

EVALUATIONS OF GERMAN DEVELOPMENT COOPERATION WITH AFGHANISTAN

What we already know about the success of development cooperation with Afghanistan and what we should know

Executive summary

Previous evaluative studies of the German Federal Ministry for Economic Cooperation and Development's (BMZ) Afghanistan portfolio have examined and assessed the outputs of projects. However, to date, the evaluation results did not provide much reliable evidence as to whether the desired effects (outcomes and impacts) were in fact achieved in the target groups. This can be explained by the country's precarious security situation which makes it difficult – although not impossible – to perform impact analyses.

Moreover, the fragmented Monitoring and Evaluation system (M&E System) currently in place makes it difficult to compare project reviews, as well as to record progress at the sectoral and national level.

For the first time, the BMZ's new Afghanistan country strategy (2014 to 2017) defines clear objectives and indicators for the five priority sectors of German cooperation with Afghanistan. An important prerequisite has thus been created for impacts to be recorded more systematically beyond the project level. Nonetheless, further steps are still necessary to ensure that the strategic steering of the BMZ's portfolio benefits from this new conceptual approach:

- Subgoals and indicators for projects and programmes should be linked consistently to the objectives and indicators of the BMZ's country strategy.
- Starting now, adequate baseline data will need to be collected in order to facilitate the monitoring of goals over the next few years.

- Decentralised data collection should be subject to a centralised quality assurance mechanism, for instance by the M&E unit in Kabul.

In addition to the BMZ, the Federal Foreign Office (AA) in particular, as well as other German ministries, are supporting reconstruction work in Afghanistan.

- A comprehensive evaluation of all aid interventions of the German Government in Afghanistan could provide important insights for aligning cooperation between the German actors in a coherent and complementary manner.

Ultimately, capacity development measures currently make up approx. 40 per cent of the BMZ portfolio in Afghanistan, although knowledge as to their impact is scant.

- An evaluation of German capacity development measures in Afghanistan would be of strategic importance for optimising German efforts in Afghanistan, and could also provide further insights in terms of development cooperation (DC) in fragile states.

Specific need for evaluation

With annual commitments totalling 430 million euros (of which 250 million euros are BMZ funds), Afghanistan is, in terms of volume, German DC's most important partner country. Thus, analysing the impact of German DC has become particularly urgent. Against this backdrop, what can the previously performed evaluations or evaluative studies tell us about the success of German DC in Afghanistan? Answers to this question can be found in a DEval evaluation report.

Outputs: largely positive results

The examined evaluative studies on financial or technical co-operation projects (and programmes) assess these as successful, although with some reservations. These assessments are largely based on evaluating project results (outputs). Outcomes and impacts are either just assumed or, at best, reviewed for plausibility.

Evaluative studies on German DC in Afghanistan

The DEval report investigates the type, scope, quality and usage of evaluative studies with regard to state cooperation with Afghanistan under the aegis of the BMZ. Information was not made available on the evaluation efforts of other German ministries engaged in civil reconstruction in Afghanistan.

- Since 2002, a total of 139 projects and programmes have been carried out or financed with federal funds by the GIZ and KfW Development Bank in Afghanistan. As of January 2014, there were 37 corresponding project evaluations. These include 21 project progress reviews by GIZ, 10 e-VAL reports, two so-called impact studies, and four ex-post evaluations by KfW.
- The examination of a representative random sample of 11 project evaluations showed that while the evaluative quality of the reports varies, on the whole the evaluative quality was viewed as acceptable. Doubts as to the impartiality of some assessments remain, as well as the lack of evidence regarding impact. Where evidence on impact was provided, plausibility was only partly reviewed well.
- On the strategic level two studies commissioned by the BMZ were examined more closely: A longitudinal impact assessment of DC in North East Afghanistan (which began in 2007) and a strategic portfolio review. Both studies served the BMZ as an empirical basis for the conceptualisation of the new Afghanistan country strategy.
- The results of the evaluative studies are utilised, although mostly only in the commissioning organisation.

The results of the project-related studies show that output indicators have improved significantly in the areas of good governance, sustainable economic development and water supply – all of

which are BMZ priority sectors in Afghanistan. Most evaluations of other bilateral and multilateral donors draw a similar conclusion regarding success on the output level. Accordingly, the evaluative studies suggest that Germany, as well as other donors, make a positive contribution to providing public goods and services to the Afghan population.

Limited empirical evidence on long-term development effects

However, this positive result contrasts with the fact that there is hardly any empirical proof for the effects (outcomes and impacts) of the DC projects or even the priority area programmes. The available evaluative work does not give much indication as to whether the services provided helped to achieve development goals. In order to make credible statements, impact analyses are of vital importance. For instance, installing new drinking water systems does not automatically mean improved general health, just as consulting and training measures do not necessarily lead to higher incomes or a better quality of governance. It has not yet been examined whether the interaction between measures has made a sizeable contribution to reducing poverty and conflict, or also only to achieving sectoral goals.

There are two probable reasons why most evaluative studies are limited to the output level: firstly, the precarious security situation in the country renders field-based impact analyses difficult. However, this has been shown to be possible by the longitudinal impact assessment of the international CD in North East Afghanistan conducted in cooperation with the BMZ and the Freie Universität Berlin since 2007. Secondly, the high level of interest among the German public regarding the Afghanistan mission creates a constant demand for progress reports. Political pressure places the focus of attention to measuring and conveying output results that can be communicated effectively via the media. But this harbours the danger of hastily jumping to conclusions about the achievement of overarching goals.

The predominantly output-related evaluative work stands in contrast to the trend and impact assessment in North East Afghanistan. However, this study does not constitute an impact evaluation of German DC, as this study only draws causal attribution to the observed civil and political changes with regard to development measures in general and not to German DC specifically. This is also due to the lack of data drawn solely on German DC. Nevertheless, given that Germany is the main

donor in the area under examination, it can be assumed that the perceived changes are a result of Germany's commitment.

The study provides important insights into the Afghan population's perception regarding assistance, security and socio-economic change. Additionally, it shows a causal relationship between DC and the perceived security and sub-national governance of the investigated districts. According to those interviewed, international DC does reach the population and plays a positive role in providing basic services in many districts – especially in regard to drinking water, infrastructure, and school education. Furthermore, those polled acknowledged the contribution of the Afghan state in providing such public services. This positive perception contrasts with the perceived threat to security, which has risen sharply.

A new focus on impact evaluation

It is assumed that the German public attention to events in Afghanistan will diminish after the ISAF mission is concluded at the end of 2014. This provides a good opportunity to shift the evaluating practice towards a stronger focus on impacts. The BMZ's new Afghanistan country strategy provides the strategic framework for this: It formulates clear programme objectives (outcomes and impacts) for five priority sectors and equips them with corresponding indicators. In doing so, it creates the preconditions for a more coherent monitoring and evaluation practice aligned with overarching impact objectives for projects and priority area programmes.

Fragmented evaluation system

The M&E system of the measures supported by the BMZ in Afghanistan has, to date, been fragmented and complicates the usability of data for strategically steering the portfolio. At present, the individual evaluative efforts are uncoordinated. In many cases, baseline data – a precondition for measuring impacts – is inadequate, or not available at all. Standardised evaluation questions, which would make it possible to compare the success of individual projects, are rarely used.

The BMZ's new Afghanistan country strategy now provides the prerequisites for more systematically recording impacts beyond the project level, and harmonising the M&E system. The quality assurance of data collection could, for instance, be carried out by the BMZ-financed M&E unit in Kabul.

Portfolio resilience to security risks

With its strategic portfolio review the BMZ commissioned a further study with a strategic focus. This is in addition to the impact assessment in North East Afghanistan. This review examines the relevance of the BMZ portfolio, and assesses the shock resilience of projects with regard to security risks. The review came to the conclusion that the success of German DC is largely to be rated as at risk or at high risk. More precisely: 46 per cent of financial and 51 per cent of technical cooperation funded by BMZ from 2010 to 2013 fall into this range of being at risk or at high risk.

At the same time, it was revealed that projects which provide basic services flexibly and in line with demand are more resilient to shocks than projects which include extensive investments or aim at structural change. Furthermore, the review recommended that subnational administrative structures be strengthened, in order to guarantee state services for local communities, and also to enhance the legitimacy of the state.

Important strategic evaluations are still outstanding

To date, a comprehensive evaluation of the BMZ portfolio – and notably the entire German civil involvement in Afghanistan – has not been carried out. In addition to the BMZ, the Federal Foreign Office (AA) especially, as well as the Federal Ministry of the Interior, the Federal Ministry of Defence and the Federal Ministry of Food and Agriculture are involved in Germany's reconstruction efforts in Afghanistan. The following table provides information on the bilateral disbursements of the various ministries' Official Development Assistance (ODA) between 2007 and 2012. From the total of 1.66 billion euros which were disbursed in this period, 50.7 per cent were accounted for by BMZ budget funds, closely followed by 45.6 per cent from the AA. Including the years preceding 2007, Germany had invested over two billion euros in development cooperation with Afghanistan up until 2012 – without ever having evaluated this in its entirety. As such, Germany lags behind the evaluation efforts of other bilateral and multilateral donors.

Such a comprehensive evaluation of all ODA-interventions of Germany in Afghanistan could provide important insights as to how the cooperation of German actors could be aligned with each other, and with Afghan partners, in a more coherent and complementary way with regard to development objectives, strategies and operational approaches.

Of special relevance for the further strategic steering of the BMZ portfolio would also be an impact evaluation of capacity development measures, which currently make up 40 per cent of the BMZ portfolio in Afghanistan. Evaluations previously performed by other donors did not provide any clear-cut findings as to the impact of

capacity development measures. This knowledge gap should be closed, especially considering the importance of this type of measure for the BMZ portfolio. Furthermore, insights into the impact of capacity development measures in fragile contexts are also relevant for other partner countries.

Contributions of German bilateral public development cooperation in Afghanistan 2007-2012: Disbursements according to ministries (in millions of euros)

	2007	2008	2009	2010	2011	2012	Total	Total in %
BMZ	61.6	113.1	111.1	157.6	195.6	204.3	843.0	50.7 %
AA	4.6	81.0	121.1	187.8	183.1	181.0	758.6	45.6 %
Other federal ministries	8.1	8.3	8.0	6.4	7.3	10.3	48.4	2.9 %
Countries	3.1	1.5	1.9	2.7	1.9	2.0	13.1	0.8 %
Total	77.1	203.9	242.1	354.5	387.9	397.6	1663.1	100 %

Source: Data based on OECD-DAC Creditor Reporting System

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The German Institute for Development Evaluation (DEval) is mandated by the German Federal Ministry for Economic Cooperation and Development (BMZ) to independently analyse and assess German development cooperation interventions. Evaluation reports contribute to the transparency of development results and provide policy-makers with evidence and lessons learned, based on which they can shape and improve their development policies.