

# EVALUATION OF THE BOLIVIA COUNTRY PROGRAMME 2000-2004

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*The internal quality of the programme has generally been very good. The programme has also been very influential. However, its external effectiveness and contribution to development outcomes has been more limited. This is largely due to difficult development context, and the small size and dispersal of the DFID programme relative to its objectives.*

## The Country Programme Evaluation

1. This is the report of an evaluation of the Department for International Development, UK (DFID) country programme in Bolivia between 2000 and 2004. Bilateral expenditure over this period, when DFID has been the eighth largest donor, amounted to around £37 million.
2. The evaluation had three main objectives: to provide an account of the performance of the programme over this period; to derive lessons for DFID programmes in Bolivia, Latin America and more widely; and to refine and develop a 'light' approach to country programme evaluation (CPE).
3. This evaluation has used two main criteria for assessing the performance of the Bolivia programme: internal quality (strategy, relationships and portfolio) and external effectiveness (project results, influence and contribution to outcomes).
4. The **internal quality** of the programme has generally been very good. Its strategy has, for most of the period, been clear, relevant and appropriate. The emphasis on rights and social inclusion was very timely and the emphasis on strategic engagement and harmonisation was correct. However, the objectives were too broad and over-ambitious relative to the resources available.
5. The portfolio of activities was also generally appropriate and relevant, although activities were too widely spread and programme-level monitoring has been weak. Rights, gender and HIV/AIDs, while receiving focused attention in some initiatives and areas, have not been systematically mainstreamed.

## Main Findings

6. DFID has built up good working relationships with a wide and generally appropriate range of government, donor and civil society partners. Some of its relationships with civil society and some of the difficult issues it has been prepared to address, have created tensions with other partners. DFID was right not to be dissuaded by this and to continue working with a wider range of civil society than most donors. However, its choice of partners and its political judgement has not always been sufficiently well informed.
7. DFID's perceived strengths as a development partner far outweigh its weaknesses. It was generally perceived to be clear, committed, strategic, risk-taking, innovative, open, flexible and participatory. Its staff of knowledgeable, specialist and experienced advisers was a major asset. DFID was also criticised for the opposite attributes, but this was less frequent and related to different events, advisers or periods. The Middle Income Country (MIC) cuts in November 2003 have been damaging to DFID's reputation and have undermined some of the positive achievements made since 2000. The sustainability of the results achieved to date and of the programmes that have recently started, is a concern.
8. DFID's **external effectiveness** has been more mixed. Its projects vary widely in their performance. Some of the smaller initiatives, particularly those funded by the Strategic Impact Fund (SIF), have been very successful. Some of the larger expenditures, such as budget support, have been less successful. However, DFID has been extremely influential. One observer remarked that *'DFID has had more influence per dollar than any other donor in Bolivia'*. It has also played a very positive role in donor coordination and harmonisation.
9. The difficult period since 2000, and more long-standing development constraints, has meant that progress towards outcomes has been limited, although social exclusion has diminished following civil unrest in 2003. DFID's contribution to these changes has been significant in some areas, but has been low overall because of the small size of the programme and the dispersal of its resources. DFID's objective of supporting the Poverty Reduction Strategy (PRS) was undermined by unforeseen events and a low level of national ownership. The Country Strategy Paper (CSP) goal of a sustainable change in state-society relations has not been achieved. A much longer commitment to Bolivia, and a more consistent effort from both government and donors, are required for significant progress in this area.

### **Lessons for the Andean Office and the Regional Assistance Plan**

10. The Regional Assistance Plan 2004-2007 (RAP) is, like the 2002 CSP, an ambitious document. However, a lot of what made DFID an influential partner during 2000-2004 will be much reduced, or will fade away, from April 2005: balanced country-level relationships and experience with government, civil society and donors; some long-term sectoral engagement; significant bilateral funds; and a sizeable in-country office. This will be a significant challenge for the new DFID Andean office. There is a risk that DFID's bilateral presence and budget will simply be too small for DFID to be an effective player in relation to the Inter-American Development Bank (IDB) and the World Bank (WB) in three countries.

11. The evaluators conclude that Andean Office should start by working to one objective and one focal area in one country. DFID has to become a niche player. Given the emphasis in the RAP on poverty, inequality and social inclusion it will need to work with a careful and wide selection of civil society partners, having developed a clear and sensitive political policy.
  - v. Sectors and projects matter. Country programmes need a mix of development instruments.
12. The IDB and WB are the focus of the RAP. DFID will need to be clearer than it was in the Bolivia programme about what it wants to achieve, how it wants to achieve it and how it can monitor this. To be effective, DFID may have to be prepared to be more independent and critical. Its strategy needs to focus on objectives not relationships per se.
13. With fewer of its own resources, DFID will need to work better with other UK resources. It needs to build a better working relationship with the Foreign and Commonwealth Office, UK (FCO) and to maximize coordination with UK Non Governmental organisations (NGOs).

### **DFID response (by Latin America and Caribbean Dept and DFID Bolivia)**

This is a comprehensive, clear and good quality report that makes what we think is a fair assessment of DFID Bolivia's work over the past four years. We do not necessarily share all the conclusions and judgements of the evaluation team, but we feel that the assessment was done in a transparent and thorough manner given the limited time available.

The lessons for DFID are relevant and useful and we accept most of them. They do, however, need to be qualified by the fact that this was a 'light touch' evaluation. It was done with fewer resources and more quickly than a typical country evaluation.

The decision to use a lighter approach was driven by the relatively small size of the programme. However, it means that the CPE provides a limited basis on which to question policy directions in the Regional Assistance Plan that had been carefully considered and debated by DFID officials and with Ministers during 2004.

A specific area we would challenge is on the lessons for the Andean office,

- We agree that it is essential that DFID play a "niche role" by focusing on a very limited range of objectives in delivering its Regional Assistance Plan. However, we do not believe that the evaluation provides sufficient justification for its assertion that only one thing in one country should be done (para 6.10.2 in main report). While we accept that it will be challenging, we think the Regional Assistance Plan is

### **Lessons for DFID**

14. The evaluation suggests five more general lessons for DFID:
  - i. Development is a political process. Becoming more political, as implied by a rights-based approach, has significant implications for the way DFID operates.
  - ii. Broader national ownership is more important than government ownership.
  - iii. DFID needs to recognize the cost of change and plan better for it.
  - iv. A well-staffed country office was DFID's major value added.

robust, provided we adopt different ways of working.

- We see working with civil society and with multilateral partners as key to this and note the comments on the Partnership Programme Agreements.

Finally, there are a few detailed issues where DFID Bolivia would like to add their own perspective to the assessment by the evaluation team:

- Agree that the programme was ambitious and that focus was an issue, but difficult decisions were made during 2003 to address this - for example withdrawal from the health sector.
- The impact of the Middle Income Countries (MIC) cuts was indeed very significant, but after that the team made

strenuous efforts to rebuild morale and maintain productivity.

- The assessment of low impact and contribution in some areas (for example governance) may be premature as it is rather early to judge the impact.
- DFID did provide leadership on HIV & AIDS, notwithstanding the fact that because of low prevalence rates this was less of an issue in Bolivia. The team acted to raise awareness on this issue in a number of ways.
- The assessment of the NEDD project has to be seen in the context of extreme mistrust between the Government and civil society post October 2003. There was a vacuum in the area of coordinated donor support to conflict reduction.

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## DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

The Department for International Development (DFID) is the UK government department responsible for promoting development and the reduction of poverty. The government first elected in 1997 has increased its commitment to development by strengthening the department and increasing its budget.

The central focus of the government's policy, set out in the 1997 White Paper on International Development, is a commitment to the internationally agreed target to halve the proportion of people living in extreme poverty by 2015, together with the associated targets including basic health care provision and universal access to primary education by the same date. The second White Paper on International Development, published in December 2000, reaffirmed this commitment, while focusing specifically on how to manage the process of globalisation to benefit poor people.

DFID seeks to work in partnership with governments which are committed to the international targets, and seeks to work with business, civil society and the research community to this end. We also work with multilateral institutions including the World Bank, United Nations agencies and the European Community.

The bulk of our assistance is concentrated on the poorest countries in Asia and sub-Saharan Africa. We are also contributing to poverty elimination and sustainable development in middle income countries in Latin America, the Caribbean and elsewhere. DFID is also helping the transition countries in central and eastern Europe to try to ensure that the process of change brings benefits to all people and particularly to the poorest.

As well as its headquarters in London and East Kilbride, DFID has offices in many developing countries. In others, DFID works through staff based in British embassies and high commissions.

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