

## Summary of the Final Evaluation Study

1. Outline of the Project	
Country: Socialist Republic of Vietnam	Project Title: The Project for Capacity Development of ODA Management
Issue/sector: Public administration	Cooperation Scheme: Technical Cooperation Project
Division in Charge: JICA Vietnam Office	Total Cost: Approximately 260 million yen
Cooperation Period	October 2005 – October 2008 (3 years)
	Partner Country's Implementation Organization: Ministry of Planning and Investment (MPI) and others
	Supporting Organization in Japan: None
<p>1-1 Background and Outline of the Project</p> <p>Official Development Assistance (ODA) to Vietnam has been increasing over the last decade and contributed to promoting economic growth and improving the quality of people's lives. Meanwhile there still remain the issues for the Vietnamese government and donors such as alignment to the country system, simplification and harmonization of ODA related procedures, capacity building of project formulation, implementation and Monitoring and Evaluation (M&amp;E), improvement of the regulatory framework and so on. Under these circumstances, upon the request from the Vietnamese government, JICA has implemented the technical cooperation project since October 2005, aiming at enhancing the capacity and efficiency of ODA management at Foreign Economic Relations Department, Ministry of Planning and Investment (FERD/MPI) and Line Agencies (LAs), meaning sectoral ministries and regional provinces and cities, with focus on the project formulation/screening stage. Concretely the Project has three activities as follows.</p> <p>(1) To improve the working environment by the usage of IT so that the staff in charge of ODA in FERD/MPI can efficiently complete screening work of the ODA project proposals.</p> <p>(2) To conduct training courses on ODA project formulation in order for the staff in charge of ODA in LAs to formulate ODA projects of good quality.</p> <p>(3) To disseminate the Vietnamese government's and donors', especially centering on Japan's ODA procedures so that the staff in charge of ODA in LAs can properly work on ODA projects.</p> <p>1-2 Project Overview</p> <p>(1) Overall goal: Quality of ODA in Vietnam is improved</p> <p>(2) Project Purpose: The capacity of ODA Management (on project formulation) is developed among the staff in charge of ODA in the Vietnamese Government (FERD/MPI and LAs).</p> <p>(3) Outputs</p> <p>i) Project management and implementing mechanisms are established.</p> <p>ii) Working environment for ODA management at FERD/MPI is improved by the usage of IT.</p> <p>iii) Knowledge on ODA procedures and basic skills on project formulation are enhanced among staff of LAs.</p> <p>(4) Inputs</p> <p>(From the Japanese side)</p> <p>Placement of Experts: 11 experts (50 M/M)                      The total amount of the Project budget: 260 million yen</p> <p>Provision of Equipment: US\$ 124 thousand                      C/P training in Japan: 36C/Ps</p> <p>(From the Vietnamese side)</p> <p>C/P allocation: 4 C/Ps (FERD/MPI), some staff of pilot LAs (Ministry of Health, Ministry of Transportation, Ministry of Agriculture and Rural Development, Hoa Binh, Nghe An, Thua Tien Hue provinces, Ho Chi Minh and Hanoi city)</p> <p>Buildings and Facilities: Project Office was partially provided in the branch facilities of MPI.</p>	
2. Evaluation Team (Japanese side)	
Team members	(1) Leader: Mr. Nakagawa Hiroaki, Resident Representative of JICA Vietnam Office

	(2) Evaluation Design: Mr. Yamada Minoru, Deputy Resident Representative of JICA Vietnam Office
	(3) Evaluation Analysis: Tsukui Atsushi, Representative, International Development Center of Japan Vietnam branch
Period	2008.6.30-2008.7.11
	Category: Final Evaluation
<b>3. Summary of Evaluation</b>	
<b>3-1 Results of Cooperation</b>	
<b>(1) Inputs and Activities</b>	
<p>Inputs to the Project were almost as planned except that the working space provided by MPI was not enough and the Japanese side had to rent an external office throughout the Project period at its own expense. Project activities were implemented appropriately in general, although the development of the IT system and the manual on ODA procedures lagged behind the original schedule mainly due to the external factor.</p>	
<b>(2) Achievement of Outputs</b>	
<p>The achievement level of Output 1 is high enough. The core counterpart has exercised its strong leadership and managed the Project during entire period of the Project so far. The achievement level of Output 2 is not available for the quantitative evaluation at the time of the Final Evaluation because the development of the IT system was delayed owing to the external factor, namely the revision process of Vietnamese legal documents on ODA management, and it has caused the current situation that staff in FERD/MPI have just begun to input data to the system on trial. Nonetheless, considering the appreciation for the IT system design among relevant actors as well as the progress of deliberation on future operation of the system at this moment, the improvement of the FERD/MPI working environment for ODA management will most likely be realized by the time of Project completion. The achievement level of Output 3 is high enough. On the whole, the training courses and workshops were appropriately implemented as shown by the level of understanding and satisfaction of the participants. Regarding the skill level of the trainers trained by the Project, many of them acquired enough skills and knowledge to organize training courses on project formulation by themselves. There were reportedly some LAs who mobilized these trainers to organize project formulation training in their respective institution and areas.</p>	
<b>(3) Achievement of Project Purpose</b>	
<p>With respect to improvement of the working environment related to ODA project in FERD/MPI, although it is difficult to make a quantitative and comprehensive evaluation at the time of the Final Evaluation because of the reasons above, the developed IT system would most likely help them to manage and utilize ODA project in a strategic way by the time of Project completion, it depends, however, on how the system is utilized in consideration of the actual workflow within FERD/MPI as well as LAs. Regarding the staff of LAs, it can be said their capacity has been enhanced by focusing on the results of the understanding/satisfaction level survey. In addition to the above case where they organized training courses by themselves, they applied what they learned in the training course and workshop into their everyday work on ODA project formulation. Meanwhile, it is necessary to pay attention to the achievement level of Project Purpose in non-pilot LAs. While the pilot LAs had intensive activities such as training of trainers through a series of training courses of the Project, the non-pilot LAs had only the one-shot training course and workshop. To the extent that the Vietnamese government (MPI) continues to have strong commitment to improving ODA management capacity of LAs, the one-shot training course and workshop would be positioned as one of the important/pilot inputs for the overall undertaking of the Vietnamese government. As for the ODA procedure workshops, under the circumstance of the coming merger of JICA and JBIC, there is no concrete dissemination plan after the completion of the Project.</p>	
<b>(4) Achievement of Overall Goal</b>	
<p>The CCBP (Comprehensive Capacity Building Program to strengthen ODA Management in Vietnam), VAMESP 2 (Vietnam – Australia Monitoring and Evaluation Strengthening Program – Phase 2) and the Project coordinated properly, becoming one combined “program” dealing with the overall cycle of ODA project management. Furthermore, there was reportedly a case where the beneficiary of the Project submitted a project proposal by using acquired skills and knowledge from the Project and could get approval for a donor-funded project. It shows an appropriate direction to achieve the overall goal. On the other hand, the Evaluation Team found the verifiable indicator for measuring the achievement level of the overall goal was somewhat ambiguous,</p>	

making objective evaluation difficult. Taking this methodological challenge into consideration, it would be probably fair to conclude that, at the time of the Final Evaluation Study, no systematic improvement in ODA quality has been observed with clear causal relationship with the Project activities. It is too early to evaluate the achievement level of the overall goal, which could be commonly fulfilled in several years after project completion.

### 3-2 Summary of the Evaluation Result

#### (1) Relevance

Relevance of the Project is generally high.

- The Project corresponds with the Vietnamese government's policy such as its development strategies (SEDP 2006-2010), especially improving the capacity of administrative functions at the individual and organizational levels, promoting decentralization of administrative functions and enhancing transparency of the administrative process.
- The Project is consistent with the Japan's ODA policy to Vietnam as it falls on the area of "institutional improvement", one of the three pillars of Japan's Country Assistance Program to Vietnam.
- It was a strategic approach that this Project addressed the cross-cutting issue of "ODA management", while many donor-supported projects have sectoral orientation.
- As the target group (staff of LAs and FERD/MPI) generally has high expectation towards ODA, the project activities aiming at improving their capacity of ODA management are basically consistent with their needs.
- The relevance of the training component could have been higher if the training was more explicitly recognized in the PDM as a tool to facilitate LAs' efforts for formulating development plans in general rather than individual ODA projects.
- There are some opinions among stakeholders that the coverage of the ODA procedure workshop could be wider without focusing on "Japan's" ODA procedures. While this opinion is valid, the narrow focus of the workshop did not necessarily undermine the relevance of the Project because (i) the workshops intended to convey the relationship between Vietnamese procedures and donor procedures taking Japan's ODA as an "example" and (ii) it is virtually impossible to cover the procedures of all donor partners.

#### (2) Effectiveness

While immediate outcomes have been achieved rather effectively, uncertainty remains at the time of the Final Evaluation. Further efforts by the time of Project completion are of critical importance for finally ensuring high effectiveness.

- Due to the delayed completion of the IT system caused mainly by the external factor, MPI has just introduced the system to the daily routine use and, at this time, the actual effectiveness of the IT system cannot be quantitatively measured.
- FERD/MPI staff gives high evaluation to the design and function of the new system. This achievement is attributed to the time-consuming examination process among the stakeholders for drawing the best grand design of the system.
- At the time of Final Evaluation, benefit of the IT system to LAs is limited as the function to share the screening results with LAs is not operational yet. And materials developed by the Project are not currently available at MPI's website. There is room for improvement of information sharing with LAs.
- Judging by the result of interviews, LAs' staff who participated in the training courses and workshops appropriately acquired knowledge and skills on ODA project formulation and apply them to their practical work.
- At the beginning stage of the Project, the Japanese experts led the process of preparing the training materials and ODA procedure manual. However, in the course of implementing training courses and workshops, those materials were considerably revised from the viewpoint of Vietnamese trainers/lecturers. This process contributed to strengthening ownership of the Vietnamese side as well as improving the quality of the materials that are localized to fit the Vietnamese contexts.
- Many of the trainers in the pilot LAs trained by the Project were given the opportunities to practice their expertise/skills at the later stage of the Project. As a result, they can technically organize the training course by themselves. Mobilizing these trainers, some pilot LAs organized similar training courses in their respective

institutions and areas by themselves.

- On the contrary, non-pilot LAs have had a limited chance of participating in project activities (training courses and workshops). With their understanding of the contents and knowledge gained from these events, the quality of project proposal from non-pilot LAs has been continuously improved.
- Under the situation in non-pilot LAs, MPI is also making efforts for ensuring the institutional arrangement to continue training and dissemination activities after the Project. These efforts include utilization of MPI's own training center and the training component of CCBP.
- With regard to the dissemination of ODA principles and procedures, there are some concerns such as the situation of enforcement of the Vietnamese legal documents on ODA management and the uncertainty associated with the merger of JICA and JBIC in October 2008. Continuous dialogue on these issues between Vietnamese and Japanese sides is needed.

### (3) Efficiency

Efficiency of the Project is generally high except for some relatively minor points as indicated below.

- The amount of Japanese expert assignment was suitable. Especially, reducing assignment term of Japanese experts to the minimal level by utilizing Vietnamese experts brought high efficiency and promoted localization of the Project activities. Meanwhile, the Japanese experts could not be assigned in the beginning of the fiscal year due to the procedural reason of the Japanese side. Equipment provision and training courses in Japan were efficiently implemented.
- Inputs from the Vietnamese side were appropriate in general. Nonetheless, with respect to the Project office, working space provided by MPI was not enough and the Japanese side had to rent an external office throughout the Project period at its own expense. This to some extent undermined financial efficiency of the Project.
- The development of the IT system was delayed due to the external factor, namely the delay of the revision process of Vietnamese legal documents, and intention to integrate with VAMESP's system for higher effectiveness. Considering the current situation that does not allow a comprehensive and quantitative evaluation as mentioned above, the delay should be regarded as a factor inhibiting efficiency of the Project, although this was inevitable and in fact contributed to higher effectiveness as stated above.
- Development of the manual on ODA procedures was delayed because of the same reason as the development of the IT system above. As the result, the Project has had rather limited time for elaborating its contents, leaving further room for updating the interrelationship between the Japanese and Vietnamese procedures on ODA management in daily operation.
- The Project collaborated appropriately with other donor-supported projects related to ODA management such as CCBP and VAMESP 2, resulting in high efficiency of the Project.
- Project activities were mainly targeted at eight pilot LAs that are sectoral ministries and provincial level governments. Since these LAs are major recipients of Japanese ODA, as a matter of practicality, the selective targeting is judged appropriate in the light of cost-effectiveness.

### (4) Impact

The Project impact seems to be relatively high though further verification is still needed.

It is too early to make comprehensive evaluation on this criterion as it is commonly recognized that it takes some time (3 to 5 years) for the impact at the overall goal level to emerge. In addition to this general observation, for this specific Project, there seems to be some methodological challenges in measuring the achievement of the overall goal. Clearer verifiable indicators need to be worked out for evaluating the impact of the Project in terms of the overall goal, paying attention to such factors as the level of utilizing the IT system, quality of ODA project proposals from LAs, and the relevance of the knowledge and skills transferred by the Project in actual screening work of ODA projects

- It was reported that some participants in the ODA project planning training courses applied what they learned to their everyday work as a tool of the decision making at their workplace as well as of the communication among relevant actors. This could be regarded as an unexpected positive impact of the Project.
- The benefits of the Project were shared with and appreciated by government officials of Laos, Cambodia

and Myanmar through two regional seminars organized by FERD/MPI on “Effective Utilization of ODA Resources with Focus on Japan’s ODA”. This is another unexpected positive impact of the Project.

- There seems to be no negative impact caused by the Project.

#### (5) Sustainability

Sustainability of the Project seems to be high in general though strong commitments will be needed in the future. Compared with relatively promising technical sustainability, institutional and financial sustainability could be a future challenge.

- In general, institutional sustainability of the Project activities is expected to be high as they have been implemented in line with Vietnamese government’s strong and continuous commitment to enhancing aid effectiveness.
- FERD/MPI is committed to further upgrading and maintaining the IT system after the Project. The arrangement for due technical maintenance of the IT system is improving at the time of the Final Evaluation Study and is expected to be fully institutionalized in the near future. In particular, IT experts were newly assigned in the General Affairs Division and each Division has assigned an official with IT literacy to form an informal group for operationalizing the new workflow with the IT system. The company which developed the IT system of the Project has also been supporting the development/maintenance of FERD/MPI’s existing IT system as well as VAMESP 2-supported IT system. As the whole integrated IT system, including the portion supported by the Project, is expected to be maintained by this company as necessary in an integral way, the technical sustainability of the IT system can be said high.
- Many of the trainers trained through the Project have enough knowledge, skills and confidence to deliver lectures and facilitate discussions by themselves, which ensures high technical sustainability for organizing training courses after the Project completion.
- While some pilot LAs already have practice of continuing training courses by themselves, uncertainty remains as to the future arrangement for organizing training on ODA project planning in pilot LAs as well as non-pilot LAs. For ensuring sustainability, further efforts are necessary to strengthen the training arrangement at MPI level as well as at the individual LA level.
- With regard to dissemination of ODA procedures, the prospect for disseminating Japanese procedures is unclear due to the merger of JICA and JBIC.
- Some LAs as well as MPI already have ensured some budget, although not necessarily sufficient, for continuing Project activities after its completion. However, this is not necessarily the case for all LAs.
- The way of utilizing MPI’s ODA website (disclosure of the results of proposal screening and materials for the training course and workshop) will significantly influence the sustainability of all the Project activities as well as the prospect of further expanding the Project benefits to LAs.

#### 3-3 Promoting Factors

##### (1) Factors related to Planning

None.

##### (2) Factors related to Implementation Process

FERD/MPI’s strong ownership and close coordination with other donor-supported projects

#### 3-4 Hampering Factors

##### (1) Factors related to Planning

Ambiguous verifiable indicator for the overall goal

##### (2) Factors related to Implementation Process

Some of the Project activities were affected by the delay of the revision of the Vietnamese legal documents on ODA management.

#### 3-5 Conclusion

In line with the overall policy of Vietnamese government, the Project has been successfully implemented with strong commitment of all the stakeholders. Although some delay has been observed mainly due to

external factors, all the Project activities are steadily contributing to the achievement of the outputs and Project Purpose. On the condition that the current progress and efforts of the stakeholders are maintained, the Project Purpose is likely to be met by the time of Project completion. While some encouraging sign is emerging for achieving the overall goal, further consideration on the institutional arrangements after the Project completion will be necessary for scaling up the impact and ensuring the sustainability of the Project.

### 3-6 Recommendations

#### (1) Continued efforts for sustaining/expanding Project activities

In general, the Vietnamese side is recommended to sustain and further expand Project activities after the completion of the Project. In doing so, considering that the Project basically focused on the planning/screening stage of the whole ODA cycle, it is recommended that the Vietnamese side consider sustaining/expanding Project activities in consistency with its overall efforts for enhancing the ODA management capacity throughout the ODA cycle.

#### (2) Effective use of IT system through appropriate upgrade/maintenance

MPI is recommended to make effective use of the IT system developed through the Project through appropriate institutionalization. The system should be continuously upgraded responding to the needs of not only FERD staff as the main users but also LAs and donor partners. In order to maintain FERD's IT environment in general and to make best use of the IT equipment provided by the Project in particular, appropriate anti-virus measures should be taken. By the time of the Project completion, the Project team should conduct comprehensive quantitative survey that should be the basis for future monitoring of the situations of IT system utilization.

#### (3) Actual application of skills/knowledge of ODA project planning

For achieving the overall goal of improving ODA quality, it is critically important to actually apply the principles and expertise/skills provided through the Project in daily ODA-related work. Based on these principles and expertise, LAs are encouraged to submit ODA project proposals to MPI.

#### (4) Application of skills/knowledge to wider area of decision-making process

While, according to the PDM, the training conducted by the Project primarily intended to offer necessary skills for ODA project planning, it should be clearly recognized that those skills are also applicable to a wider range of decision-making processes including the formulation of national, sectoral and local development plans as well as public investment projects financed by Vietnamese government's own budget. MPI and LAs are encouraged to make use of the skills in such occasions.

#### (5) Continued organization of training activities

Under this recognition, further efforts for continuing training courses, disseminating training materials and mobilizing the expertise of the trained trainers should be made by MPI at the collective level and by LAs at the individual level. MPI is recommended to consider the way to disseminate good practices observed in some of the pilot LAs. The pilot LAs are recommended to provide the trained trainers with continuous opportunities to serve as trainers and thus contribute to further enhancing the capacity of related officials.

#### (6) Utilization of Project outputs in other ODA projects

MPI should ensure that the achievement of ODA project planning training is appropriately shared and incorporated with relevant ODA projects, including CCBP (training provided by Centers of Excellence) and other JICA-supported projects (such as Project for Socio-Economic Development Planning Reform in Hoa Binh Province).

#### (7) Further clarification of ODA procedures through intensive institutional dialogue

It is recommended that the interrelationship between Vietnamese and Japanese ODA procedures, including its practical interpretation, be further clarified and, as a result, the mutual understanding between the two sides be further promoted. As the Japanese ODA procedures are expected to be uncertain due to the scheduled

JICA-JBIC merger, institutional dialogue between MPI and JICA Office (rather than Technical Cooperation Project) is important. Through this kind of dialogue, the ODA procedure manual prepared by the Project should be continuously revised as a living document.

(8) Strategic utilization of MPI's ODA website for better information sharing with LAs

In order to maximize the benefit of the Project achievements, MPI is recommended to make full use of its ODA website. In particular, the screening result of ODA project proposals from LAs should be posted on the website as soon as possible by MPI so that the LAs have better access to the information. Also, all the materials developed by the Project and currently posted only on CDOPP website (i.e. the training materials and ODA manual etc.) should also be available from MPI's ODA website for the convenience of LAs, based on the assumption that CDOPP website will be closed once the Project is completed.

(9) Clarification of the verifiable indicators for the overall goal

In preparation for the ex-post evaluation for the Project (scheduled around three years after the Project completion), clearer and more concrete indicator(s) for measuring the achievement level of the overall goal ("Quality of ODA in Vietnam is improved") should be considered. This exercise should be undertaken by all the Project stakeholders, from both Vietnamese and Japanese sides, by the time of Project completion.

3-7 Lessons learned

(1) Importance of "ODA management" perspective

The Evaluation Teams reaffirmed the importance of "ODA management" as a cross-cutting issue. While technical cooperation that directly addresses this issue would be useful, even in those projects that have sectoral orientation, this aspect should be paid enough attention. More specifically, for formulation and implementation of every ODA projects, it is worth considering including a component of strengthening basic ODA management capacity.

(2) Trade-off between competitiveness and sustainability in the subcontractor selection process

With regard to IT system development, from the viewpoint of sustainability, it is appropriate to make a subcontract with the software company the recipient government already has transactions. This finding seems to contain some controversy in relation to JICA's current procurement practice where generally fairness/competitiveness of the subcontractor selection process needs to be ensured. Further institutional consideration might be necessary to settle this "trade-off", paying due attention to the "use of country system" argument advocated in the global Aid Effectiveness debates.

(3) Active utilization of local experts

Active utilization of local experts is effective and efficient especially for those technical cooperation projects like this that aim to transfer and disseminate relatively universal expertise/skills.

(4) Importance of ownership of counterparts and close partnership between the counterparts and the Japanese experts

In general, the Project was implemented under the strong ownership/leadership of the core counterparts and close partnership between the counterparts and the Japanese experts. The Evaluation Team reaffirmed that these basic factors are prerequisite for the success of any technical cooperation projects.