

# SRI LANKA: USE OF EVALUATION IN PUBLIC POLICY – SRI LANKAN EXPERIENCE

**BY VELAYUTHAN SIVAGNANASOTHY**

Secretary Ministry of Traditional Industries  
and Small Enterprise Development

**AND VAIDEHI ANUSHYANTHAN**

Assistant Director, Department of  
Foreign Aid and Budget Monitoring,  
Ministry of Finance and Planning

## INTRODUCTION

After bringing the three-decade-old war to an end, Sri Lanka has achieved many positive developments. Sri Lanka's economy has continued to grow at a rate of over 6 to 7 percent per year and, despite local and global challenges, has successfully reduced its level of poverty from 22.7 percent in 2002 to 7.6 percent in 2010. Sri Lanka has achieved near universal literacy and has made remarkable progress in social development (reducing maternal and infant mortality in particular), and is well on track to achieve the Millennium Development Goals.

His Excellency the President Mahinda Rajapaksa devised the 'Mahinda Chintana—Vision for the Future', which sets out the government's development strategy for a planned period through 2020. The development strategy focuses not only on higher economic growth, but also on higher quality of growth in each sector and on poverty reduction. The thrust of this national development strategy is to share the benefits of economic growth across all segments of society with equity, social inclusion and environmental sustainability. Sri Lanka is concerned with the need to efficiently and effectively manage public expenditures to achieve better outcomes and results. As such, monitoring, evaluation and results-based management approaches were given high priority in the public sector.

Sri Lanka is one of the few countries in the world that has had a separate ministry for monitoring and evaluation for a long period of time. This oversight ministry was known as the Ministry of Plan Implementation. Although there was a need to reduce the number of ministries, the government continued to maintain a separate department for monitoring and evaluation functions—the Department of Foreign Aid and Budget Monitoring (DFABM).

## NATIONAL EVALUATION CAPACITY DEVELOPMENT

In the early 1990s, the then-Ministry of Plan Implementation established a Post Evaluation Unit (with the technical support of the Asian Development Bank). The major focus and the scope of the technical assistance included:

- Introducing appropriate methodology, techniques and procedures for post-evaluation<sup>2</sup> dissemination of findings to relevant officials;
- Engaging external consultants for short periods to assist in providing on-the-job training to officials of select line ministries and agencies, planners and evaluators and to assist in developing guideline and procedures for post-evaluation;
- Providing in-depth training for select senior staff at the Post-Evaluation Office of the Asian Development Bank; and
- Providing computers and ancillary equipment and software and developing a computerized evaluation information system for storing and retrieving post-evaluation findings.

Through this technical assistance, a core group of officials were trained on post-evaluation, and they have gained considerable skills, capabilities, knowledge and professional orientation in the field of post-evaluation. The technical assistance also helped to institutionalize post-evaluation within the government.

The mandate of the Post-Evaluation Unit was to undertake post-evaluation of completed projects and provide feedback to the planning, budgeting and policy-making process. The Asian Development Bank and UNDP supported the strengthening of the national evaluation system in government.

## NATIONAL EVALUATION ARRANGEMENTS

The Department of Foreign Aid and Budget Monitoring of the Ministry of Plan Implementation undertakes ongoing, ex-post and impact evaluations of selected mega-projects<sup>3</sup> and disseminates evaluation findings to concerned stakeholders. In undertaking evaluations, the Department gives due consideration to OECD-DAC (Organization for Economic Cooperation and Development–Development Assistance Committee) evaluation criteria (e.g. the relevance of the project strategy, efficiency of implementation, effectiveness, impact and sustainability). In order to maintain evaluation quality, the Department also considers the OECD-DAC Evaluation Quality Standards. On the invitation of donors, the Department of Foreign Aid and Budget Monitoring participates in joint evaluations with donors, which helps create national ownership and builds local evaluation capacity. The Department also

---

3. Evaluation of a development intervention after it has been completed. It may be undertaken directly after or long after completion. The intent is to identify the factors of success or failure, to assess the sustainability of results and impacts, and to draw conclusions that may inform other interventions.

4. Mega-projects are projects with a value of more than US\$5 million.

undertakes diagnostic rapid assessments through field visits of problem projects and submits flash reports to facilitate troubleshooting of projects that are behind schedule. Given the human resource constraints, the Ministry of Plan Implementation decided to outsource the evaluation of priority mega-projects.

## EVALUATION INFORMATION SYSTEM

In many countries, a key problem has been the inability to access evaluation information available on completed and ongoing development projects and programmes. Evaluation lessons and findings are important and useful to improve the quality of new projects and programmes, particularly as it helps to avoid past mistakes and builds on best practices in the formulation and design of new projects.

Having recognized the importance of the systematic use of evaluation and feedback arrangements, DFABM took action to establish a Web-based Post-Evaluation Information System to ensure effective dissemination of evaluation findings, lessons learned and findings synthesis. This evaluation information provides sector-wide synthesis in order to ensure more effective feedback and to assist in integrating evaluation findings into planning, budgeting and policy-making processes. Public availability of evaluation reports through the Evaluation Information System is expected to improve public accountability and transparency.

Evaluation answers questions of what works, in what context does it work, and what does not work and why. The responses are important for planning and programming and contribute to development effectiveness. The Evaluation Information System enables development practitioners to access evaluation information anywhere and at any time, thus empowering them to make evidence-based development decisions. The establishment of the Evaluation Information System is considered a critical milestone in the Sri Lankan evaluation initiative, as it is expected not only to improve aid effectiveness but also to promote a learning culture. UNDP extended support for developing the System.

## POLICY EVALUATION: EVALUATION OF THE IMPLEMENTATION OF THE PARIS DECLARATION ON AID EFFECTIVENESS

Sri Lanka strongly believes that the five principles of the Paris Declaration (national ownership, alignment, harmonization, managing for development results and mutual accountability) are fundamental to improving aid and development effectiveness. In 2009, DFABM (with UNDP support) evaluated the implementation of the Paris Declaration on Aid Effectiveness. An evaluation reference group was formed to advise the evaluators on the design and practices of evaluation, and a management group coordinated the evaluation.

The evaluation identified impediments to implementing the Paris Declaration and helped the Government of Sri Lanka take suitable actions to ensure effective implementation of Declaration principles. Moreover, the evaluation findings were fed into the global evaluation process, enabling the OECD-DAC Development Evaluation Network undertake a synthesis of the Paris Declaration evaluation in 8 countries and 11 donors. These findings were useful in formulating the Accra Agenda for Action at the High level forum on Aid Effectiveness, held in September 2008 in Ghana.

## SRI LANKA EVALUATION ASSOCIATION

The Sri Lanka Evaluation Association (SLEVA), as a civil society organization, plays a catalyst role in advocacy, awareness creation, training and helping to develop standards, ethics, methodologies and best practices to improve evaluation culture. Its membership comprises academia, researchers, private sector consultants, government officials and non-governmental representatives with an interest in evaluation. SLEVA works closely with DFABM in building evaluation capacity and culture in areas such as evaluation training, sharing evaluation best practices, supporting the organization of evaluation forums to discuss evaluation topics, holding international and national conferences on evaluation and promoting community of evaluation practitioners in the country.

## STRATEGIES TO STRENGTHEN NATIONAL EVALUATION SYSTEMS

DFABM has identified the following strategies to strengthen the National Evaluation System:

### **Sensitization of policy makers on the importance of the evaluation**

- Advocate and sensitize at the political and policy level on the importance of evaluation and ensure its acceptance and placement in key decision-making centres of the government in order to create local demand for monitoring and evaluation; and
- Ensure that evaluation institutions are linked to the planning, budgeting, resource allocation and policy functions of the government and that evaluation concepts are integrated into all areas of the development cycle.

### **Legal and budgetary support**

- Develop a legal foundation to make evaluation mandatory. Use law, decree, cabinet decision or other high-level pronouncements to legitimize evaluation concepts and results-based monitoring and evaluation systems;
- Provide sufficient financial allocations for developing evaluation in all line ministries; and
- Ensure that there is a balance between monitoring and evaluation. Preferably, separate evaluation from monitoring to ensure balanced resource allocation for evaluation.

### **Sound institutional arrangement**

- Strengthen institutional arrangements to place evaluation in a strategic location and to ensure its effective feedback; and
- Establish links between evaluation exercises and performance audit exercises by encouraging partnerships between evaluation institutions and performance audit institutions (e.g. Auditor General's Department) with regard to accountability-oriented evaluations.

### **Standards, ethics and guidelines (quality of evaluations)**

- Develop evaluation standards, guidelines and ethics to ensure high-quality evaluations. Ensure scoping sessions are conducted to clarify the evaluative questions, to ensure that the potential users' needs considered and that the timing of the evaluation is appropriate;
- Encourage the National Evaluation Association to actively promote evaluation culture; and
- Develop standards and criteria for good evaluation in collaboration with civil society (e.g. SLEVA) and undertake meta-evaluations to ensure quality evaluations.

### **Strengthen evaluation guidelines and systems**

- Strengthen localized guidelines for systematic evaluations.

### **Strengthen methodologies and practices**

- Make evaluation a process within the development policy and project cycle. Expand evaluation to cover projects, programmes, sectors, policies and institutions. Encourage synthesis of project evaluations to provide sector-wide learning. Promote cost-effective rapid assessment methods under time, budget and resource constraints. Ensure that consistent, localized evaluation methodology and terminology are considered essential;
- Re-examine the approaches and tools for evaluating the multiple dimensions of development. Encourage the use of diverse or multiple methods and participatory methods for lessons learning utilization-oriented evaluations; and
- Encourage more joint evaluations instead of donor-driven evaluations in order to enhance ownership and facilitate more effective feedback.

### **Evaluation capacity development**

- Strengthen professional evaluation capacities within the government through continuous staff training;
- Promote in-country evaluation faculty development programmes in the Sri Lanka Institute of Development Administration (the government arm for training) and in universities at graduate and postgraduate levels; and
- Strengthen the documentation centre on evaluations, promote the exchange of experiences and access to best practices and sharing of databases.

### **Strengthen the feedback arrangements**

- Improve dissemination of evaluation reports through in-house workshops and seminars, customized reports, evaluation summary reports, press briefings and the Post-Evaluation Information System;

- Establish strong feedback arrangements among evaluation, planning, decision-making, policy formulation, project appraisal, programme management, budgeting and resource allocation functions;
- Ensure action is taken on the recommendations in evaluation reports. Wider dissemination of evaluation information should preferably be shared with the Parliamentary Committee on Public Accounts and the evaluation report should be placed in the library of the Parliament and disseminated to the media. User-friendly evaluation synthesis or summary reports should be widely circulated;
- Stimulate evaluation issues in the country's development dialogue and sector programme assistance. The evaluation units must have active involvement in the planning of new programmes; and
- Incorporate evaluation lessons into new project concept documents or project submission formats so that past mistakes are not repeated. Revise project submission formats to incorporate evaluation lessons of past projects.

The ultimate success of an evaluation depends on how well the planners and decisions makers utilize the valuable evaluation findings and lessons to improve future programmes, projects, policies and institutions.

## ISSUES AND CHALLENGES

In many countries, including Sri Lanka, the wider dissemination of evaluation findings continues to remain a challenge. Evaluation and planning institutions seem to function in isolation and do not have effective or formalized feedback arrangements to integrate lessons learned into the planning and design of new projects. These institutional gaps defeat the very purpose of evaluation. Therefore, it is necessary to establish strong linkages among evaluations, policy formulation, reforms, planning, budgeting and resource allocation functions. The Government of Sri Lanka has identified the need to establish strong feedback mechanisms.

While recognizing the demand side of the equation for creating local demand for evaluation with a utilization focus, the supply side of the equation that includes skills, procedures, methodologies, data systems and manuals must also be addressed—as is the need to focus on national evaluation capacity development. However, making evaluation information available does not necessarily mean effective utilization. It is hard to justify the existence of an evaluation system that is not utilized effectively. Sri Lanka was able to address some of these issues with the technical assistance support of the Asian Development Bank and UNDP.

It is necessary to examine the balance between learning and accountability. While independent evaluation is important for ensuring objectivity, too much emphasis on accountability-focused, donor-driven independent evaluation functions can constrain lessons learning and feedback. Hence, the Sri Lanka evaluation system recognizes the importance of lessons learning and ownership.

For too long, many countries have not adequately responded to the criticisms that

ex-post evaluations are done late and viewed as ‘post-mortem’ exercises that do not contribute much to strategic decision-making. It is necessary to recognize the importance of lessons learning and performance accountability. Increasingly, concurrent evaluations are encouraged for mid-course corrections. Also, the Sri Lanka evaluation system encourages donors to undertake more joint evaluations in order to ensure national ownership, lessons learning and capacity building.

Despite enormous methodological and technical challenges (e.g. attribution problems), it is recognized that institutionalizing evaluation is the way forward to ensure results orientation in development work. Moreover, development policy and aid tend to shift from projects and programmes to sector-wide approaches and as such, evaluation approaches need to cover policies, sectors and thematic areas on a country-wide basis. Policy evaluations, sector evaluations and thematic evaluations are becoming equally important and the Sri Lanka evaluation system has given much emphasis to such evaluations.

There has been a general tendency to monitor rather than to evaluate. It is necessary to give equal importance to evaluations by finding the optimal balance between the two activities. Sri Lanka is mindful of these aspects and evaluation is viewed from a wider country-based context.

## CONCLUSION

Sri Lanka strongly believes that an evaluation’s utility is the prime criterion for judging its worth, regardless of its technical, practical or ethical merit. In order to have an impact, evaluation activities need to be disseminated and communicated, which will ensure behavioural changes and action. Hence, the wider use of evaluation findings in planning, budgeting and policy-making processes is considered fundamental to ensuring development effectiveness.