

Internal Ex-Post Evaluation for Technical Cooperation Project

conducted by Vietnam office: January, 2014

Country Name	Support for the Capacity Building of Vietnam ODA Management
Socialist Republic of Viet Nam	

I. Project Outline

Project Cost	260 million yen	
Project Period	October 2005 – October 2008	
Implementing Agency	Foreign Economic Relations Department (FERD), Ministry of Planning and Investment (MPI) and other relevant agencies	
Cooperation Agency in Japan	PADECO	
Related Projects (if any)	<u>Cooperation by Japan</u>	
	<ul style="list-style-type: none"> • Long-term JICA expert to FERD/MPI (Aid Coordination, 2001 -) 	
Background	<u>Cooperation by Other Donors</u>	
	<ul style="list-style-type: none"> • Vietnam-Australia Monitoring and Evaluation Strengthening Project (VAMESP) Phase I and Phase II (AusAID, Technical Cooperation, December 2003 - December 2010) • Comprehensive Capacity Building Programme for ODA Management in Vietnam (CCBP) (World Bank, Technical Cooperation, December 2005 - December 2010) 	
Inputs	<p>Official Development Assistance (ODA) to Vietnam has been increasing over the last decade. Although ODA had contributed to promoting economic growth and improving the quality of people's lives, issues still remained on how to utilize ODA effectively. In order to improve aid effectiveness, the Vietnamese Government and donors were jointly taking several measures including the Partnership Group for Aid Effectiveness (PGAE), Vietnam-Australia Monitoring and Evaluation Strengthening Project (VAMESP) and Comprehensive Capacity Building Programme for ODA Management in Vietnam (CCBP). Topics to be addressed include alignment to the country system, simplification and harmonization of ODA related procedure, capacity building of project formulation, implementation of monitoring and evaluation, improvement of the regulatory framework and so on.</p> <p>Under these circumstances, the Vietnamese Government requested Japan for assistance to enhance the capacity and efficiency of ODA management at the Foreign Economic Relations Department, Ministry of Planning and Investment (FERD/MPI) and Line Agencies (LAs) with focus on the project formulation/ screening stage.</p>	
	Japanese Side	Vietnamese Side
Project Objectives	<ol style="list-style-type: none"> 1. Experts: 11 experts of 4 areas for short-term 2. Trainees received in Japan: 36 trainees 3. Equipment: 14.5 million yen 	
	<ol style="list-style-type: none"> 1. Staff allocated: 4 persons from FRED/MPI and 8 persons from LAs 2. Land etc. provided: Project office in MPI 3. Local Cost: Necessary expenses, including travel expenses for MPI staff and training courses/ workshops 	
	<p>Overall goal</p> <p>Quality of ODA in Vietnam is improved.</p>	
	<p>Project Objective(s)</p> <p>The capacity of ODA Management (on project formulation) is developed among the staff in charge of ODA in the Vietnamese Government (FERD/MPI and eight pilot LAs)</p> <p>Note: Eight (8) pilot LAs are Ministry of Transport (MOT), Ministry of Health (MOH), Ministry of Agriculture and Rural Development (MARD), and People's Committees of Hanoi City, Hoa Binh Province, Nghe An Province, Thua Thien-Hue Province, and Ho Chi Minh City (HCMC).</p>	
<p>Output(s)</p> <ul style="list-style-type: none"> • Project management and implementing mechanism are established. • Working environment for ODA management at FERD/MPI is improved by the usage of IT. • Knowledge on ODA procedures and basic skills on project formulation are enhanced among staff of LAs. 		

II. Result of the Evaluation

Summary of the Evaluation
<p>MPI is the key agency in mobilizing, coordinating and performing the Vietnam State management of ODA as well as in guiding Line Agencies (LAs) in preparation and formulation of ODA-funded programs and projects. However, several problems in the project formulation stage were observed in MPI and LAs such as (i) inefficient work practice and utilization of unformed document, (ii) limited information sharing within the organization, (iii) unfamiliarity with ODA procedures and preparing overlapped documents for Vietnamese government and donors, (iv) low quality of proposal documents, and (v)</p>

work culture in Vietnam, which led to a prolonged project formulation in LAs and screening process in MPI.

The project has somewhat achieved the project purpose of developing the ODA project formulation capacity for the staff of FERD/MPI and eight (8) pilot LAs at the time of project completion. However, IT system (ODA-MIS) has not been sustained after the project completion. Regarding the overall goal, it was partially achieved since the quality of project proposals and handling speed seem to be improved at time of ex-post evaluation. However, it is difficult to say the result clearly reflects the project contribution to overall goal where other donors have been also involved. As for sustainability, the project has some problem in technical aspects and a major problem in financial aspect due to lack of budget and experts to sustain the IT system in MPI. For relevance, the project has been highly relevant with Vietnam's development policy, development needs, as well as Japan's ODA policy. For efficiency, the project period slightly exceeded the plan.

In the light above, this project is evaluated to be partially satisfactory.

1 Relevance

This project has been highly relevant with Vietnam's development policy ("improvement of aid effectiveness and efficiency" in the ODA Strategic Framework 2006-2011 and 2011-2015), development needs ("capacity development of the Vietnamese government at central and provincial levels on planning of ODA projects/programs) as well as Japan's ODA policy ("institutional development through capacity development of government officers"), at the time of both ex-ante evaluation and project completion. Therefore, relevance of this project is high.

2 Effectiveness/Impact

The project has somewhat achieved the project purpose and its overall goal. For the project purpose, the capacity development of ODA Management on project formulation for the staff of FERD/MPI and eight (8) pilot LAs was achieved at the time of project completion in October 2008. All of FERD/MPI interviewees perceived saved time of screening after introduction of the ODA Management and Information System (ODA-MIS) ^(Note 1) to some extent. LAs also became able to apply the skills and knowledge acquired through the project's seminars and activities to the formulation of new project proposals. At the time of ex-post evaluation, however, there is a fact that the ODA-MIS has not been functioning since 2010 due to the lack of budget and maintenance manpower in MPI. While it hinders proposal screening work within FERD/MPI to some extent, training materials developed by the project, face-to-face consultation and information sharing through the department's periodical reporting (such as regular meeting within FERD) have partially brought about the expected outcome of improvement of proposal screening. For example, the training materials by the project have been integrated into the existing training modules of MPI Training Centre and MOT Training College and further disseminated to central ministries and provincial government through the ODA management training conducted by five government training institutions ^(Note 2). Further, according to the interview with FERD/MPI staff, they still recognize that reference information for proposal formulation became more easily accessible and that their obtained knowledge and skills from the Project were helpful in improving their work quality. In practice, they transfer these knowledge and skills to their colleagues whenever necessary through meetings and consultations. The staff has a perception that these knowledge and skills led to better quality of the proposals and higher speed of handling documents in comparison with the situation before the project implementation.

For the overall goal of improving the quality of ODA in Vietnam, the interview with the major donors indicates that they perceive the quality of proposals submitted by the Vietnamese government has been considerably improved. However, it is difficult to say the result clearly reflects the project contribution to overall goal where other donors have been also involved. Moreover, considering the fact that one of the project components, ODA-MIS, is not working after the project completion, project objective is not fully achieved at the time of ex-post evaluation. Therefore, the effectiveness/impact of this project is fair.

Note 1: ODA-MIS was developed based upon integration of the existing systems in MPI such as Development Assistant Database and IT systems developed by VAMESP II.

Note 2: The training materials developed by this project were integrated into the training textbook named "the Manual for ODA Project Management" developed by CCBP which covers comprehensive skills and knowledge for ODA management including the topics of project planning/formulation, implementation, monitoring and evaluation. After termination of CCBP, the ODA management training has been carried out and the same textbook is utilized, by the five government training institutions (MOT' Training Center; MARD's Training Center; MOF's Financial Institutes in Hanoi and HCMC; Cadre's Training School of HCMC People's Committee)

Outcome	Indicator (Target Value)	Actual
Overall Goal: Quality of ODA in Vietnam is improved.	Projects with substantial benefits are implemented effectively in Vietnam.	(At the time of ex-post evaluation in 2012) Results of interviews with a number of active donors in Vietnam such as World Bank, ADB, KOICA, AusAID, GIZ show that the quality of proposals submitted by the Vietnamese government has been considerably improved, which has resulted in the increased rate of proposals accepted by donors. However, the indicator for overall goal was abstract, and thus the degree of its achievement remained unclear.
Project Purpose: The Capacity of ODA Management on project	[FERD/MPI] (1) More than 70% of the FERD/MPI staff at regional divisions complete screening	(At the time of project completion in 2008) Results of interview with FERD/MPI show that all of respondents feel saved time of screening after introduction of

formulation is developed among the staff in charge of ODA in the Vietnamese Government (FERD/MPI and eight pilot LAs)	work and prepare designated documents by spending less time than before the ODA Management and Information System (MIS) introduction.	ODA MIS to some extent. Also all respondents feel ODA-MIS's usefulness of (i) collecting information on historical projects and other proposed projects, (ii) communicating and sharing information with other FERD/MPI divisions and LAs, and (iii) helping avoiding duplication of projects and consolidating effective projects in ODA Requesting List. However, since 2010 the ODA-MIS has not been functioning due to the lack of budget and maintenance manpower in MPI.
	(2) More than 70% of the FERD/MPI staff fell that the quality of proposal screening work has been improved as a result of the introduction of ODA-MIS and IT maintenance system and website upgrade.	
	[LAs] (1) Some LAs submit project proposals by using acquired skills and knowledge and apply them to other practical work.	7 out of 8 LAs responded that the skills and knowledge acquired from the project were useful and could be applied to their practical work including the formulation of new project proposals.
	(2) The Vietnamese side sets necessary arrangement to continually launch training course and workshops.	The training materials developed by the project were used by CCBP as a module on project formulation and planning in CCBP's training toolkit which has been transferred to MPI's Training Center and MOT Training College after the completion of CCBP.

Source: Terminal Evaluation Report (Sep. 2008), Project Completion Report (Oct. 2008) and information provided by MPI and donors.

3 Efficiency

While the inputs were appropriate for producing the outputs of the project and the project period was within the plan (100%), the project cost was slightly higher than the plan (104% against the plan) because of the increase in the number of nation-wide seminars. Therefore, efficiency of the project is fair.

4 Sustainability

As for the policy aspects, the improvement of ODA management is one of the priority areas in the ODA Strategic Framework 2011-2015. As to the structural aspect, the structure of implementing agencies has been sustained in a similar manner even after the project and it is presently confirmed that there would be no changes in the structural aspects of the implementing agencies. Regarding the technical aspect, the Japan's ODA Procedures Manual developed by this project has been widely in use in LAs as their key reference for project formulation. Besides, this manual was integrated to the training textbook of the ODA management, which has been utilized as a key training material by the five government training institutions. However, Nghe An Province and Hoa Binh Province have limitation in maintaining knowledge and skills transferred from the project in their organizations due to difficulties in organizing the internal training continuously by the trainers from the project. Regarding the financial aspects, a lack of budget to maintain and update the ODA-MIS and organize the training courses was observed. From these findings, there are some issues observed in technical and financial aspects. Therefore, sustainability of this project is fair.

III. Recommendations & Lessons Learned

Recommendations for Implementing agency

- Since IT-related components often get out-dated quickly and surely requires certain budget for operation and maintenance, it is suggested that Vietnamese agencies thoroughly consider possibility of securing appropriate O&M budget for the post-cooperation period.
- As for the ODA-MIS developed by the project, FERD is recommended to consider incorporating outputs of these components into the new ODA Database that MPI is now working on.

Lessons learned for JICA

- Whereas, the problem of lacking budget by Vietnamese side for sustaining the ODA project outputs is quite common, especially for the project components relating to the development of software, database, IT-network. Thus, assistance to these kinds of activates should be carefully considered at the time of project formulation.
- In this project, there were issues regarding PDM setting, such as problems of logical causal relation between the project purpose and overall goal, and abstract indicators set for overall goal. The overall goal, "improvement of ODA quality in Vietnam", is a broad notion and there are many factors (e.g. other donors) that contribute to the goal. In addition, indicators for overall goal were too vague to judge the achievement. As a result, difficulties are observed in terms of evaluating the contributions of the project. Therefore, at the planning stage, it is strongly recommended to assess and clarify the role of Japan in case there are similar projects implemented in the focus area, and to set expected outcomes accordingly which are in line with project purpose and overall goal. Moreover, it is likewise important to establish indicators that properly measure the Project's effect for project purpose and overall goal respectively.