

Evaluation Report Title: Evaluation of the Pilot Project of Result-Based Aid in the Education Sector in Ethiopia.

Response to Evaluation Report (overarching narrative)

Mott MacDonald Limited acting through Cambridge Education was commissioned by the UK Department for International Development to undertake a **process tracing and impact evaluation of the results-based aid (RBA) pilot in the Ethiopian education sector (2012-2014)**. It considered if, how and in what circumstances the RBA pilot contributed to the results envisaged in the Memorandum of Understanding (MoU) agreed between DFID and the Government of Ethiopia (GoE).

This was a pilot programme, which put learning at its centre. It was set up to test a previously untested theory of change and aid modality. Lessons generated from this and other pilots will be disseminated and incorporated into guidance and best practice as appropriate. The pilot sought to enhance access to - and the quality of - lower secondary education, which includes grades 9 and 10, among boys and girls, particularly in Ethiopia's developing regional states. In particular, the RBA pilot was intended to increase the number of grade 10 students sitting and passing the Ethiopian General Secondary Education Certificate Examination (EGSECE) - 10th Grade National Examination in 2012, 2013, and 2014.

The main purpose of the evaluation was to assess the extent to which the changes realised in the number of sitters and passers could reasonably be attributed to the RBA pilot and whether RBA is an effective use of foreign aid to achieve development goals. The evaluation also considered the relationship between the RBA incentive, government and donor behaviour, and how this impacted on results. The pilot was extended for one more year, but the evaluation measured progress and results until the 3rd year only.

This aid modality followed the Paris Principles on Aid Effectiveness and maximised the level of ownership and responsibilities of the government in making decisions on how they achieved national goals and objectives. This helped the Government of Ethiopia to deliver its priorities in education and there is evidence that shows increases in the number of sitters and passers of grade 10 students in the years 2012, 2013 and 2014. This, in turn, made the Ethiopian Government eligible for £15.6m of RBA funds from DFID.

However, the evaluation was unable to detect evidence that the increases in the numbers of the grade 10 examination sitters and passers, either in the emerging or non-emerging regions, were attributable to the RBA pilot. Moreover, while some of the gender inequalities were reduced during the pilot period, the evaluators did not find evidence that the RBA pilot accelerated progress towards gender equality. There are a number of factors that might have contributed to the increase in the number of grade 10 exam sitters and passers outside of the pilot. Among these is the increasing student enrolment linked to other GoE or donor-funded interventions. It was also not possible to calculate how many sitters and passers were directly attributable to RBA (rather than achieved by other means) because of the absence of a real counterfactual. This was because the GoE wanted to roll the programme out nationally due to its equity policies, which meant there was no way of revealing what results would have been without RBA.

Furthermore, the success or failure of the RBA interventions was assessed through norm-referenced examinations, which measures a student's performance relative to other students rather than scrutinising the level of proficiency of respective students against set criterion.

It is important to clarify that a lack of evidence for RBA causing these results does not imply that no results were obtained. The independent verification process was robust and all payments were made on evidence of the results occurring. The funding received through RBA was used by the Government to help improve the quality of education in Ethiopia.

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Recommendations	Accepted or Rejected	If “Accepted”, Action plan for Implementation or if “Rejected”, Reason for Rejection
<p>If the pilot were to continue to year 5, DFID and GoE should increase the premiums for girls and emerging regions based on the analysis of the challenges they continue to face and the use made of the RBA rewards to date.</p>	<p>Accepted</p>	<p>DFID Ethiopia decided not to continue the pilot after year four. However, increasing the premium of girls and the emerging regions will be considered for future RBA programming and will be shared as part of the lessons learnt.</p>
<p>Recognise that, in switching to an RBA approach, expectations of speedy changes in donor and recipient behaviour must be set, on both sides, against the background of many years of working in completely different and often incompatible ways.</p>	<p>Accepted</p>	<p>This point is noted and the information will be disseminated and incorporated into guidance and best practice as appropriate. This will also be considered in future education-related programming that DFID undertakes.</p>
<p>Recognise that vigorous local ownership and engagement with a new approach such as RBA are a prerequisite and ensure that awareness, buy in, and ownership exists along all levels of stakeholders before implementation begins.</p>	<p>Accepted</p>	<p>As above.</p>
<p>When working in a new context, recognise that transaction costs for verification, communication, monitoring, and evaluation are likely to be high. RBA does not create capacity to administer a reward-based system, but such capacity is prerequisite for success.</p>	<p>Accepted</p>	<p>This point is noted and will be considered for future support as deemed appropriate. DFID-E is committed to share its lessons with – and learn from - from other donors applying RBA such as the World Bank’s Payment by Results approach.</p>

Reward payments should be based on increases above the trend over some previous period (perhaps five years) rather than the change from the previous year.	Accepted	As Above.
Financial and capacity- building pump priming should be considered to allow the initial progress to be made and rewarded.	Accepted	As above
Reward payment should not be based on the number of passers of norm–referenced examinations like the EGSECE.	Accepted	This point is noted and will be considered for future support (if there is a support, which uses a similar approach to RBA). Moreover, the team will explore the relevance and appropriateness of other assessment techniques. These include criteria-referenced examinations such as National Learning Assessments and Early Grade Reading Assessments to acquire quantitative evidence as well as inspection results for qualitative assessments.
In relation to VFM, recognise that the context of RBA is new, with no right or wrong ways of thinking about VFM, only different interpretations. If DFID wishes to compare the cost effectiveness of its interventions, it should ensure the use of common measures and methods across the interventions.	Accepted	This point is noted and the information will be disseminated and incorporated into guidance and best practice as appropriate. Should the same approach be applied to deliver aid in Ethiopia, a more thorough political economy analysis in the context of RBA will be employed. DFID will also integrate more robust M&E mechanisms, including methodologies that allow valid comparisons between intervention and non-intervention groups.