

## COMMISSIONING AND CONDUCTING AN EVALUATION

In addition to the central agency, the line ministries that are responsible for the overall execution of development programmes and public policy also selectively undertake evaluations. These line ministries' M&E units are responsible for commissioning and conducting evaluations. These units are independent from other management, operational and programme implementation-related functions and report directly to the Chief Accounting Officer, who is the head of the line ministry. For the purpose of routine evaluations, an independent expert evaluation team is appointed with representation from Department of Project Management and Monitoring and independent sector specialists, academia and research institutions.

Similarly, in the case of evaluations of a special nature, where capacity constraints exist, the study is outsourced to an independent academic or research institution.

In order to avoid a conflict of interest or undue pressure, checks and balances are in place, such as management groups, reference groups and peer review systems. Peer reviews are undertaken by specialists who are trained in evaluation both within and outside the government. The M&E unit is expected to manage and undertake evaluations impartially and free from bias. All evaluations require a terms of reference with a methodological framework and with draft evaluative questions based on the Organisation for Economic Co-Operation and Development's Development Assistance Committee (OECD/DAC) criteria of relevance, efficiency, effectiveness, impact and sustainability. The draft evaluation framework with evaluative questions and design matrix is validated at the scoping session with all concerned stakeholders. This process helps to improve independence and minimize conflict of interests or undue pressure.

## REPORTING TO HIGH-LEVEL MANAGEMENT: MANAGEMENT RESPONSE

Evaluation findings are presented at a high-level progress review meeting chaired by a minister. Meeting invitees include senior officials from programme implementation agencies, representatives from the Department of Project Management and Monitoring, the Department of National Planning, the Department of National Budget, the Department of External Resources, the Auditor General's Department and other concerned stakeholders. The minutes of the meeting identify 'management responses' that need to be implemented as a follow-up. Further, the findings and lessons are expected to be integrated in the formulation of new public policies, programmes and projects.

The findings and key issues set out in the evaluation reports are taken into the Auditor General's report as part of the annual report and tabled to the Cabinet of Ministers, the Parliamentary Committee on Public Enterprise and the Committee on Public Accounts, and also discussed at the parliament. Therefore, evaluation findings and recommendations get reported to the executive branch and legislative branch of the state.

## INDEPENDENCE AND IMPARTIALITY ARE FUNDAMENTAL PILLARS

In order to meet independence criteria, an evaluation has to be impartial throughout the process, from commissioning to conducting to dissemination and feedback. There are possible biases in conducting evaluations, such as spatial biases (e.g. neglect of peripheries), project biases (e.g. failure to look at non-project areas), persons biases (e.g. evaluation covers elite and not vulnerable population), diplomatic biases (e.g. failure to see bad conditions and based on itinerary prepared in advance), and professional biases (e.g. meeting only with well-educated stakeholders). Further, there are possible biases in undertaking evaluations, such as the perception that experts know best and failure to recognize indigenous technical knowledge. When evaluations are conducted by outsiders, they sometimes fail to understand the local context and fail to recognize the real problems. There is a need to conduct decolonized evaluations with the participation of local evaluators that have knowledge of the local context. The national evaluation system recognizes these issues and addressees them at the scoping session.

## CREDIBILITY

In Sri Lanka, evaluations are undertaken by the line ministries, central agencies and development partners and are conducted by independent evaluation professionals, research institutions and academia, and in partnership with government officials who are independent from the planning, designing, implementing, managing and monitoring of the evaluated public policy or programme. The evaluation team should include evaluation experts and sector specialists. In selecting the evaluators, the competencies, skills (e.g. analytical and methodological skills, writing and communication skills, management skills) expertise, ethics (e.g. maintaining participants' privacy and confidentiality; sensitivities to gender, beliefs, manners and customs) and independence are given consideration.

The degree of independence from policy, operation and management functions and conflict of interest are examined to ensure independence. Ability to work freely without interference, integrity, honesty, openness and sensitivity to culture, customs, religious beliefs, values, gender and ethnicity are considered to be important qualifications for an evaluator. The credibility of evaluations is further strengthened with the setting up of a management group, a wider reference group and an independent peer review. Moreover, the evaluation team must be authorized and given access to all relevant information that is necessary to undertake the evaluation. The evaluator is recognized as a facilitator and negotiator of diverse options and issues, who arrives at a judgement that is not based on his or her own perceptions, but is based on evidence as seen by the concerned stakeholders. Similarly, findings are derived from logical analysis rather than an evaluator's own perceptions.

## STAKEHOLDER CONSULTATION AND QUALITY ASSURANCE

Beneficiary feedback is obtained during the conduct of evaluations, including consultations with all concerned stakeholders; this process increases the credibility of the evaluation's findings. A variety of data-collection methods are used to triangulate and enhance the validity of the data and findings, which helps to improve credibility. Such methods include focus group discussions, community interviews, key informant interviews, intensive review and analysis of existing secondary information and documents, beneficiary surveys and opinion, and field observations.

Further, evaluations follow the OECD/DAC quality standards for evaluation. Standards are followed in the conduct of evaluations (process) as well as in the submission of reports (product). Stakeholder consultation meetings are held to validate the finding and the draft report.

In stakeholder workshops, stakeholders are given the opportunity to comment on findings and conclusions that make the process more transparent, balanced, impartial and credible. Public policies and programmes are rated as 'highly successful', 'successful', 'partly successful' and 'unsuccessful', an approach that enhances credibility.

## USE OF EVALUATION

The utility of any evaluation is a prime criterion for judging its worth, regardless of its technical, practical and ethical merit. To have an impact and to ensure behavioural changes and action, evaluations need to be effectively disseminated and communicated.

Evaluations are done for accountability and learning. To have an impact on decision-making, an evaluation should be relevant to stakeholders' needs and interests and be presented in a clear and concise manner.

Evaluations conducted by the central agencies and line ministries cover various stages of a public policy or programme. *Ex ante* evaluations are conducted as soon as the programmes and projects are prepared in order to see whether the programmes and project are bankable and viable. Ongoing evaluations are conducted during implementation for mid-course corrections. *Ex post* and impact evaluations are conducted to assess outcomes, impacts and for learning.

## DEMAND-DRIVEN, POLICY-RELEVANT EVALUATIONS

It is important to identify policymakers' information requirements and involve them at an evaluation's early stages, so that their needs will be taken care of, and so that the evaluation will be more demand-driven and responsive to policymaker needs.

Under the country-led evaluation system in Sri Lanka, public policies and programmes are largely selected for evaluation through a demand-driven process. As such, the findings of such evaluations are likely to be more effectively utilized than supply-driven evaluations.

## READABLE AND TIMELY REPORT WITH ACTIONABLE RECOMMENDATIONS

In order to enhance the use of evaluation findings, evaluation reports should be clear, concise, readable and not technical. Reports should not be voluminous, similar to academic reports. The findings should be differentiated according to different audiences and users. The findings must be used and made available at a time appropriate for decision-making.

Evaluation should seek answers to all the evaluation questions. Results should follow clearly from the evaluation questions, and incorporate data analysis with clear lines of evidence. Findings should be based on logical analysis. Recommendations and lessons learned should be relevant and targeted to intended users. Evaluation recommendations should be actionable in order to ensure effective usage.

## SYSTEMATIC DISSEMINATION

In Sri Lanka, evaluation reports contain an executive summary to give a synoptic overview of the findings and recommendations to policymakers. It is important to link evaluation findings to future activities for planners, policymakers and programme implementing agencies.

To be effective, an evaluation must also be responsive to the needs of different users (i.e. demand-driven and client-oriented), be tailored to different audiences and users; be timely, accessible, user-friendly; avoid information overload; and promote follow-up.

## MECHANISM TO PROMOTE EVALUATION FEEDBACK

To ensure effective feedback, dissemination and institutional feedback mechanisms are important. Dissemination mechanisms should identify the means by which evaluation information is prepared and directed to client groups (e.g. abstracts and summaries, feedback seminars, evaluation reports, evaluation information system).

Institutional mechanisms are important to link evaluation units with other agencies (e.g. planning agencies, budgeting agencies and policymaking agencies). Evaluations should link to project concepts and project submission of the planning agency.

## MANAGEMENT RESPONSE

In order to ensure implementation of evaluation recommendations, it is necessary to identify management responses whereby management agrees to implement a recommendation within a time frame and through a responsible focal point.

Evaluation reports must research a primary target group or key actors, such as planners, policymakers and donors who are expected to take action on findings. Similarly, evaluation findings must also reach a secondary target group that includes watchdog agencies, media and civil society organizations that will influence the key actors to act on the evaluation.

There are difficulties experienced in drawing inferences of a general nature from one-off project evaluations. Projects are clustered according to sectors in order to analyse common evaluation findings if these recur in several places, and to be able to draw broad conclusions. Such broad conclusions and cluster and sectoral findings are more effective to policymakers in the formulation of public policies.

## TIMELY SUBMISSION OF EVALUATION FINDINGS TO MEET DEMAND

Evaluation adds value only if its findings are used. Evaluators must guide decision makers, policymakers and managers to do the right thing. It is important to determine what information is needed by decision makers and users, and to then formulate a terms of reference, evaluation questions and a design matrix that meets these needs.

Policymakers require information at appropriate times in order to cater to their planning and budgeting cycle. The synchronization of evaluation findings with the planning, budgeting and policymaking cycle is vital for the effective use of evaluations. Therefore, evaluators should be time-conscious and apply appropriate methodologies to ensure the timely availability of evaluation information. It is important, though, to find the appropriate balance between time and rigour.

## ISSUES, CHALLENGES AND SOLUTIONS

### Weak institutional linkages between evaluation and planning make feedback difficult

Evaluation and planning institutions seem to function in isolation and do not have effective formalized feedback arrangements to integrate lessons into the planning and design of new public policies and programmes. An effective institutional feedback mechanism should be established to strengthen institutional linkages.

### Lack of demand for evaluation

It is necessary to create local demand for evaluation. Policymakers, planners and other stake-holders (e.g. media, civil society organizations) need to be sensitized.

### Supply-side evaluation constraints

Supply-side evaluation constraints include lack of skills, methodological issues, data systems, manuals and guidelines, and national evaluation capacities. It is important to provide technical support in order to strengthen national evaluation capacities and to ensure that evaluations are independent, credible and impartial.

### Inadequate evaluation information

Absence of country-level evaluation information on a website has been a challenge. Countries need to develop Web-based evaluation information systems on a sector-wide basis to identify findings, key issues and recommendations. Sector-level evaluation syntheses should be made available for effective policy feedback.

### Joint evaluations to replace donor-driven evaluations

Donor-driven evaluations undermine the development of national ownership and country-led evaluation systems. It is important for donors to undertake joint and collaborative evaluations, which will help build national capacities, strengthen country-led evaluation systems and enhance the use of evaluation in decision-making.

### Institutionalizing evaluations at the national and subnational levels

Evaluations are not fully institutionalized at the national and subnational levels. More funds and efforts need to be mobilized for monitoring. Awareness-raising and sensitization must be done on the importance of evaluation. Special budgetary provisions need to be made for evaluations. Institutional arrangements need to be strengthened and must report to the highest level of decision makers.

### Project evaluations should expand to policy, sector and thematic evaluations

Project evaluations may not have demand at very high policymaking levels. Therefore, it is important to undertake sector synthesis, policy evaluations and thematic evaluations to enable wider policy-level usage of evaluation.

## CONCLUSION

Recognizing these issues, Sri Lanka has taken actions to address them with technical assistance from UNDP, the Asian Development Bank and other development partners. UNDP has supported the institutionalization of managing for development results and evaluation in government. independence, credibility, impartiality and effective use of evaluation are fundamental for successfully institutionalizing evaluation in government. Only such evaluations will be demanded by users and can contribute to development effectiveness.

Successfully institutionalizing evaluation requires that its findings and recommendations are closely linked to planning, budgeting and policymaking processes. It is necessary to create demand for evaluation among policymakers and other stakeholders.

The supply side of evaluation has to be strengthened through a supporting enabling environment, institution strengthening and individual capacity development.

Management responses are key to successfully implementing an evaluation's recommendations and to attaining effective feedback.