

AGENDA ITEM IX.
Ideas and plans for collaboration

Room Document 15.

Update on budget support evaluations

This document has been prepared by the EC *for discussion* at the 16th meeting of the DAC Evaluation Network.

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Progress in 2013

Following discussions some years ago in EVALNET on the evaluation of budget support operations, a Steering Group was set up with the European Commission as chair to develop a robust methodological approach. Full details of the approach developed are available on the Network website. The approach was successfully tested in three pilot evaluations (Tunisia, Mali and Zambia). The results of these evaluations are presented in the Evaluation Insight “Assessing the impacts of budget support” (October 2011).

In 2013, two further evaluations have been finalised, Tanzania and South Africa (with EU lead). The **Tanzania evaluation** is a key reference document in the discussions on the future of budget support to Tanzania and it has had an important impact on the way budget support is managed in the country.

Several events have been organised to draw this joint evaluation to the attention of the wider public. Besides the seminars organised in Dar es Salaam and Brussels, several EU Member States (Denmark, Ireland, Finland) have taken the initiative to organise separate meetings/ seminars at headquarters level, where the results of this evaluation have been discussed with their management. The results of Tanzania evaluation were also made known more widely through a number of video interviews, which have been sent to all interested stakeholders via the Network’s website. Several EU Delegations (e.g. Uganda, Namibia) have found the results of Tanzania evaluation very useful for their work and have encouraged us to disseminate the report as widely as possible.

Lessons learned from the two evaluations released in 2013

All evaluations of BS provide evidence that BS has made a contribution to the achievement of the agreed objectives with the respective government. The Tanzania evaluation shows that budget support tends to be very effective in situations where there is a need to scale up resources to address basic needs. The evaluation of budget support to South Africa shows that budget support can also be effective in situations where the funds represent a marginal proportion of the country’s budget.

However both South Africa and Tanzania evaluations show that besides the provision of funds, the policy dialogue and the capacity building measures have not been as effective as they could have been. As a result, in a number of important areas, weaknesses in policy design and in reform implementation have persisted.

On-going and planned evaluations

Two evaluations - Mozambique and Morocco - should be finalised by mid-2014 (with EU lead). One evaluation has just been launched: Burundi with Belgium lead (financed by EU) Five more should be launched in 2014: Sierra Leone with EU lead (financed by UK), Vietnam (Pilot Evaluation of budget support jointly managed by WB/EU), Uganda, Paraguay, Rwanda (all EU lead).

In addition, a full synthesis, including the results from Mozambique and Morocco BS evaluations, is planned to be finalized mid-2014 to be discussed in an open seminar in September – October 2014.