reports

DFID Department for International Development

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Evaluation of DFID Country Programmes: Kenya, 2000-2006

"The Country programme has been largely successful in delivering what it set out to achieve. The strategy is well aligned with Kenya's needs and significant development results have been achieved particularly in education and health."

S1 This evaluation examines the performance of the DFID country programme in Kenya from 2000 to 2006, to derive lessons for DFID in Kenya and elsewhere.

Key findings

S2 Following the disappointments of the Moi era, the Kenya country programme has been largely successful in delivering what it set out to achieve. The strategy itself was aligned with Kenya's needs and significant development results have been achieved particularly in education and health. In delivering this outcome DFIDK adopted a cautious approach to aid instruments mainly involving projects but moving towards Sector Wide Approaches (SWAPs) or sector budget support where the fiduciary risk allowed and there was evidence of Government of Kenya (GOK) reforms.

S3 The evaluation draws on secondary data, project reports and qualitative interviews. Apart from the education sector, rigorous quantitative or survey based evidence about development outcomes arising from DFID's programme is limited. This report notes the need to invest more systematically in impact evaluation to support policy advice. But from the reviews and studies that have been done, a positive picture has emerged.

S4 Project performance at completion indicates that just over 60% of the sample examined of portfolio was deemed to have been wholly or mostly successful. This is broadly in line with DFID's global performance (60-70% over the period 2003/06).

Programme content and process

S5 DFID strategy during the period was set out in a Country Strategy Paper (CSP) in 1998 and Country Assistance Plan (CAP) in 2004. The CAP draws constructively on drivers of change analysis for orientation but gives little detail about programme content or justification for sector engagement. References are made in both the CSP and CAP to DFID's historical programme in Kenya, and there is mention of comparative advantage, but without any supporting analysis. In common with other CAPs of the same era it lacks measurable objectives and indicators.

S6 Governance is rightly seen as an overarching theme. The governance strategy was well articulated, to work both on demand and supply-side issues.

S7 Service delivery is given a very light treatment in the strategy and the programmes in health and education are not explained in any detail, despite their large share of resources. Both have been innovative and effective. An interesting twin track approach has been used in health, to fund 'vertical' or 'commodity' programmes for bednets and condoms through non-government agents. These programmes scale up the fight against malaria and HIV/AIDS, alongside slower-paced support to sector reform, moving towards a future SWAp in health.

S8 Support to education included strategic Technical Assistance (TA) to support the development of a SWAp, continued long-running and highly regarded programmes in primary education and an innovative and effective funding mechanism for learning materials in the form of per capita grants at school level.

S9 The approach to pro-poor growth emphasised service delivery, continuing historical engagement in agriculture and lands with a move into policy engagement, but with no clear unifying theme across the sub-sectors and linkage to private sector development.

S10 The portfolio was rationalised over the period, with a reduction from 102 to 43 projects and increase in annual average disbursement.

S11 Staffing in the DFID K office, which changed role from a regional to a country focus early in the period, has reduced by 20% in five years, with a lowering of the average advisory grade level and greater involvement of Staff Appointed in Country (SAIC) staff in advisory and programming responsibilities.

Outcomes and programme effectiveness

S12 DFIDK support to governance has made a positive contribution to political accountability and a relatively peaceful election and political transition with examples of effective public information, civic education and advocacy. Support to state structures was generally less effective.

S13 The short-lived budget support operation in 2001 achieved immediate objectives of civil service retrenchment but was only half disbursed owing to unsatisfactory macroeconomic performance. Since then, non-budget support financial aid has been used effectively in education, but general budget support has been withheld under continuing concerns about political governance and high-level corruption.

S14 Support for public financial management has contributed to improved linkages between plans and budgets. Corrupt procurement practice remains an impediment, with slow uptake of a new procurement law.

S15 National statistics on health have been poor, but proxy indicators in the areas of DFID's work are encouraging; use of bednets has risen. DFID's approach has been more narrowly focussed than government sector priorities for essential health services.

S16 Continuity of approach has helped strengthen the National Aids Control Council (NACC) during a turbulent period, but there is a policy vacuum at high level. Statistics show rising condom use in urban areas and falling HIV prevalence in the 15-24 years age group.

S17 Results in education show a strong enrolment response to government's free primary education policy. Impact studies confirm significant benefits from DFID's long term support to innovative large scale programmes including school based text book procurement and primary teacher in-service training.

S18 Project results in agriculture and water were mostly satisfactory. The shift upstream to land policy has been effective; but support to agriculture needs clearer direction in the face of an ambitious sector strategy with uncertain ownership. DFID's historical experience is not informing the programme; and there is a scope for integration with other private sector work. Small scale support to environmental policy has been effective, but arms length engagement in water and sanitation has left concerns about the poverty orientation in the sector, given its key importance for the MDGs and rural poverty.

Lessons

S19 Governance issues have defined and constrained many aspects of the programme. The decision to have a predominantly project portfolio was an appropriate approach. Handling difficult issues of high level corruption has tested the office and they have responded by taking a leading role amongst the donor community. The relationship with the Foreign and Commonwealth Office (FCO) has strengthened and a joint strategy has been prepared that has increased the coherence in approach between the FCO and DFID.

S20 A positive feature has been the efforts to address and link the demand and supply aspects of governance simultaneously. DFIDs work with civil society and the private sector has also been a useful counterweight to working with the state. Trying to tackle governance with comprehensive reforms has not yet brought success. Experience in education suggests improving sectoral governance may be more feasible than generic system wide change.

S21 Consistent and clear policy influence through long-term TA has led to a good environment to move forward with a health sector SWAp and has brought stability to the NACC. For short-term gains the twin track approach of scaling up insecticide treated bednets and financing supplies of condoms was effective.

S22 Project support can successfully underpin SWAp development – the education programme shows the benefits of taking the longer view, designing to scale, building robust systems and capacity within government, alongside support to policy development. Joint impact evaluations have provided valuable lessons and evidence to support policy development. Good progress has been made at confronting corruption by eliminating discretionary spending at the centre, decentralising to the lowest practical level and providing high quality training to senior officers.

S23 The absence of a coherent approach across agriculture, natural resources, water supply and sanitation and private sector development has left a programme that has a disjointed set of activities and is taking on new areas of work, such as social protection before consolidating areas of proven experience.

S24 Whether or not to re-engage in water remains a challenge in view of the scale of water scarcity in Kenya, strong focus on water in White Paper 3, the Economic Recovery Strategy (ERS) and current status of performance towards MDG targets.

S25 The creation of strategic teams linked to CAP objectives and change impact analysis has helped the office focus on broad strategy but points up the gaps in results focus of the CAP and impact measurement on projects and advisory support that are needed to provide evidence to underpin policy advice.

Recommendations

S26 Eight recommendations are made in the report. Six are for DFID Kenya and two for headquarters.

Pro-poor growth: the office should develop a coherent pro-poor growth strategy which responds to the challenge of growing inequality.

Drivers of change: in view of the changing political landscape and response to anti-corruption, DFIDK should persist with the drivers of change approach and continue their efforts to extend political analysis further down to sector level as part of strategy development.

Governance: build on experience, exploit the potential with public service reform and consider how to link the reforms to financial performance incentives through the budget.

Harmonisation: to use the Kenya Joint Assistance Strategy and the Harmonisation, Alignment and Coordination initiative to explore innovative ways to harness resources to bring other development partners into joint working and sector leadership roles.

Support to evidence-based policy: to maintain the effective programme of support to national statistics, and make impact evaluation part of sector strategy for DFID's engagement with the MDGs.

General budget support: that DFID provides to the government of Kenya a clear statement of position about the commitments and action required by GOK that will enable consideration of budget support in future.

Two recommendations are directed towards DFID Headquarters. Country programme prioritisation: DFID should develop guidance that provides a coherent basis to assess priorities for engagement, recognising advisory support as a development input rather than just an administrative cost. Improved programme monitoring, that DFID introduces a results framework with monitorable indicators in the CAP and links to periodic sector or portfolio performance reviews where individual projects do not reach the £1m threshold.

Kenya Management Response

DFID Kenya welcomes this positive and helpful evaluation report. We are very grateful for all the hard work that has gone into this by the evaluation team and by Evaluation Department. The report itself and the collaborative evaluation process will help us in our further strategic planning and the preparation of the Kenya Joint Assistance Strategy and Results Framework during 2007.

We are pleased that the evaluation paints a successful story, especially on governance and the social sectors. As the recommendations note, however, we have no cause for complacency. Many difficulties remain in managing the programme in such a challenging environment. 2007 will be a particularly challenging and difficult year as Kenya heads towards a general election in December. This evaluation gives some comfort and support to our argument for continued engagement even in difficult environments and during difficult times and it shows that development outcomes can be achieved in such environments.

On staffing, the office has continued to contract and restructure not only in association with the devolution of other offices in the region but also in anticipation of and in response to the Comprehensive Spending Review and recommendations from the Zero-Based Reviews. The rationalisation of projects and changing ways of working is meaning greater reliance on SAIC and we are looking at a process of upgrading a number of posts across the office. We also anticipate taking on greater responsibility for the Somalia programme later in the year.

Governance is rightly seen as an overarching theme and the New White Paper reemphasises and validates the attention we have paid to governance and anti-corruption work in Kenya. We will continue to exploit, as the recommendation suggests, a twin-track approach working on both the supply and demand side of good governance, emphasising and strengthening state-citizen accountability, build on experience and look for new innovative instruments where appropriate. Dedicated support to the Government's Governance Action Plan is one such possibility. We will look into the Bangladesh instrument to see whether this might offer entry points in Kenya.

On the other recommendations, we are developing a new **pro-poor growth paper** as suggested which is looking at options of responding to inequality in Kenya and we are considering further ways of restructuring and streamlining the team to deal with this agenda including whether we remain engaged in the agriculture and land sectors, and further developing the social protection programme.

We think that we have **mainstreamed the drivers of change approach to the sector**

level and we think this should be noted as a success. This recommendation is drawn from a Drivers of Change paper which is now nearly 2 years old and has been acted upon e.g. in agriculture, investment climate, and regional growth. But we fully accept the need to continue to draw on drivers of change analyses in our policy and programme development.

We are not clear what was missing from our existing statements **in terms of Making a clear and objective policy statement on General Budget Support.** The Government are aware of where we stand and what the impediments to moving to PRBS are. We will however, as part of the emerging **Joint Assistance Strategy**, include statements that look at funding scenarios and aid instruments which seeks to increase donor predictability with the Government of Kenya.

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

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