

UGANDA: GIVING NATIONAL DIRECTION THROUGH EVALUATION

UGANDA'S EVALUATION OF ITS POVERTY ERADICATION
ACTION PLAN (1997-2007)

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THE ESTABLISHMENT OF A NATIONAL POVERTY ERADICATION ACTION PLAN

When the National Resistance Movement came to power in Uganda in 1986, the country had been through two decades of political and economic turmoil. Gross domestic product (GDP) per capita had been reduced to 58 percent of the 1970 level, and subsistence agriculture had increased from 20 percent of GDP to 36 percent over the same period.¹⁰ The 1990s saw the introduction of fiscal measures seeking to control spending and inflation, and the merging of finance and planning functions to ensure fiscal discipline. This resulted in a period of macroeconomic stability where economic growth averaged just over 7 percent per annum and inflation was reduced to single digit figures after 1992. Political stability was addressed through the development of a new constitution, and elections to a constitutional assembly (or Parliament) were held in 1994 (the constitution was passed in 1995).

Parliamentary and Presidential elections were held in 1996. During the campaign, candidates, including the incumbent President, became increasingly concerned that the growth and stability experienced in the country since 1986 was not reaching the poor. The first household budget survey of 1992 revealed that 56 percent of the population was living below the poverty line, living primarily in rural areas. In November 1995, a national seminar on poverty was called, which included civil servants, academics, civil society and donors. The outcome of this was a decision to develop a poverty eradication action plan (PEAP).

10 Reinikka and Collier. 2001. *Uganda's Recovery: The Role of Farms, Firms and Government*. Washington DC: The World Bank.

The PEAP was intended to provide a framework for policies to address poverty over a 20-year period. This goal was defined by an ambitious target of reducing the proportion of the population living below the poverty line to 10 percent by 2017. The policy approach behind the PEAP was to enable the poor to benefit from market opportunities and extend access to and improving the quality of basic social services—while maintaining the fiscal discipline that was started in the pre-PEAP era. The PEAP preceded and played a role in inspiring the poverty reduction strategy paper (PRSP) process introduced by The World Bank as part of the 1999 Heavily Indebted Poor Countries (HIPC) dialogue. Uganda was the first country in the world to qualify for HIPC support when the PEAP was deemed in 2000 as meeting the requirements of a PRSP.¹¹

While the goals of the PEAP remained unchanged from 1997, two revisions to the plan itself were made; one in 2000 and a second in 2004. These revisions involved making adjustments and additions to the content of the PEAP in response to changing political and economic conditions in the country and in response to research undertaken on progress towards the targets set. Among the changes made was the introduction of pillars under which multidimensional strategies were developed. During its implementation, major social and economic policies were introduced under the umbrella of the PEAP pillars, such as universal free primary education, primary health care initiatives, a plan for agriculture modernization and a ten-year roads sector plan. Through the PEAP, the Ministry of Finance, Planning and Economic Development played a central role in design, implementation and oversight.

THE DEMAND FOR AN EVALUATION

Prolonged GDP growth and reduced dependency on external assistance increased the Government of Uganda's overall confidence in managing its economy and improving the welfare and opportunities of its population. But while the poverty headcount steadily reduced over the PEAP period, there remained major constraints to human and economic development across the country and increasing evidence of corruption and weak accountability. By the mid-2000s, some revival of support for a more interventionist role for government to accelerate national development was emanating from within the ruling party. By 2007, it became clear that there would be a need for a new PEAP that would update the National Resistance Movement's 'mixed economy' approach, and that longer-term planning was needed akin to the East Asian Tigers where rapid economic and equitable growth was attributed in part to strong long-term central planning. This was supported by the relatively newly formed National Planning Authority, with a mandate to lead national planning across the country.

In July 2007, the Ministry of Finance, Planning and Economic Development established a 'PEAP Revision Task Force'. The Task Force was composed of representatives of the three coordinating institutions of government, the Ministry itself, the National Planning Authority and the Office of the Prime Minister (which is constitutionally mandated to lead government business in Parliament and to coordinate the implementation, monitoring and evaluation of government policies and programmes). At the Task Force's first meeting, it was proposed

12 Government of Uganda. 2008. 'Independent Evaluation of Uganda's Poverty Eradication Action Plan 1997- 2007', Volume 1, Synthesis Report. Office of the Prime Minister.

that the revision process be made up of three elements: the preparation of the revision to the PEAP itself, macroeconomic modelling work to provide scenarios for investment, and an evaluation of the PEAP over the period 1997–2007 to provide lessons to guide the revision.

This initial demand for an evaluation to learn lessons from the past experience of the PEAP came from within the Task Force, not from a wider audience. Within the Task Force, discussions centred on: the management and leadership of the evaluation, who should be responsible, and who should implement the evaluation in order to ensure its independence and credibility; the focus of the evaluation to best serve the needs for which it was to be designed; and the use and timing of the evaluation, where it was stressed that the evaluation must be completed to feed into the revision process. Even within this context, there were detractors, with some Task Force members suggesting that an evaluation was either not necessary, as the lessons were already evident, or that a light review should be conducted (rather than a fully-fledged evaluation) in order to produce quick findings. In short, establishing demand early on in the process was challenging. Nevertheless, the Task Force sanctioned the proposal, and the Office of the Prime Minister began leading on the design.

FOCUSING THE EVALUATION

As an overarching framework, the PEAP provided the direction for national policy and programmatic formulation in Uganda, but did not prescribe specific interventions. This provided an early challenge for shaping the evaluation—determining what role the PEAP played over this extended period in its different forms (the original PEAP, revision one and revision two), and what shape the country would be in had the PEAP not been created.

Evaluation objectives

Initially, the terms of reference for the evaluation focused on relevance, effectiveness and the highlighting of specific practices to inform the next revision. However, Task Force members considered it less important to focus on relevance (i.e. the relevance of the PEAP in guiding national policy), given that there is no easily constructible counterfactual to the PEAP and that the purpose of the evaluation was to focus primarily on what could be learned from the PEAP experience rather than whether or not it was a good idea in the first place.

In terms of the role of the PEAP, the Task Force determined that it was in effect intended to be a consensus-building instrument to guide national development, and hence the evaluation should focus on this aspect of its effectiveness. In turn, the findings from this should guide the shape of the new PEAP.

Ultimately, the question of relevance was dropped, and the evaluation focused on how effective the PEAP had been as a consensus-building mechanism, on what results had been achieved under the PEAP and the specific requirement to look at practices to inform the new PEAP (see Box 1).

Evaluation questions and the theory of change

Having established the focus, the next debate was on the areas of investigation and the evaluation questions to be posed. The Task Force recognized early on in the evaluation process that the specificity of the questions would be central to the evaluation's quality and its utility. If the questions are either too broad or too narrow, or focused on less important matters,

BOX 1. SPECIFIC OBJECTIVES OF THE PEAP EVALUATION

- Determine how effective the PEAP has been as a consensus-building mechanism for the expression of national development aspirations, in guiding national policy, and the extent to which it is the appropriate vehicle to do so in the future;
- Determine how effective the PEAP has been in delivering results: as an instrument of prioritization, strategic resource allocation and accountability; and
- Identify and highlight specific practices from the decade of Uganda's PEAP that will best inform the formulation of the third revision of the PEAP with a view to achieving the 2017 poverty eradication target.

then the evaluation will not serve its purpose.

To determine the scope, it was necessary to look at the theory of change of the PEAP. What results were targeted? How did it expect to achieve them? What were its operational modalities? Which underlying factors were recognized as influencing the achievement of results, and which were not accounted for? The PEAP was focused on a series of objectives, which then became thematic pillars, all with objectives and indicators and with reference to operational structures and entities. The evaluation subcommittee constructed a broad framework based on the logic of the PEAP (over its three iterations) in order to determine causal relationships over the decade. However, it was also recognized through this process that the framework focused largely on one dimension of the evaluation objectives—the results. The dimensions that pertained to the underlying structural and environmental factors that influenced the PEAP were not well captured. Therefore, the subcommittee returned to these questions, and devised five streams of work: results and performance, political economy, institutional arrangements, partnership and economic transformation, and sustainable poverty reduction (see Box 2).

BOX 2. SCOPE AND QUESTIONS OF THE PEAP EVALUATION

- Results and performance: What progress has been made against the fundamental PEAP objectives of reducing income poverty and inequality, improving human development and increased GDP growth? What factors have contributed to these changes?
- Political economy: What have been the relevance, ownership and leadership of the PEAP over time among the key stakeholders? How flexible has the PEAP been to changing environments? How comprehensive was the PEAP in attempting to reduce poverty?
- Institutional arrangements: How effective was the institutional framework that linked the PEAP as the national development plan and the sectors, ministries, local government and non-governmental entities responsible for planning, budgeting and execution?
- Partnership: To what extent did the PEAP increase the focus, harmonization and reduction in transaction costs in dealing with different development partners? Economic transformation and sustainable poverty reduction: To what extent has the PEAP served to guide reforms in economic management, in facilitating trade and the private sector? What has been the impact of investment in social sectors in terms of economic return (e.g. employment generation, economic diversification)?

In each of these streams, a series of questions were posed that sought to understand the factors that played a role in PEAP successes and failures. By bringing together these streams, an overall assessment of the effectiveness of the PEAP could be made, focused in particular on what can be learned to guide the next revision.

To ensure that these streams and questions resonated with the PEAP and potential users of the evaluation, the terms of reference was circulated widely across the Government of Uganda, within the non-governmental community and among the global evaluation and policy specialist community. Comments and suggestions were fed back into the terms of reference, which formed the platform for the evaluation.

DESIGNING THE EVALUATION

The evaluation design focused on the methodologies employed that are best suited to the questions posed, and on the nature of the intervention logic. The PEAP evaluation was an interesting mix, examining impact-orientated questions related to the achievements of the PEAP and looking at the underlying policy and process elements that contributed to these results. This presented particular methodological challenges.

Initially, the evaluation team hoped to focus impact assessment work on identifying counterfactuals in order to answer the question: what would outcomes have been in Uganda in the absence of the PEAP? Four methods were suggested by the evaluation team to identify counterfactuals to the PEAP: before-and-after comparisons, with-without comparisons, simulation exercises and contribution analysis. Each method had its strengths and weaknesses, but it was hoped that elements of each could be used. However, as the evaluation progressed it became clear that due to data limitations, time constraints and feedback on the initial proposals, it would not be possible to undertake a rigorous counterfactual analysis.

Based on this assessment of possible methods, the Task Force decided that contribution analysis was the most appropriate approach. This method does not seek to identify a counterfactual, but has been developed as an alternative approach for use in circumstances when counterfactual analysis proves extremely difficult or infeasible. The purpose of contribution analysis is to draw links between inputs/outputs and wider outcomes, not by trying to precisely quantify the range of different factors that influence outcomes but rather, through careful and logical analysis, to make judgments about the importance (and strength) of these different influences. There is no presumption of providing proof of these relationships.¹² Rather, contribution analysis seeks to draw 'plausible associations' between inputs, outputs and the wider outcomes, thereby reducing the uncertainty about the 'difference' a programme is making.¹³ A truncated version of the six steps (from identifying the results chain to assessing alternative explanations and assembling the performance story) was used given time and data constraints. The evaluation team also selected some policies under the PEAP that seemed most significant to its high-level objectives and to make the best use of available data and information.

13 Riddell et al. 2008. 'Assessing and Measuring the Impact of Aid: Evidence, Challenges and Ways Forward', Synthesis Report to the Advisory Board for Irish Aid, Oxford. Oxford Policy Management.

14 Mayne. 2001. 'Addressing Attribution through Contribution Analysis: Using Performance Measurement Sensibly'. *Canadian Journal of Program Evaluation* 16(1).

The methods employed varied according to the areas of investigation. The evaluation was effectively divided into five components, based on the streams of work. The results and performance team used contribution analysis and some regression on the data available in key results areas. The investigations into areas such as political economy and institutional arrangements largely utilized interview-based techniques and documentation analysis to plot the trends and relationships over the PEAP decade.

Evaluation findings were presented in two documents: a volume that synthesized the findings and relationships between the streams into a single synthesis report, and a volume that had chapters on each work stream. Lessons learned were presented at both levels.

MANAGEMENT AND QUALITY ASSURANCE

Since 2005, the Office of the Prime Minister has begun to establish itself as the central institution responsible for coordinating the monitoring and evaluation of the PEAP, recognizing that this function would enable it to more effectively oversee the implementation of policies and programmes and assess their contribution to the PEAP objectives. In 2006, the Office of the Prime Minister conducted the first annual review of the PEAP, and had also begun designing and conducting evaluations of public policies and programmes through the establishment of a Government Evaluation Facility, itself overseen by a subcommittee composed of representative of key government and public/private research institutions.

Given this operational reality, and given that the other members of the Task Force were the Ministry of Finance, Planning and Economic Development (which led the design and coordination of the PEAP and was therefore too close to the operations to be independent in the evaluation) and the National Planning Authority (which was to lead on the PEAP revision process), Task Force Members agreed that the Office of the Prime Minister would lead on the evaluation.

Having designed the terms of reference, it was agreed that an international firm (or firms), would be commissioned to lead the evaluation implementation. This was put out to tender, and an international firm was recruited.

The Task Force established two mechanisms in order to ensure quality in the process and the use of the evaluation. First, an evaluation subcommittee was set up with membership from the three institutions responsible for the PEAP revision. This subcommittee lead on designing the terms of reference, oversaw the selection of the consultants, reviewed the evaluation process and products and disseminated the findings and lessons. The subcommittee met almost twice per month during the 12-month process, and with full quorum. Central to its effectiveness were its small size (just five members), its clear focus on the evaluation and the strength of purpose and quality of the relationships among members.

The second mechanism was the Reference Group. The objective of the Reference Group was to provide independent and expert opinions on both the evaluation design and the quality of its products. Experts from academia in relevant public policy areas from Uganda and evaluation experts globally were invited to participate. Six were ultimately selected, coming from a variety of nations and institutional backgrounds. The subcommittee acted as a conduit between the Reference Group and the evaluators in order to ensure efficiency in the interactions and to provide a chairing role on points of contention over the approach and methodology. The Reference Group met virtually throughout the exercise—providing comments through teleconference and emails—a cost-efficient and effective functionality.

The evaluation team comprised 10 consultants and an internal reviewer. This sizeable team reflected the breadth of the PEAP and the evaluation itself. The consultants were divided into teams based on the streams of work, with an overall team leader in charge of coordination, management and production of the synthesis report. Experience, maturity and ability were central facets of the evaluation team's management tasks—dealing with a large team, interfacing with the subcommittee and accessing a wide spectrum of stakeholders in Uganda (including the Prime Minister).

THE DISSEMINATION AND USE OF THE EVALUATION

From design to completion, the evaluation ran from July 2007 to June 2008. The Task Force decided early on that the evaluation findings and recommendations would be shared as widely as possible given the breadth of the PEAP and the importance of generating debate on how the evaluation recommendations should be followed-up, both within and beyond the context of the next PEAP.

The dissemination process began with a briefing to the Cabinet. This was made possible through the interest stimulated in the evaluation and its process. While there was little interest or engagement at the start of the process, the interviewing of over 100 persons during it, including senior government officials, initiated sufficient interest to ensure that when the product was ready, people were keen to read what it had to say. Alongside this, the PEAP revision process had begun to take shape. It was agreed that the PEAP was to end, to be replaced by 5-year National Development Plan. Discussions on the shape of the National Development Plan had already begun.

Following the Cabinet briefing, a one-day workshop was held in June 2008 where the findings were presented to an audience of over 200 people from across the spectrum of public, private and non-governmental actors. This in turn led to a recommendation that in order to do justice to the evaluation, a one-week series of one-day workshops should be held with clusters of government institutions and partners. The focus of the workshops was to look in detail at the findings and recommendations and to start preparing a government response. Full one-day workshops were held in 2008, attended by central institutions; service delivery ministries, commissions and agencies; accountability, internal and external relations ministries and commissions; and with development partners. A government response matrix was established, focused on key evaluation findings and recommendations: impact, implementation, prioritization, resource mobilization and other issues. In this, each group responded to each major finding and recommendation. These were then discussed and synthesized at a follow-up evaluation committee meeting.

The Cabinet's interest in this process led to their requesting that the evaluators return to Uganda to discuss the findings with them a second time. The consequence of this process, and the one-day workshops on the government's interpretation and response to the findings and recommendations, was the preparation of a government white paper on the evaluation. The white paper outlined the main findings, recommendations, government's response and the proposed actions, including the responsible parties and a time-frame for action. Follow-up on these actions has been done annually through the Government Performance Reports presented and discussed at Cabinet Retreats.

Alongside this, the Task Force was preparing the National Development Plan (the successor to the PEAP), engaged fully in evaluation dissemination and follow-up activities. A number of critical issues and lessons learned from the evaluation were discussed and influenced the Plan. These included the reflection that the PEAP had not provided operational guidance to achieve its results (e.g. a failure to clearly align the budget to the PEAP targets). The Plan sought to redress this by costing the interventions outlined in it and realigning the budget and accountability mechanisms accordingly.

The evaluation found that while poverty levels had lowered substantially during the PEAP period, the reductions were uneven, with an urban bias and with growth tending to benefit the better-off. Investment productivity did not improve during the PEAP period, with constraints and inefficiencies in the use of human capital and poor infrastructure. This, in part, reflected the lack of attention paid to infrastructure and other potential drivers of the economy (e.g. agriculture). The National Development Plan considered this analysis, and recognized that a new policy mix was required. The Plan still recognized poverty reduction as an objective, but sought to improve economic infrastructure in order to reduce the cost of doing business, to promote competitiveness and encourage foreign investment, to transform agriculture to raise farm productivity and to raise the quality of human capital to transform economic growth. The National Development Plan's theme, "growth, employment and socio-economic transformation for prosperity," reflects this.

The evaluation highlighted serious deficiencies in the coordination and oversight of government business. These issues impacted the way in which the central institutions (i.e. the Office of the Prime Minister, the Ministry of Finance, Planning and Economic Development, the National Planning Authority and the Ministry of Public Service) sought to work together to apply coherent and harmonized messages. These issues also affected service delivery demand pressures. The role of the Prime Minister in overseeing service delivery has been strengthened, and the Office's oversight and monitoring and evaluation functions strengthened. Specific initiatives that had been started and built on the recommendations include formulating a national policy on public sector monitoring and evaluation. The policy outlines the roles, responsibilities and minimum standards across the public service.

In the area of evaluation, the Office of the Prime Minister established a Government Evaluation Facility. The Facility provides a systemic basis for expanding the supply of rigorous assessments to address public policy, poses major public investment questions surrounding the effectiveness of government interventions and addresses underlying constraints to improved public service delivery.

In summary, the evaluation of the PEAP provided extremely valuable and accessible information of what did and did not work during the decade of the PEAP between 1997 and 2007. The evaluation was debated and subsequently drawn upon in drafting the successor National Development Plan. The effects will continue to be seen as the National Development Plan is implemented and monitored.