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Manual for the Analysis of National Monitoring and Evaluation Systems

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List of Abbreviations

CLEAR	Centers for Learning on Evaluation and Results
GDC	German Development Cooperation
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GMES	Government-Wide Monitoring and Evaluation System
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit, forerunner organisation of GIZ
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
NGO	Non-Governmental Organisation
NMES	National Monitoring and Evaluation System
OECD	Organisation for Economic Cooperation and Development
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
SDG	Sustainable Development Goals
UNDP	United Nations Development Program

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Preface

In light of the 2030 agenda for sustainable development, M&E of national implementation efforts and progress across the three dimensions of sustainable development (economic, environmental and social) receives even more attention. This is for a good reason: Monitoring and Evaluation (M&E) allows identifying causes for success or failure that leads to necessary policy adjustments, better designed and targeted policies and, thus, generates improved results. Against this background, Germany puts a focus on establishing an effective and inclusive review framework for the 2030 agenda for sustainable development at national, regional and global level. This will entail, inter alia, setting up or improving systems at national level to monitor and evaluate implementation efforts. Monitoring and reviewing progress towards the sustainable development goals (SDGs) will be a challenging task for many countries. Therefore, we will extend our support to partner countries in strengthening their capacities for monitoring and review.

In this context, National Monitoring and Evaluation Systems (NMES) which monitor a country's progress with regard to its national development strategy play an important role. These systems generate information about how individual strategies, policies, and programmes are implemented, what they accomplish in the short term, and how they relate to the progress observed in meeting longer-term national goals such as economic growth or poverty reduction. This information does not only enable governments to be accountable to their citizens, but it can also be relevant for the steering of policy-making and reform processes, and inspire the (re-)design of effective policies and strategies. In addition, such data generated by NMES can serve as the basis to carry out policy impact assessments and forecasts, thus promoting evidence-based political decisions and policy making.

German Development Cooperation (GDC) offers services in a number of countries that have an NMES in place. Projects support a range of aspects related to NMES, for example improving the design, implementation, and monitoring of national development strategies; enhancing economic policy decisions and development-oriented national budgeting; or they operate in sectors that are part of a national development strategy and the corresponding NMES. For such projects it is important to gain a solid understanding of the NMES along with its strengths and challenges. Firstly, an analysis of an NMES provides an overview of actors and processes in a given scheme and, secondly, it reveals opportunities for GDC to support and advise partner countries with a view to optimising their respective systems. Improved functioning of NMES is also desirable from the point of view of development partners, as they may want to use such data for their own results-based monitoring.

In this context, demand was expressed by GDC practitioners for a tool facilitating the structured analysis of NMES. Acting upon this request, the Working Group on Economic Policy Management (consisting of representatives from relevant technical cooperation programmes in Sub-Saharan

Africa) along with the Sector Project Sustainable Economic Development have elaborated the present manual on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). This tool offers a systemic approach for the analysis of NMES. It presents a broad range of issues to consider, provides a series of related questions for investigation, and suggests possible sources of information. In addition, the manual supports the user in selecting relevant issues and questions for their analysis by providing templates for the set-up of an analysis grid and the preparation of individual interview guides that can be adapted to a given context.

I am pleased that we now have a tool for the basic analysis of National Monitoring and Evaluation Systems that will also be a valuable instrument for national implementation efforts and review processes of the 2030 agenda for sustainable development. I wish you every success in applying this manual and hope it will be useful for your work.



Susanne Dorasil

*Head of Division 313: Sustainable Economic Policy; Financial Sector
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Executive Summary

This manual provides a systematic approach for the basic analysis of National Monitoring and Evaluation Systems (NMES). **Part A** of the document suggests a four-step structure for such an analysis:

- I. [Defining the purpose of the analysis](#) (to specify the concrete issues to be scrutinised)
- II. [Revision of existing analyses](#) (to identify the knowledge gap)
- III. [Collection of information](#) (based on a targeted selection of questions and sources)
- IV. [Refining the analysis plan during the analysis](#) (to adapt and optimise the process of data collection)

Moreover, it provides four categories to which virtually all pertinent issues and questions to be considered in such an analysis can be allocated:

- (1) [Cornerstones of the NMES](#) (such as the purpose and the objects of monitoring as well as the institutional set-up of the system)
- (2) [Actors and the processes of the NMES](#) (those running and/or using the system and the information it produces; their interests, incentives, and capacities; as well as the relations between them)
- (3) [Supply, demand and use of M&E information](#) (instruments and processes for collecting, analysing and using the data)
- (4) [Key factors underlying the NMES](#) (main drivers that influence the shape of the system and the general governance framework into which it is embedded)

Importantly, Part A also presents **five success factors** for the implementation of NMES analyses, which were derived from a pilot run of this manual.

Part B is the centerpiece of the manual. It offers a broad range of issues and questions that can be part of an analysis and suggests relevant sources of information. Thus, it can be regarded as a database to browse when preparing an analysis. The issues and questions are allocated to and ordered by the four categories introduced above. Each category constitutes a sub-section of Part B.

To conduct an analysis, a selection of relevant issues and questions shall be made using a “mix and match” approach to fit the client’s needs. Depending on the amount of accessible information, the

desired depth of inquiry, and the availability of interview partners, the data collection process should take between four and ten days to be completed. The resultant analyses can:

- provide a general understanding of a country's NMES;
- identify challenges with regard to its set-up, its implementation, and/or the use of the information it produces;
- reveal possible entry points for support and advisory services.

By mixing and matching issues and questions, an analysis grid can be constructed, with the selected items listed as headings along one axis and the potential sources of the information along the other. Based on such a grid, questionnaires can be prepared for individual interviews. **Annexes I and II** visualise both the analysis grid and the interview questionnaire. The attached CD additionally provides a tool for the creation of analysis grids and questionnaires in English and French language. [The tool is also attached to the electronic version of the manual.](#)

If a more in-depth analysis is required, **Annex III** presents helpful supplementary diagnostic tools and recommends further reading.

Part A - User's Guide



A.1: Introduction

Many countries that partner with international donors have set up a national monitoring and evaluation system (NMES). These systems generate information about how strategies, policies, and programmes are implemented, what they accomplish in the short term, and how they relate to the progress observed in meeting national goals such as economic growth or poverty reduction. This information is essential for results-based management, planning, and budgeting. In light of the 2030 agenda for sustainable development, NMES will receive new attention. Monitoring and evaluation has been an important element of the Millennium Development Goals (MDG) and will arguably be so even more in the context of the SDG.

For the purposes of development cooperation, NMES are relevant in various ways:

- The partner country's NMES may be supported. The support might be part of sector advisory work or of macroeconomic advisory work with ministries involved with planning and finance.
- Monitoring and evaluation (M&E) that is conducted or commissioned by donors should be aligned with national M&E, for instance, by using the same indicators.
- Cooperation should be based on information about successful strategies and interventions, and about why they succeed. Building on experience is essential to the effective support of sector stakeholders.

About this manual

This manual is intended to be a user-friendly guide to the basic analysis of an NMES. It is informed primarily by the perspectives and experience of technical cooperation and it incorporates insights from very recent case studies, including those of GIZ advisory services.

The manual is not an exhaustive study on national monitoring and evaluation issues in the context of development (see Annex III for an overview of relevant literature). Instead, it is designed as a practical tool that draws on and complements existing in-depth literature in this field, which primarily addresses M&E experts and discusses very detailed aspects of the complex topic. The purpose of this manual is rather to facilitate the basic analysis of NMES for development practitioners – especially those that are not experts on the subject but need a good understanding of how a country's NMES functions.

The user of this manual should be able to:

- Develop a *general understanding* of an NMES and its structure, processes, products, and uses;
- Identify *challenges* in the national M&E system, its components, and/or its implementation and use;
- Recognise potential *entry points* for support and advisory services.

The purpose and users of the manual include but are not limited to:

- Development programmes advising on national development strategies and monitoring systems. The manual allows them to:
 - a. formulate an initial diagnosis of the NMES that would be followed up by more focused, in-depth work;
 - b. develop a basic understanding of the NMES and its different aspects
- Development programmes carrying out advisory work in sectors covered by the NMES. The manual helps development practitioners to understand how sector-specific M&E relates to the framework of the NMES, and to gain better knowledge of:
 - a. the information (and the quality of information) available from the NMES regarding the sector;
 - b. how the sector-specific M&E feeds into the NMES, its role in the national process, and how to leverage synergies and avoid costly duplications between sector-specific M&E and the NMES
- High-level donor agency personnel, to inform discussions in the context of portfolio development and political dialogue. This group of stakeholders will normally only use the manual very selectively. It can serve as a guideline for discussions with the national government regarding national monitoring and accountability efforts and help identify points of interest where further information could be helpful in evaluating the quality of monitoring information in a certain country.

This manual outlines important aspects or issues that any NMES analysis might consider along with a selection of related questions to investigate. Because NMES analyses vary widely in terms of their purpose, focus, context, and design, the users of this manual are advised to draw on it like a menu – to pick and choose from the issues, questions, and sources of information it suggests in order to map out an assessment process that best meets their specific needs. Depending on the amount of information already available and the depth of detail desired, a basic NMES analysis conducted using this manual will likely take between two and ten days to complete.

The next section of Part A clarifies key terms and concepts used for analysing NMES and provides illustrative examples. It is followed by instructions on how to use this manual and by an introduction to Part B.

Part B presents the main components of NMES and offers a selection of issues and questions that may be addressed in conducting an analysis. The latter are grouped into four relevant categories, which are explained below. There are many options for structuring an analysis of NMES. The given categories were selected with a view to facilitate the user's understanding of the manual and to make the manual easy to use.

The annexes provide samples for (i) an analysis grid and (ii) an interview guide as well as (iii) an annotated literature list with suggestions for further reading. The attached CD additionally provides a tool for the creation of analysis grids and questionnaires in English and French language. [The tool is also attached to the electronic version of the manual.](#)

A.2: Definitions

In order to manage or assess results-oriented development approaches, decision-makers and other stakeholders need to know what resources are invested, which activities are carried out, what outputs are produced, what results are achieved, and why the desired results have or have not been achieved. Measuring and understanding progress and effectiveness is the basis for adjusting strategies, allocating resources, and calibrating interventions towards better results. This is what M&E is all about.

This manual adopts the following understanding of monitoring and evaluation:

- **Monitoring** means observing what is being done and being achieved, i.e., how inputs (budgeted resources) are allocated and invested/used in activities, which outputs this brings about (infrastructure, services), and to what extent desired outcomes (e.g., access to credits, trade) and impacts (e.g. economic growth, poverty reduction) are achieved (UNDP 2009: 8, 55). It compares these observations with plans and targets. Monitoring is an on-going process.
- **Evaluation** concerns the relationship between policy interventions/development activities and observed changes (with an emphasis on outcomes and impacts). Evaluation aims to show whether inputs, activities, and outputs effectively contribute to the observed outcomes and impacts, as well as how and why they were effective (or not). Evaluation also can examine whether programmes and activities have been carried out according to plans.

Evaluations are not on-going assessments but take place at selected points in time, after activities have been underway for some amount of time or have been completed. They go into more analytic depth than monitoring, require sufficient independence (whether external or internal evaluations), and use rigorous methodology (UNDP 2009: 8). Evaluations draw on monitoring information but also collect information from other sources.

M&E information serves various purposes.

Whether M&E focuses on the local or national level, it can support the management of activities, learning, and accountability (GTZ 2004: 31, Mackay 2007: 9-11).

- **On-going management:** M&E provide the information that supports the fine-tuning of expenditures and of implementation during the lifetime of activities, in order to stick to plans.
- **Learning:** Strategies and interventions can be adapted, expanded or phased out, according to their observed results. M&E information can compare different approaches, showing which strategies or interventions work well. Such information also supports management decisions, for instance, on which interventions to implement and how many resources to allocate to them, based on past implementation and success.
- **Accountability:** By documenting expenditures, activities, and progress, M&E make them transparent to and reviewable by outsiders. This allows stakeholders to hold development actors accountable for their use of resources.

BOX 1. Monitoring and Evaluation in the Education Sector

A typical national policy of free primary education provides an example of the roles and focuses of M&E. Most of the following steps can be undertaken either as monitoring or as evaluation exercises. Throughout, it is important to collect and analyse the data in a disaggregated way that preserves important demographic (such as gender) and geographic distinctions.

INPUTS

M&E usually will start by looking at the given **budget** for primary education and how it is specifically **allocated**, i.e. which activities (e.g. hiring teachers, building schools) in which locations receive what amount of resources. M&E then tracks/looks at how much of the allocated money is **spent** on which activities and at which locations, in order to determine whether the expenditures are being/were made in accordance with the budget.

ACTIVITIES

M&E also examines how the policy is **implemented** by looking at the concrete efforts and **activities** that are/have been carried out and whether they were conducted as stipulated in plans and policy documents.

OUTPUTS

M&E traces which **outputs** result from expenditures and activities. In the education sector, this could be how many male and female teachers are employed, how many classes are taught, or how many girls and boys are enrolled. These data are compared to the situation prior to the intervention and to the set targets in order to show to what extent the policy is **successfully implemented**.

OUTCOMES

Class hours are not ends in themselves. What matters is if boys and girls acquire knowledge. This is the **outcome** expected to result from inputs (money and activities) and outputs (teachers hired with that money and class hours provided). Monitoring aims to track the extent to which these desired outcomes are **achieved**. Note that this does not yet include if and how inputs and outputs have contributed to this achievement.

IMPACT

Knowledge is also a means to improve women's and men's lives. A purpose of education is to have an **impact** on well-being: the attainment of a higher level of education, increased income, or longer life expectancy. Tracking such indicators shows **how the population's well-being develops**.

In order to base decisions on results, the challenge is to attribute changes in educational levels and in well-being to the activities in the sector. This is a main function of (impact) **evaluation**. Unlike monitoring, evaluation explores the policy's success by looking at how observed changes over time correlate with it and how they were brought about by the related activities. To the extent that this is possible, evaluation shows **how well the policy has worked**.

RESULTS-BASED DECISION-MAKING

The monitoring and, especially, evaluation information should **feed into sector strategies and planning**. The information provides a basis for making decisions about which interventions (e.g. more teachers, higher wages for teachers) – because of their observed effectiveness and efficiency – should be prioritised for investment to maximise school enrolment, job qualification, and poverty reduction.

The evaluation information and the sector plan's priorities feed into **budgeting processes**. Here, decisions must be made as to how much of the national budget will be devoted to the educational sector altogether, as well as how much of this sector budget will be allocated to the particular policy, considering how successful the policy and the sector have been.

National M&E Systems (NMES). M&E may take place on the national, regional and/or local level; it may encompass the whole of national public sector performance, target specific policies or programmes, or be narrowly focused on a single policy intervention. M&E systems as discussed in this manual are **national** in that they usually relate to a comprehensive, cross-sector national development vision or strategy and the related structures, plans and activities.

In many partner countries, the NMES was first set up as part of a Poverty Reduction Strategy Paper (PRSP) negotiated with the donors and was therefore focused on poverty reduction.¹ Over time, the scope of PRSP has tended to broaden to include the MDG and to encompass overall growth indicators and multi-dimensional aspects of development. The term PRSP has therefore been replaced by Poverty Reduction Strategies (PRS). Many countries hold a national strategy for growth and development as their highest priority.

NMES and their data are of course largely concerned with occurrences and observations “on the ground” or at the local level, where policy interventions are implemented, public services provided, and results achieved. However, speaking of NMES **as a system** primarily involves actors and processes on the national level: targets and results refer to national matters and involve the country’s whole population.

Yet it has often been observed that an NMES is not one coherent set of actors, objectives, and processes that was created from scratch following a master plan, or which can easily be delineated in a clear-cut manner. Instead, it often is a more or less coordinated ensemble of actors with various mandates, routines and interests, that has evolved unevenly over time (Bedi et al. 2006: 2). Looking at “the” NMES, then, involves determining what to include as part of the system and to what degree its elements cohere as an **intentional, steered system**.

In defining **what is part of the system**, the temptation might be to think primarily of the indicator system or possibly to include data published by the bureau of statistics. But an NMES involves much more. In terms of actors, it includes not only central M&E units but also units of sector ministries that produce data on the local level, as well as external stakeholders, such as NGOs that act as watchdogs. In terms of the institutional framework, not only do monitoring requirements exist, but also regulations that determine how budgets are to be based on monitoring information (see Mackay 2007: 10). These components and more are part of an NMES. Figure 1 is a simplified illustration of just a small part of the complex structure of an NMES.

1 More information about PRSPs and processes is available at <http://go.worldbank.org/FXXJK3VEW0>.

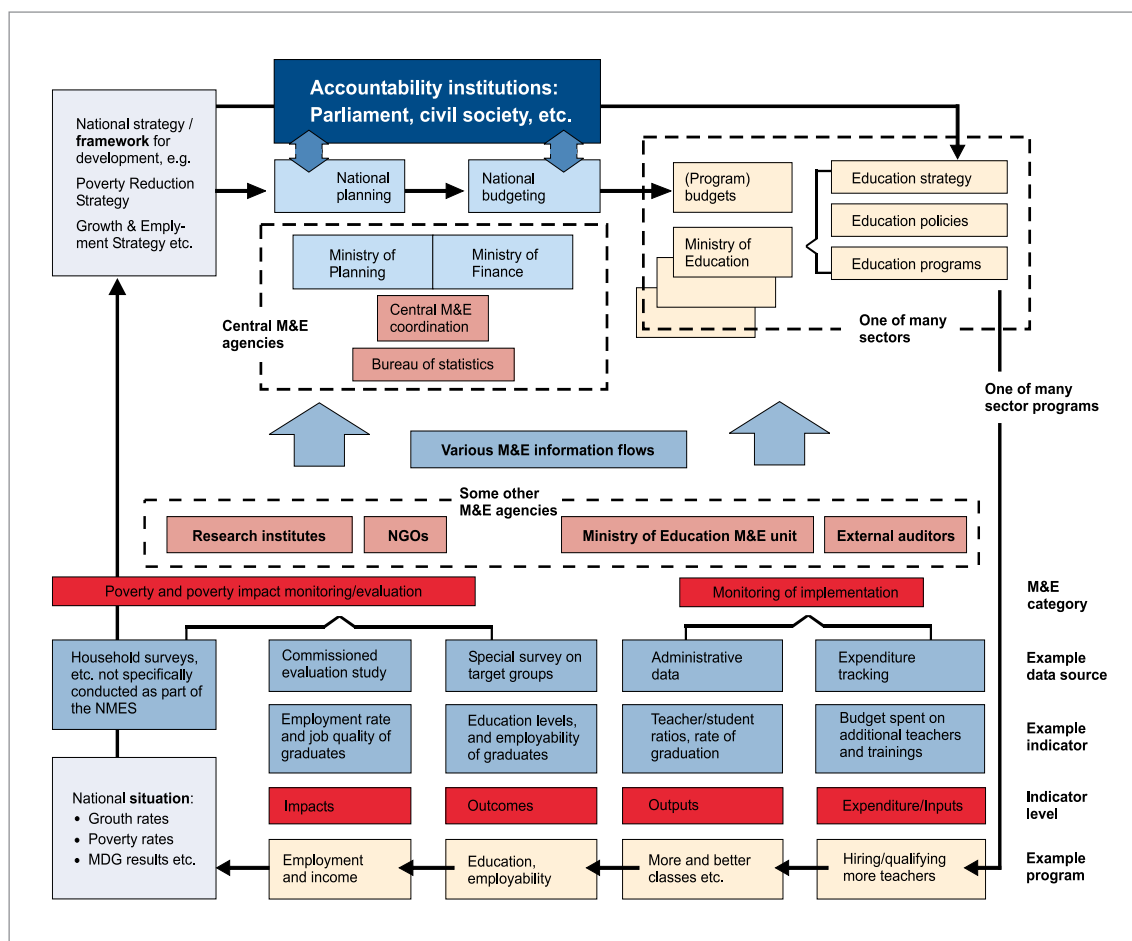


Figure 1. Generic scheme of an NMES

The figure shows some important components and processes of an NMES. The simplified scheme represents only one of many sectors (education), one example of a programme in this sector, and one potential indicator for the programme on each performance level. The overall system obviously would be much more complex.

A.3: How to use this manual

NMES analyses may have very different formats and scopes. This manual is directed primarily at analyses conducted by development practitioners as **desk studies** based on documents and telephone interviews, or as **short field studies** with in-person interviews and first-hand observation. The manual may also serve for developing more comprehensive institutional analyses either as a first step that leads to further in-depth investigation or by incorporating additional diagnostic tools. Annex III provides an annotated list of literature and materials that are useful for conducting a more thorough analysis of an NMES.

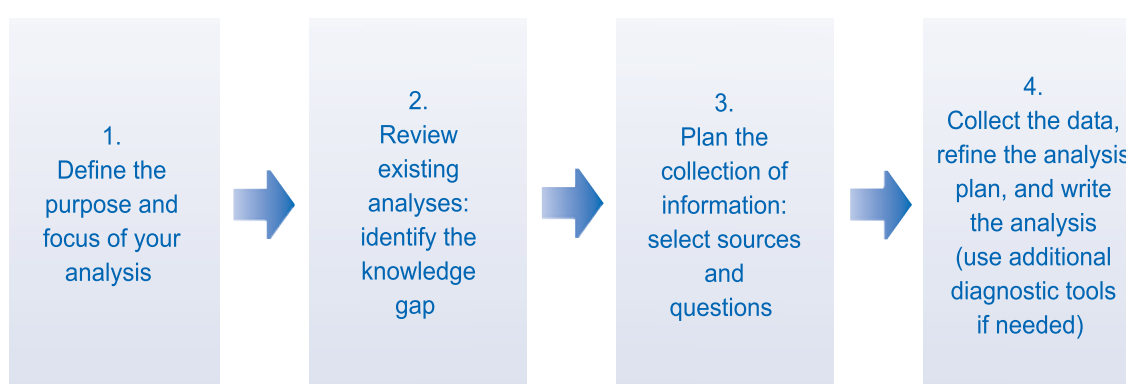


Figure 2. Steps for planning and conducting an NMES analysis

This manual proposes four steps for planning and conducting an NMES analysis:

Step 1: Define the purpose and focus of your analysis; then consider the components of an NMES to be analysed and the corresponding sections of this manual in terms of their relevance. Part B of this manual presents basic components and important issues of an NMES that should be considered for an analysis. Each of them is followed by a brief explanation and key questions.

A clearly-defined goal is the essence of the analysis. Such an analysis can be useful at different stages of the development of the NMES or in various contexts of development cooperation. The focus of analysis differs depending on the particular stage of advancement of setting up and implementing the NMES and context. Use part B to identify the main issues to address. Be sure to clarify with the “client” or users of the analysis how they intend to use it and which topics/foci will be useful for them. This should be done thoughtfully, thoroughly, and early in the process. Keep in mind that the purpose of the analysis, based on the client’s needs, is different from the partner country’s purpose for the NMES (and the partner country might have had a different purpose for such an analysis). Be aware that NMES are complex systems and attention can easily be distracted from the original focus of the analysis; on the other hand, information that is gained in the course of the assessment might require a change in focus or the addition/elimination of planned elements of the analysis.

Success factor 1:

Identify the main issues to be addressed by taking into account the client’s needs.

Step 2: Review existing documents about and analyses of the NMES and identify the knowledge gap(s) that the analysis shall fill.

Recent NMES analyses exist for some countries (see Annex III for examples and sources). They are often produced or commissioned by donor organisations. Also look for country strategy papers that might include a description and/or a review of existing monitoring and evaluation structures or practices. If such documents exist and are sufficiently recent and thorough, the current analysis might not require many additional sources of information. Remember that the involvement of partner personnel incurs costs to them in terms of lost work time.

Success factor 2:

Start interviewing in-country staff of German Development Cooperation early to ensure that the most important issues are covered by your analysis.

Early fact-finding efforts help to uncover important issues and to prioritise the topics to be addressed. Draw on the knowledge and experience of in-country staff and of other development agencies. Even if they do not work directly in an NMES advisory project, they might have worked in some areas related to the NMES. For instance, staff that supports planning in a sector ministry might have connections to M&E and budgeting.

Step 3: Plan collection of information: identify the relevant interview partners and select, prioritise, and adapt issues and questions from Part B of this manual.

Part B of this manual presents key issues and related questions to analyse the major aspects of an NMES, along with brief explanations. The section is not meant as a compulsory checklist, but rather tries to outline broadly the potential areas of inquiry for NMES analysis. Each of the issues and related questions should be considered for its usefulness in the particular analysis at hand. Those selected are to be changed or adapted as needed. Although not all issues and corresponding questions listed in Part B will be selected, it is advisable to draw on several different categories to ensure that the analysis does not miss key components, aspects or challenges of the NMES. Sometimes, certain issues of an NMES may not seem necessary for the analysis to fulfil the client's needs at the start of the process, but may turn out to carry significant implications for the client's purpose. For planning and carrying out the analysis, we suggest setting up an "analysis grid" or some visualisation of the planned analysis process that lists the pertinent issues and questions chosen along with the anticipated sources of information (interview partners or documents). An example of an analysis grid appears at the end of the manual. Moreover, the software tool provided along with this manual (see A.1 Introduction) facilitates the preparation of an analysis grid and the respective interview guides.

Interview partners should be drawn from a wide array of stakeholders in order to assure the incorporation of different perspectives into the analysis. They should include individuals working in the NMES and stakeholders "outside" the system, as well as representatives of various agencies (central planning units, sector ministries, the bureau of statistics, evaluation institutes, NGOs, donors) at strategic and at operational levels of their organisation. They should also represent different relationships to the NMES: those who run, shape or support the system (central M&E units, consultants, donors), those who mainly contribute information to and experience the consequences of the system

Success factor 3:

Select relevant questions from different categories and incorporate different perspectives into the analysis. Investigate deeper to uncover underlying causes wherever possible.

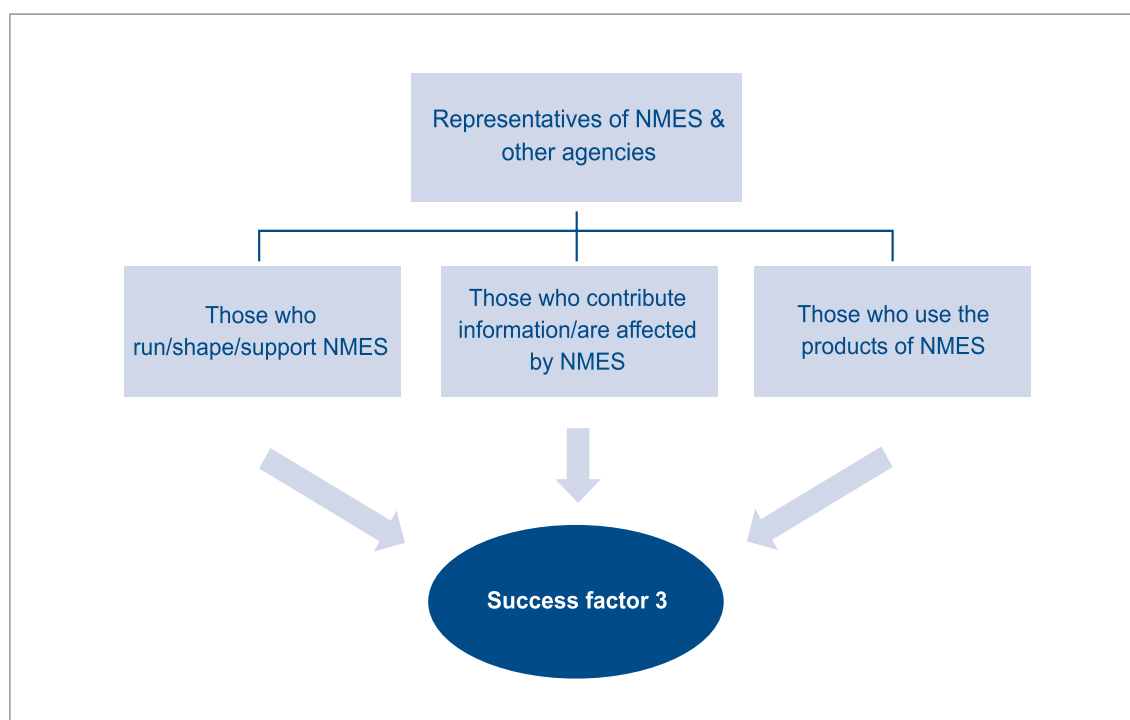


Figure 3. NMES stakeholders to be included in the analysis

(e.g. local sector units that provide administrative data and might have their budgets affected by the results of the M&E), and those who use the products of the NMES (decision-makers, civil society, media). These various interview partners will have different views on how well the NMES functions and why. Their views will be shaped by their respective interests and expectations with regards to the NMES.

To make it easier to use **Part B** of this manual, **the issues and types of questions are colour-coded and set off by distinct shapes:**

▲ **Issues appear in blue and are marked with a triangle.**

Examples: The main purposes of the NMES. The portfolio of indicators.

For the purposes of this manual, “issues” are the key aspects, components, and common challenges of an NMES that should be considered due to their relevance for the analysis. The issues serve as starting points that help to develop a first conceptual picture of the NMES based on documents. Considering the issues represented in Part B and selecting the relevant ones is the first step in structuring the analysis process or creating an analysis grid.

To get a more detailed picture of the NMES and to arrive at conclusions, three types of questions should be asked. The manual offers questions for the following two of the three types:

● **Descriptive questions appear in green and are marked with a circle.**

Examples: Are process indicators included? Are qualitative indicators included?

The answers to descriptive questions are relatively objective and many if not most can be found in the basic documents that establish or describe the NMES.

■ **Evaluative questions appear in red and are marked with square.**

Examples: Is it clear how the indicators are to be used? How coherent is the indicator system?

Evaluative questions will elicit value judgements from the interviewees and require an opinion by the person conducting the analysis.

The distinction between descriptive and evaluative questions might not always work perfectly. The point is to be conscious of the basic difference. Given the complexity of an NMES, it is important to get a comprehensive picture of the system and potential challenges of it before assessing how well it works.

The evaluative questions should be asked during the interviews and are not reserved for the investigator's own critical analysis of the system. The stakeholders' opinions of the NMES are an important part of its description.

The manual does not cover a third group of questions, since these will emerge from the analysis itself and can thus not be developed beforehand:

- **Investigative questions**

Example: Why are there so few outcome indicators that would help to assess the success of the policy?

Investigative questions try to uncover the underlying causes of challenges for or potential problem areas of the NMES. They might address sensitive issues; different interview partners might have very different explanations about difficulties encountered; answers may be very speculative. To understand an NMES and identify entry points for support, these questions nevertheless need to be considered both in data collection (whenever feasible) and analysis. As these questions will address issues that emerge during the analysis of the NMES, they will differ for each individual analysis. Therefore this manual will not provide specific examples, but only encourage the user of the analysis tool to investigate deeper into some issues.

Step 4: Collect the data, refine the analysis plan and write the analysis.

Most of the tasks that are to be carried out during the data collection and analysis process are similar to those of any assessment work: organising the data collection process, drafting and testing the interview guide, and making appointments with interview partners. This manual provides a sample interview guide in Annex II. Moreover, the software tool provided along with this manual (see A.1 Introduction) facilitates the preparation of such interview guides based on a customised analysis grid. Once the analysis plan has been drafted, it is advisable to draw on and possibly incorporate other diagnostic tools (see Annex III for suggestions).

Success factor 4:

Review the analysis plan/grid throughout the entire data collection and analysis process and revise it as needed.

Due to the complexity of the NMES – given its abundance of stakeholders, issues and instruments – crucial issues often only become evident during the interviews and the analysis. Therefore, it is imperative that the analysis grid is adjusted throughout the processes of data collection and analysis.

A.4: A brief guide to Part B

There are many options for approaching an NMES and its components. This manual proposes the following categories and order, but an analysis could also be structured in different ways.

Figure 4 illustrates a high-level view of an NMES. The red arrows show how the different blocks relate to each other, while the numbers in the boxes indicate the order in which they are presented in this manual.

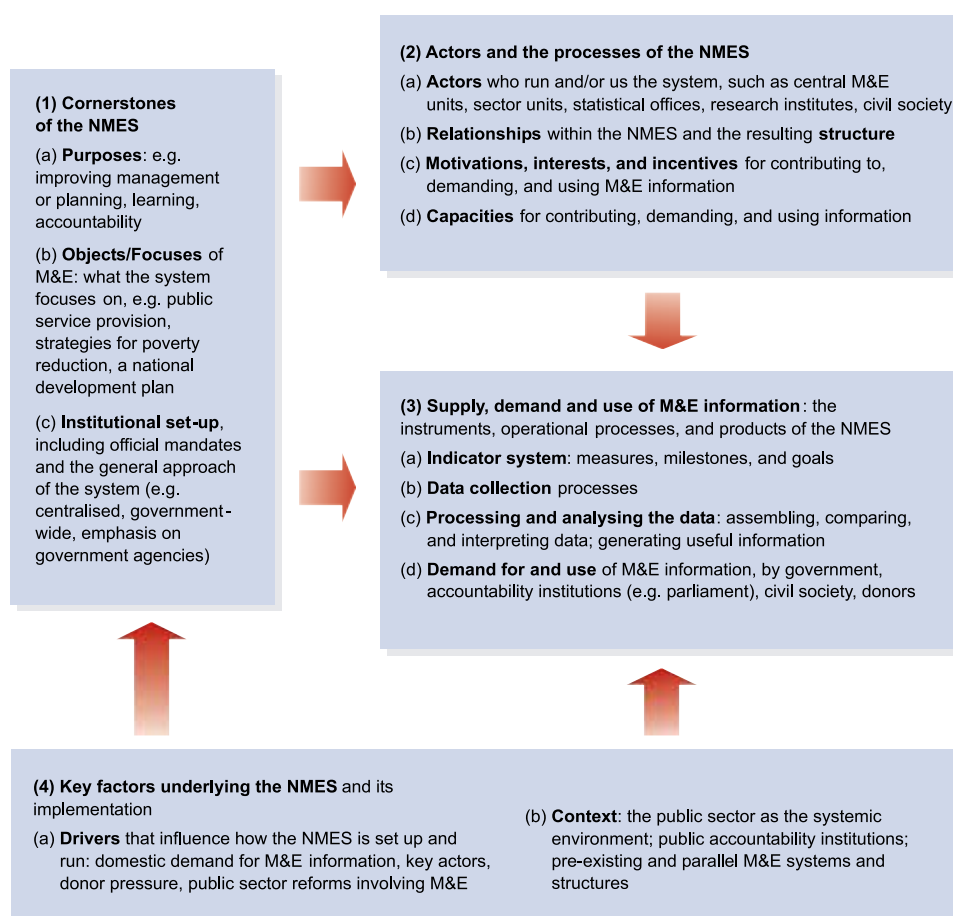


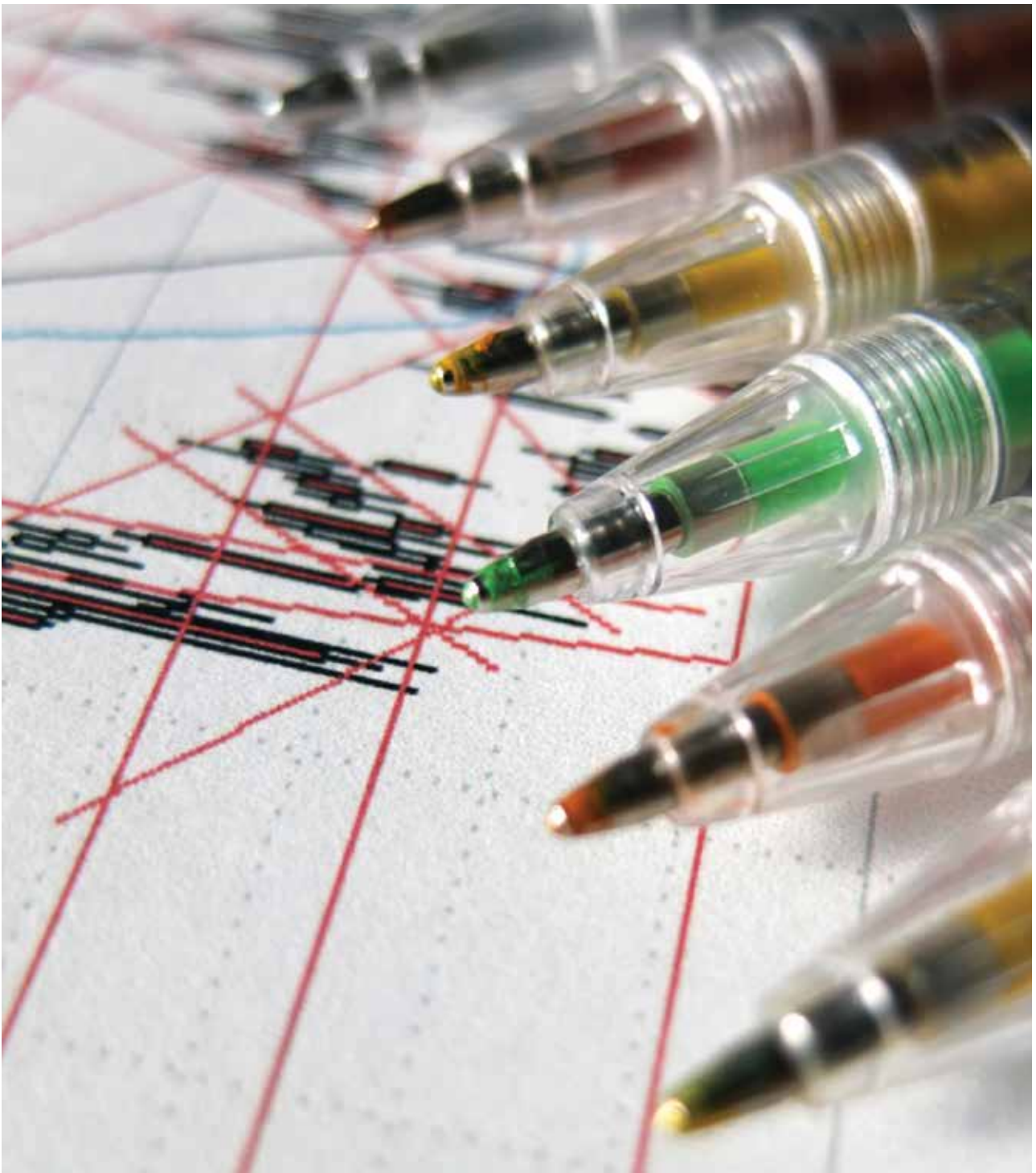
Figure 4. Categories of an NMES Analysis

A crosscutting issue is the **self-assessment of an NMES**, or to what extent and how the NMES monitors, evaluates, and improves its own functioning. For instance, annual performance reviews could include a functionality check of the indicator system, the division of labour, and the incentives for actors to use M&E information. Building an NMES takes time and requires an iterative approach based on experience. Relevant questions include: How does the NMES monitor, evaluate, and address this aspect? Are review mechanisms installed? Can learning processes be observed? In order to avoid duplication, such questions are not included in the various sections of part B but they should nevertheless be included in the analysis plan and be asked wherever they are most relevant for a given NMES.

Success factor 5:

Raise the ability for self-assessment and learning with respect to each of the components of the NMES.

Part B - Issues and Questions



B.1: Cornerstones of the NMES

BOX 2. Coding of questions and issues

▲ **Issues appear in blue and are marked with a triangle.**

For the purposes of this manual, “issues” are the key aspects, components, and common challenges of an NMES that should be considered for their relevance to the current analysis. Examples: The main purposes of the NMES; the portfolio of indicators.

● **Descriptive questions appear in green and are marked with a circle.**

Descriptive questions attempt to define objectively the characteristics and functions of the NMES. Their answers can often be found in the basic documents that establish or describe the NMES.

Examples: Are process indicators included? Are qualitative indicators included?

■ **Evaluative questions appear in red and are marked with a square.**

Evaluative questions elicit a value judgement from the interviewee and require an opinion from the person conducting the analysis.

Examples: Is it clear how the indicators are to be used? How coherent is the indicator system?

Certain broad, high-level aspects of the NMES provide a basis that determines many other characteristics. The key ones are:

- The overarching purpose(s) of the NMES, or what the government intends to achieve by having the system in place
- The objects or focuses of the system, or the broad areas of government activity it is to observe
- The mandate and approach of the system, or what it is entitled and required to do and, generally speaking, how it is set up to achieve its mandate.

Purposes of the NMES

The literature presents various typologies for potential purposes of an NMES, or the overarching objectives of national M&E. For instance, Lopez Acevedo et al. (2012: 53) suggest five M&E objectives: detecting and solving implementation problems, intra-governmental accountability, providing information to the legislature and the public, improving programme design, and coordinating and prioritising amongst programmes. The OECD finds that M&E can contribute to four different areas: policy development, evidence-based policy-making and budgeting, management performance, and accountability (Mackay 2010: 1).

A simplified scheme points out three main purposes or objectives for NMES (see figure 5): 1) to improve steering, or the daily management of public service delivery, planning, and budgeting; 2) to support learning and continuous quality improvement; and 3) accountability, or to demonstrate to stakeholders the effective and efficient use of funds for public priorities. These three objectives

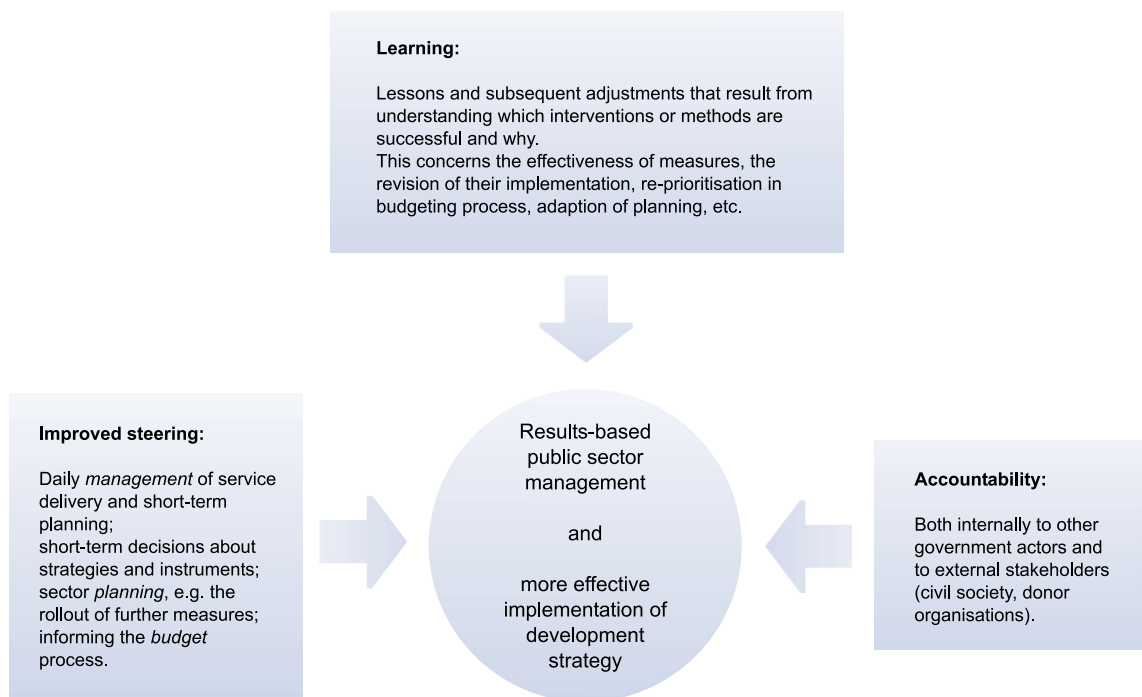


Figure 5. Three main purposes of NMES

together support results-based public sector management and improved implementation of the development strategy. An NMES can have all three of these objectives or a subset of them.

▲ The main purposes of the NMES

The documents that establish an NMES and its mandates also typically state its main purpose or objectives (see section B.1.c.). It can be important to include the roots or origin of the purpose in the analysis since original motivations for the set-up of NMES can strongly influence expectations and use of the system.

- **What are the stated purposes of the NMES? Are they well defined, explicit, and clear?**

The better defined the objectives of the NMES, the better M&E activities can be geared and focused to support them and to satisfy stakeholder expectations. Moreover, only with a clear purpose for the NMES can its components be accurately monitored, especially with regard to how well they inform the policy process.

- **Taken together, are the purposes coherent and compatible?**

Opinions differ as to how many and how divergent the purposes of an NMES can be without compromising its functionality (GTZ 2004: 33). Weaknesses and tensions in NMES have been attributed to having too many objectives (as was the case of Brazil) and to having objectives that were too disparate (in the case of South Africa) (Shepherd 2011: 4).

There is a tendency to try to meet both the government's and the donors' M&E needs with the NMES (CLEAR 2012). However, if their needs are very different, this could cause confusion or even competition between M&E priorities.

■ **How realistic versus ambitious are the purposes? Do they correspond to existing capacities and information needs?**

The literature debates whether an NMES should stick to “basic plumbing” (Schiavo-Campo 2005: 11) and address only most pressing issues such as expenditure tracking, or instead should pursue the vision of a more comprehensive system.

If an NMES is overly ambitious, it may disappoint expectations and lose political support. If it is too pragmatic, it may do little to change policy effectiveness. The degree of ambition also affects the potential need for support.

● **What is the mix between monitoring and evaluation and why?**

Monitoring often receives precedence over evaluation (CLEAR 2012: 7) and, generally speaking, much more effort is put into tracking expenditure, inputs, and outputs than into exploring their actual effectiveness. This may be due to an intentional government priority, for instance, because controlling expenditure flows is a pressing need and M&E can contribute a lot to it. It may also reflect current levels of capacity – or a limited political will for evidence and evaluation of effectiveness (ibid.).

When evaluating the mix between monitoring and evaluation by an NMES, bear in mind that, on one hand, monitoring certainly makes more sense when it is combined with evaluation. Knowing what one does is more useful if one also knows what effect it has and why. On the other hand, promoting evaluation in a situation where monitoring is not yet well-established could jeopardise both.

● **Which needs/whose needs influenced the definition of the NMES’s purpose?**

The de facto needs that have shaped the purposes of the NMES can explain a lot about the focus and structure of the system. For instance, in Mexico the NMES was intended to fulfil the need to evaluate the effectiveness of social programmes. However, when compliance with donor requirements has been the driving force behind the creation of an NMES (e.g. for debt relief), purposes are less likely to be rooted in the actual needs of the public sector (cf. GTZ 2004: 3-4).

■ **How well do the purposes of the NMES address the specific needs of the country or sector as well as the needs and interests of the various stakeholders?**

Designing an NMES involves a combination of drawing on blueprints and experience from elsewhere and of tailoring these to context-specific needs. Addressing the context-specific needs is important for effectiveness; addressing stakeholders’ needs is important for political support. Here, “stakeholders” means the government who will put the system into practice (including local agencies), and external stakeholders. “Without an initial common purpose, [the system] is likely to produce only token compliance.” (Bedi et al. 2006: 23).

● **Which requirements and functions does the system have to meet, given the purposes? Which ones are crucial?**

What is meant here is what components, capacities and data, need to be in place in the NMES in order for it to fulfil its main purpose. Answering these questions provides criteria against which an NMES can be analysed. For instance, if the main purpose is to improve steering, planning, and budgeting, then there need to be clear and functioning feedback mechanisms to the relevant decision-makers; in order to support learning and continuous quality improvement, there needs to be a strong evaluation unit or institute; if accountability to civil society is a purpose, crucial requirements are that the system produces performance reports and that the reports are made available to NGOs.

■ **Is there consistent agreement on and understanding about the stated purposes of the NMES throughout the system?**

Good functioning of the NMES is supported when the various NMES documents, mandates, policies and agreements on the division of labour, all refer to and align with a single set of purposes. Ideally, the various actors have a common understanding of the purpose of the M&E system, their role in it, the roles of others, and the information it is expected to generate. Consistency helps to ensure that everyone pulls in the same direction.

The objects/foci of the NMES

An NMES focuses on, tracks, and assesses selected areas of government activity or policy interventions. These are the objects that are to be monitored and evaluated by the system. They can include for example budget implementation, public service provision, specific policy instruments, and an overarching development strategy (such as a PRS). By way of example, for an NMES designed for a classic PRS, the key objects or foci could very well be 1) the monitoring of poverty and progress in poverty reduction, 2) PRS implementation monitoring, and 3) expenditure tracking (Bedi et al. 2006: 10 f). The basic documents that establish the NMES state its central objects/foci (see section B.1.c).

It is necessary to know what the NMES is supposed to focus on in order to characterise the overall system and its scope, and to evaluate how suited its components (such as the indicator system) are to the task.

It also helps to clarify for the purpose of the analysis what the system as a whole is, and which institutions are included in it. For instance, Benin has one M&E system for the Growth and Poverty Reduction Strategy, one for public policy more generally, and a third – for development cooperation policy – is planned. Should the analysis include all three systems or only the first?

▲ Definition of the NMES object/focus

As with the main purposes, it can be important to include the roots or origin of the definition of the object/focus of the NMES in the analysis, as well as of its implications.

● **What is the NMES focused on? What does it monitor and evaluate?**

The basic, founding documents of the NMES should state the strategy, programmes, and/or government functions that will be tracked and assessed. A clear definition is necessary for the system and its resources to be efficiently and effectively directed at the objects. It also helps with determining in more detail which sectors, policies, actors, and programmes/interventions lie within the scope of the NMES.

■ **Is the main focus of the NMES consistently recognised throughout the system?**

The units and actors that perform the M&E functions that feed into the NMES need to know what the overarching focus is. Their basic M&E documents should reflect this understanding. This ensures that, for instance, a sector ministry's M&E unit includes poverty outcome indicators that are prioritised in central NMES documents, even if it otherwise would not collect them. A common understanding amongst the various actors – ministry staff, NGOs involved in data collection, the central M&E unit – also helps to avoid any conflicting expectations as to what the NMES should deliver that could undermine political support.

- Has the government produced any document that outlines the purposes and foci of the NMES that can be used as a reference by stakeholders? If so, has it been distributed broadly across sectors? Has it been shared with civil society stakeholders and private sector representatives?

- **Is there an explicit rationale for the choice of the object?**

The rationale behind the choice of main focus(es) of the NMES should appear in the documents that establish the NMES. Sound reasoning for the choice helps to set and maintain an appropriate scope for the system and guard against it becoming too broad.

- **How well does the stated object/focus relate to existing needs?**

For instance, a country-specific challenge may be the effectiveness of budget allocations, while fund diversion is not a problem. In this case, a focus on, say, a national development strategy is likely to be more beneficial than a focus on expenditure tracking.

- **Does the choice of current NMES focus match the existing capacities?**

If the outcomes of the given policy intervention are difficult to measure and the country does not yet have sufficient data and capacities to observe, collect and analyse them, a less ambitious focus for the NMES could be a better choice.

- **Which requirements and functions does the system have to meet, given its focus? Which ones are crucial?**

As with purposes, the answers to these questions provide criteria against which to analyse the NMES. If the main object of national M&E is the implementation of a national development strategy, one requirement may be that the indicator system allows for results aggregation across sectors.

Institutional set-up, mandate, and approach of the NMES

An NMES has its institutional foundations in legal documents and policies that establish its mandate: the “what, why, how, where, and by whom” of organising and carrying out the national M&E. These include the approach of the NMES (e.g. to what extent it should be centralised and M&E be integrated across sectors, which indicator levels shall be emphasised; what is understood by results or poverty) and how it shall be set up institutionally (e.g. where central units are located, who oversees the process)².

BOX 3. The legal framework, mandates, and approach of South Africa’s NMES (CLEAR 2012: 150 ff.)

- The obligation of the state to provide performance information is enshrined in the constitution. The Public Service Act and Public Finance Management Act require results-based management and accountability and an output approach to public finance.
- The cabinet approved the “Policy Framework for the Government-wide M&E System” in 2007. This is the foundation of the current system. It sets the comprehensive, centralised approach that links and synchronises the diffused and isolated M&E activities.
- The general GMES framework was followed by Treasury’s “Framework for Managing Program Performance Information”, the “South African Statistical Quality Assessment Framework” and the Presidency’s “National Evaluation Policy Framework”, outlining the key areas of the NMES.
- In 2009 the Department of Performance Monitoring and Evaluation was established in the Presidency in an effort to give M&E a strong institutional push. The department has produced further policy documents that shift the focus from activities to outcomes.

▲ The official mandate of the NMES

The mandate of an NMES (or the mandates of the various actors involved in national M&E) determines what the NMES is entitled and expected to do. It provides the system with a formal basis and backing.

- **What is the official mandate? What is it based on and who has authorised it?**
The source of the authorisation can help to identify who drives and supports the NMES. In Mexico, it was the Legislature (Congress) that introduced legal M&E requirements for federal programmes and a federal budget law that created the government-wide Performance Evaluation System (Castro et al. 2009). In South Africa, the NMES operates on the prerogative of the executive branch and in accordance with policy frameworks (see box 3).
- **Does the mandate give the NMES sufficient legitimacy vis-à-vis actors inside and outside of government?**
Sufficient legitimate authority allows the NMES to carry out its tasks. Most organisations are not interested in being monitored or assigned additional workload by others. Performance-based decision-making and rewards need to be well-established in order to avoid resistance to central M&E. Low NMES legitimacy increases the likelihood of meeting resistance. The NMES will receive more support and trust from actors if it has a clear and well-founded mandate.

2 The issue of actors will be dealt with separately in part B.2.

In addition to formal legitimacy, the NMES can enjoy informal legitimacy when the central M&E unit or its hosting ministry has a good reputation.

▲ The approach and set-up of the NMES

For the purposes of this manual, the approach and set up can be thought of as the principal ways how the NMES operationalises, or puts into action, its purposes and main focuses.³

Some aspects of the approach and set up of the NMES should derive from its purposes and objects. For instance, if the purpose of the NMES is to improve public sector effectiveness and the object is the full array of social services, an approach focused on social sectors and on outcomes and impacts – set up within a central unit in a social sector ministry – might make sense. In contrast, it would not make sense if one of the purposes of an NMES is learning but the approach involves little evaluation.

Other aspects, such as whether the NMES is centralised or to what degree it uses participatory M&E practices, are not necessarily dependent on its particular purposes or focuses.

- Does the approach have certain characteristics or features that stand out? Does it emphasise particular topics?

For instance, an NMES could be particularly participatory, or prioritise evaluation of social policy. The reason behind such features might be important. For example:

- Is participatory monitoring emphasised because donors support it? Or because there is a need for more local political support?
- Are monitoring and evaluation tied together closely because both take place within a single unit?
- Is a government-wide approach motivated by the expectation of more coherent M&E?

- How does the approach put results orientation into practice?

The ways in which M&E is results- or performance-oriented vary in practice, even if the literature holds that a “[r]esults orientation [...] means focusing on the entire results chain” (Bedi et al. 2006: 12). Performance/results may be understood as “hiring teachers/teachers hired”, “enabling higher education/higher levels of education achieved” or “achieving employability/higher rates of employment” – or as “spending money/money spent” (performance as budget execution). The understanding of what it means to be oriented towards results may even vary across the system.

A related question is, how does the approach address different indicator levels (see B.3.a.)? A focus on input and output indicators might imply an insufficient understanding of the concept of results orientation. Yet, it might also just reflect the current availability of data.

- How comprehensive is the approach?

Many countries take a whole-of-government approach, with a comprehensive and integrated NMES that looks at all sectors (as opposed to a focus on social sectors) and on aggregate government performance (CLEAR 2012:15). This may increase the complexity of a system or diminish it by reducing redundant subsystems or indicators. NMES with limited capacities could emphasise MDG monitoring as part of their PRS (Mackay 2006: 4).

³ Together, the approach and set up can be thought of as determining the “type” of NMES that is being analysed. For instance, Briceño (2010) distinguishes three main types: (i) NMES with emphasis on transparency and social control, implemented by independent bodies; (ii) centralised government NMES, for management/budget control; and (iii) government-owned, decentralised M&E. While the literature provides general typologies for various NMES approaches and set ups each system is so unique that the archetypes might be of little help in understanding a particular system

- **How centralised is the set up?**

For instance, processing and analysing data may be done either in the same unit that also drives NMES politically (e.g. in the President's office), in a specialised, neutral department of the statistics office, or even in the sector ministries.

There are varying degrees of centralisation. South Africa's government-wide NMES with its central Department of Performance Monitoring and Evaluation "...is in reality a government-wide policy to coordinate many existing and disparate M&E initiatives." (Shepherd 2011: 7). In Chile and Mexico, on the other hand, the central agency even carries out evaluations itself (ibid.).

- Are important M&E functions performed at the "meso-level" of line ministries or even at the micro-level of local implementing agencies? Such an approach can help get actors on board (Schiavo-Campo 2005: 11).
- Does the NMES have a standardised system for indicators and data? Standardisation supports the production of meaningful information and may be required for negotiation with donors (as in PRSP monitoring; it also involves centralisation in terms of reporting formats)
- Is the NMES designed to correspond to and support decentralisation efforts? Or, in practice, does it tend to centralise control over the sector agencies?

- **How ambitious versus realistic is the approach? Does it correspond to existing capacities and M&E needs?**

If the approach of an NMES is too ambitious, it may disappoint expectations and lose support. If it is too pragmatic, it may do little to change policy effectiveness and leave pressing problems unaddressed. The literature recommends a good fit rather than a best practice approach, or a good balance or combination of "basic plumbing" and a more a visionary approach.

- If the approach leans toward pragmatism, why? Focusing on basic aspects such as expenditure tracking tends to be more effective when it is part of systematic, official policy – and less so when done, for instance, because accessing that information is easy.

- **Does the approach fit well with the purposes and context of the NMES?**

A good approach will support the intended purposes. For instance, if the purpose of the NMES is to enhance government accountability an approach that looks at the poverty effectiveness of social sector policies and that emphasises impact evaluation is a good fit only if it includes sufficient attention to tracking expenditure against deviation.

B.2: Actors and organisational structure of NMES

Together with information on the cornerstones of the NMES (purpose, object, approach), the analysis of the actors, their roles, and their relationships to each other and to the NMES provides the general picture of the overall system. In other words, assessing the roles, relationships, particular interests, and existing capacities of the actors in the NMES helps to understand the system, recognise some of its challenges and identify potential entry points for advisory services.

Actors

In analysing the roles of and relationships between the main actors, it is useful to sketch out a picture of the system. Existing schemes are a starting point but might portray a different perspective than is needed for the analysis. The sketch may start with (1) the main tasks or (2) the actors.

▲ Main tasks and roles

● Option 1: Usual tasks in an NMES and who is responsible

In this option, the different tasks that need to be achieved by a particular NMES are drawn up, and then the unit(s) responsible for each task and related steps are filled in. For instance, looking at data collection in the graph, the questions are: Who plans audits and evaluations and who runs them? Are these capacities external, but still carried out locally, such as by local universities? Or are these activities institutionalised, for instance, performed by the bureau of statistics?

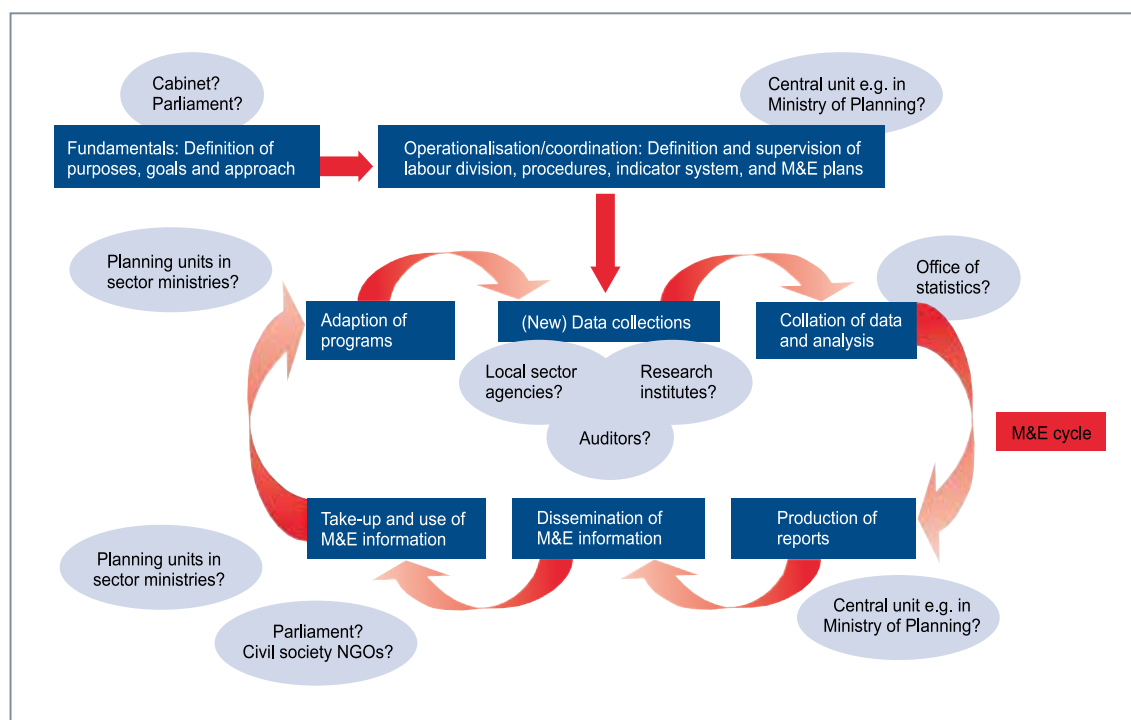


Figure 6. Tasks and responsibilities in NMES

- **Option 2: The actors and their roles and responsibilities**

Alternatively, the analysis of the actors and their roles can start with a list of all actors that are officially (and/or usually) involved in the running of the NMES, and then outline the tasks to be performed by each.

BOX 4. Main actors involved in NMES

Typical public actors:

Usually, a high-level **steering committee** across the government, chaired e.g. by the Minister of Finance, is responsible for the NMES as a whole. It sets priorities, provides support and oversight and approves reports.

Central ministries (Ministries of Planning, Finance, Development, but also President's Office or Primature in francophone Africa; see Bedi et al. 2006: 24f.). They often host a central unit that coordinates the NMES and produces the main reports; sometimes they go beyond this and generate information through evaluations (CLEAR 2012: 9).

Sector ministries and their planning and (possibly) M&E units, their local extensions and service providers such as health centres and schools; they contribute sector data; sometimes they go beyond administrative data by commissioning evaluations; ideally they use M&E information in their management and planning.

The bureau of statistics and other institutions that collect data and conduct analyses of these and of ministries' data; they may also produce reports.

Parliament and other public **accountability institutions** (such as a national audit office). Parliaments usually have commissions such as permanent thematic commissions and temporary inquiry commissions.

Typical non-governmental and other actors:

NGOs, research institutes and other organisations involved in data production (e.g. surveys, participatory data collection on poverty and living conditions; might include private sector associations) and/or dissemination of M&E results to particular audiences (e.g. on the local level, in remote areas).

NGOs and private sector organisations that hold the government accountable for its policies (i.e. act on the demand side of M&E information) or are contracted public service providers whose performance is being monitored.

Donors who may support national M&E with resources, training, and M&E activities aligned to those of the government; who demand M&E for accountability purposes; and/or who use national M&E information.

Sector and thematic interagency committees and **working groups** promote dialogue in specific areas. They often include both government agencies (e.g. sector ministries) and civil society organisations/donor agencies that are active in the particular area.

- **What are each actor's role and tasks?**

The actors' roles and tasks typically are defined for their respective NMES mandates, and can usually be found in such documents as the annexes of the PRSP or in specific NMES guides. Annex III of this manual lists some examples of such documents.

In addition, the actors' other roles beyond the NMES might affect their NMES involvement and their relationship to other actors. Which roles do the actors have in allocation decisions, programme management, and accountability functions?

- **How does national M&E feed into and support each actor's work? How are their workloads affected by national M&E and the NMES requirements?**

In other words, what are the costs and benefits to each actor for their participation in the NMES. While actors' roles define how they contribute to the NMES, it is also important to know how they benefit (or not) from the NMES and what their contribution means to them in terms of (additional) work. These aspects affect the actors' relationship to the system and their performance when contributing to and demanding M&E information.

- **Which actors have significant, formal responsibility? Is there a central unit?**

It is helpful early on in an analysis of an NMES to look at its central units. The institutional "home" affects the orientation and authority of the system. Whereas, for instance, "leadership by the ministry of finance helps to link monitoring to the budget process" (Bedi et al. 2006: 26), the President's Office may give it more political authority. The central unit may also be an interagency committee, which, however, tends to be less effective compared to a single agency (ibid.).

- **How are donors involved in the NMES?**

The role of donors is worth some emphasis in the analysis. Their role may be ambivalent. On the one hand, they may strongly support or even actuate national M&E. On the other, they "might hinder the development of local capacity by excessive, conflicting or multiple donor requirements" (Mackay 1999: 10). See B.4.d.

- **Which other stakeholders are involved (that are not listed above)?**

To complete the list of actors, find out what other actors are involved with the NMES and what their roles/interests are.

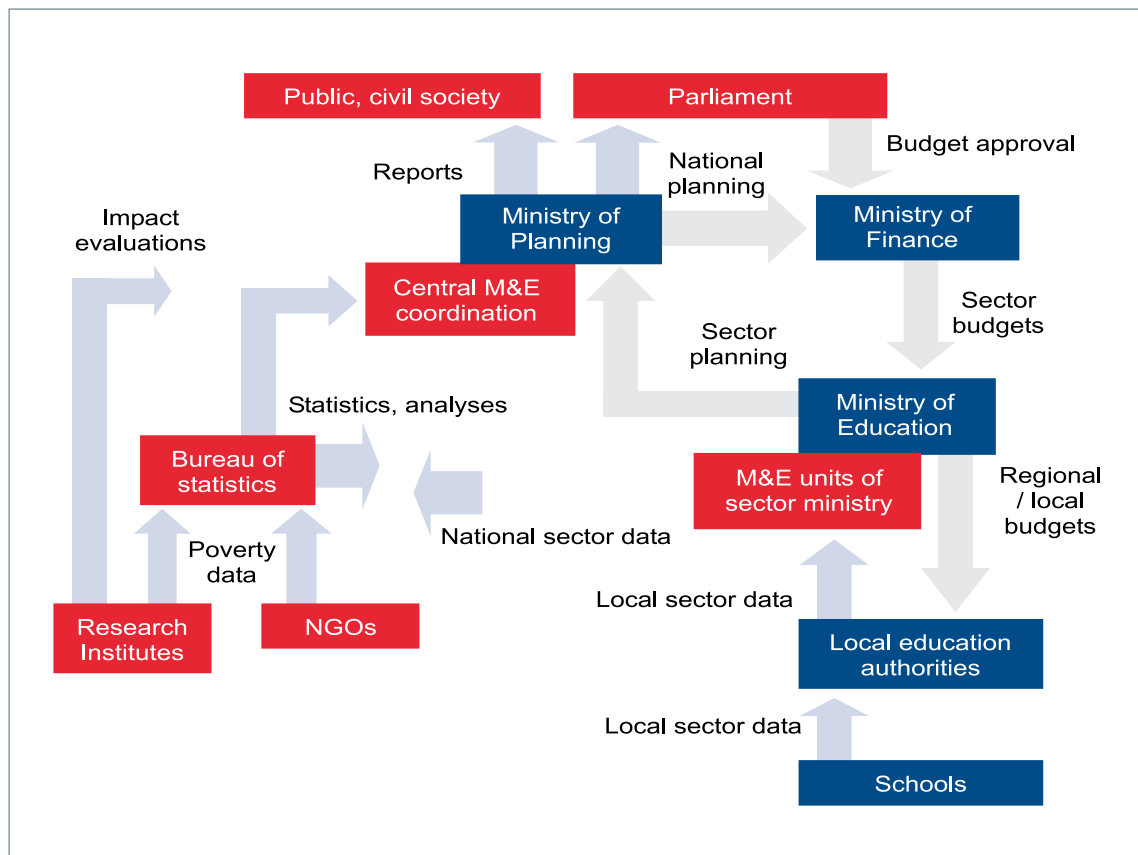


Figure 7. Example of a sector-specific network of NMES actors

Organisational network of the NMES and relationships between the actors

No matter how well components of the NMES such as the indicator system, evaluation planning, and all others are designed, the system will only function if its actors collaborate with each other, respond to reporting and other requirements, use the M&E information to measure their performance and adapt activities as necessary.

On paper, NMES designs often outline general responsibilities, divisions of labour and work processes at a high level. But the more operational delineation of tasks and coordination has seldom received much attention (GTZ 2004: 4).

Moreover, whether the division of labour works and collaboration goes smoothly depends not just on the design and on actors' capacities: factors between actors, in particular interests and power relations, are key to how actors relate to each other and to the NMES operates in practice.

▲ The network of actors

It helps to visualise how actors are related to each other in the NMES. The figure above is a simplified example of a flow chart of M&E information collection and use when collaboration between the actors functions well. The green arrows show the flow of interactions between the actors in terms of the generation of data, analyses and reports. The lavender arrows relate to the flow of interactions for the planning cycle and use of M&E.

Next, flesh out the figure by inserting the different actors' motivations, objectives, and power relations that can be inferred based on the sketch. (Later, the information gained in interviews can be added.) These influence how the different actors interact *de facto*. In order to round out an understanding of the relational structure of the NMES stakeholders, consider the following aspects:

- What characterises the relationships...

- ... between central units (e.g. Ministry of Finance and President's office)?

These relationships are crucial for effective coordination of the system. When central units work together co-operatively as a team, they are in a good position to synthesise the information generated by the NMES (for instance, to feed results coherently into budgeting – CLEAR 2012: 9), as well as to avoid or manage competing priorities, dissimilar processes, and inefficiencies.

Despite efforts to harmonise the responsibilities of central units to have them operate consistently, tensions can arise (CLEAR 2012: 12). They may be caused by

- Competition over control in the NMES;
- Different concepts of the NMES purpose and focus and how to pursue them;
- Other, more or less closely related issues that manifest in the context of M&E.

- ... between central NMES units and sector ministries?

NMES face a basic trade-off. On one hand, having a strong champion driving the system and anchoring central responsibility in a high-profile public sector position can be pivotal to success (Mackay 2010: 6). This could be a central ministry, as is the case in Chile, a line ministry (Mexico), the statistics office, parliament, or a national planning commission (Ghana). On the other hand, a strong centre faces the challenges of promoting ownership, utilisation and support of NMES amongst less central units (cf. Mackay 2010: 3).

- ... with sub-national levels?

Sub-national (regional, local) levels may be involved in various ways. Local governance actors, such as municipal councils and prefects may bring in the local perspective on service provision and progress (decentralised M&E) and complement or even challenge national perceptions.

The local agencies of sector ministries usually provide sector data to the national level. In some cases this is the only M&E information that the national level receives. Sector ministries may want to keep control over local monitoring rather than pass it on to local government actors.

A key question is to what extent local actors are really involved and how much ownership they have. An important good practice is a two-way information flow that provides the local actors with robust feedback from the top, beyond the response demonstrated in their next budget. This also motivates the local actors to contribute data and to support changes based on NMES results.

BOX 5. NMES' relationship with local government agencies

The NMES' relationship with local government and agencies has three channels (Bedi et al. 2006: 32):

Accountability of local governments and agencies to the central government (e.g. monitoring service delivery financed by the central government);

Accountability of the centre to local governments and agencies (feedback of disaggregated data and information – which is rarely done systematically);

Accountability of local governments to their constituencies (e.g. local committees that check local spending and service delivery).

- ... with accountability institutions, in particular with parliament?

Parliaments have several functions in NMES. In their legislative role, they interact with the government in choosing development policies and authorising budgets. In their oversight role, they hold the executive accountable for its performance. In their representative role, they should advance the interests of their constituent stakeholders, in particular the poor (Bedi et al. 2006: 47). These functions make parliament a central user of M&E information. However, in many cases, parliament has very little involvement in the NMES.

Crucial questions are how parliament has access to M&E information and how effectively it can use that information and draw consequences from the previous performance of programmes or ministries. One factor in this is the legal and de facto balance of power with the executive.

- ... with the national statistical system?

Here, the main issue is compatibility of the NMES with the statistical system (which exists at least to some extent independent of, and often prior to, the NMES). This includes technical issues such as whether statistical capacities required by the NMES are realistic, but also coordination issues to avoid duplication of effort, for instance, the potential overlapping of data analyses by sector M&E units with those by specialised statistic agencies. But the political dimension should also be considered, because the information generated by the central bureau of statistics can have a major effect on resource allocations to line ministries.

- ... between government and non-governmental stakeholders?

There are three possible roles for NGOs, private sector organisations, and associations to play in an NMES.

They might support the NMES with data collection, for instance, by performing participatory poverty monitoring exercises or by providing market data (Bedi et al. 2006: 49). A risk here is that, in practice, the organisations might lose their independence through cooperation with or being financed by the government (“co-optation risk,” Schiavo-Campo 2005: 5).

An NGO may also be a public service provider via contracts with the government. Their relationship with the NMES then is one of being monitored by it, and a high degree of dependence is likely.

Finally, NGOs and citizens’ associations can act as watchdogs of public sector activity and thus be users of M&E information for accountability purposes (Bedi et al. 2006: 49). Depending on the political climate and the public sector’s performance, the relationship might not be an easy one.

A frequent question about the NGO/NMES relationship is how the NGOs are selected and whose interests they represent – which is especially important when NGOs provide and/or evaluate M&E information.

- ... of the NMES to donors, and between donors?

As a best practice, donors should coordinate and align their M&E efforts with the NMES. When they do not, inadequate coordination can create inefficiencies such as the parallel collection of data by donors or the collection of other, non-aligned data. It even sometimes happens that the implementing agencies of a single donor country working in the same sector of a country use different indicator systems.

A greater potential problem with a lack of coordination is that donors’ contributions and influence could become a dysfunctional driver towards other priorities and standards than those chosen by the partner country (see B.4.d).

▲ The operational division of labour and coordination of actors

● How is the coordination of main stakeholders organised?

Good coordination of an NMES helps to avoid many potential challenges. In contrast, a lack of coordination can lead to a proliferation of reporting requirements, monitoring processes, and instruments. This, in turn, can cost time and effort, lead to frustration, and “reduces the space for reflection, feedback, and course correction.” (CLEAR 2012: 12.)

- Which unit bears the central responsibility for coordination? Is it accepted in its role and supported? What is the scope of its functions – does it only coordinate or also plan and steer M&E activities across the system?
- How is coordination measured and assessed? How does the technical committee communicate with sector ministries’ M&E units regarding data collation, and other processes?

■ Is the division of labour within the NMES clear at the operational level?

The high-level, official NMES schemes typically cannot provide the details for the operational level, where responsibilities may still overlap or require further definition. Then, of course, the specific responsibilities need to be communicated to the actors.

● How was the division of labour established?

On one hand, actors should participate in the design of the NMES duties and work flows so they can “express their interests, clarify the objectives in the given context, and come to agreement on complementary roles and responsibilities.” (GTZ 2004: 37.) The actors’ ownership of their responsibilities is crucial.

On the other hand, the division of labour should correspond to “objective” system functions. Retaining programme evaluation functions in the sector ministries might make sense, but it might make more sense to assign them to an independent body.

● To what extent local structures are involved in M&E activities?

The division of labour at the local level between local structures and ministerial units affects the degree to which the “local reality” is reflected in the M&E data. This, in turn, can affect allocation decisions, such as where the next hospital needs to be built.

Stakeholders’ motivations

Good functioning of the NMES depends on the support of the actors involved, who are most likely to provide strong support when their involvement is compatible with their broader objectives and motivations. However, an NMES exists within a complex constellation of stakeholders and it is inevitable that some interests will diverge. Moreover, motivations are tied up with all levels and all dimensions of the NMES, meaning stakeholders’ objectives can be affected – positively or negatively – by what is assessed, how it is assessed and who performs the assessment. While mandates, rules, and sanctions can, to some extent, compel actors behave contrary to some of their interests, and incentives can introduce new motivations that encourage participation or use of the NMES (see B.3.d), the basic motivations and objectives of the stakeholders cannot be ignored.

▲ Types of interests, objectives, and motivations

● Which motivations or consequences are tied directly to the NMES?

The different stakeholders might perceive advantages and disadvantages to their involvement with the NMES. On the negative side, any implementing actor might perceive the additional

workload created by the NMES or the disclosure of information about their performance as potentially disadvantageous. On the positive side, they might see significant benefit in their NMES involvement, for instance by being in the position to direct the focus of M&E activities to topics or issues that would help their work.

- Which other objectives and motivations do stakeholders have that are relevant?

Interests in other domains can have spill-over effects into NMES operations, and vice versa. For example, tensions between two sector ministries regarding which is responsible for certain issues and related resources can be exacerbated if the NMES attributes M&E responsibility over the issue to one of them.

- Which competing interests exist between main stakeholders?

For this question, it is helpful to refer back to actor relations scheme (see B.2.b). Similar to the previous question, any power or authority which an NMES invests in a given actor can have a spill-over effect into other arenas, and this in turn can make it difficult to manage the tensions from within the national M&E system.

- Are there competing motivations or objectives within one organisation?

Interests might vary across units or between upper management and staff on the ground.

▲ NMES response to the various interests, objectives, and motivations

Although recognising the competing interests between actors might be emphasised when the purpose of the analysis is to identify challenges to the system and points of entry for advisory services, the ways that the NMES serves the actors' interests are important to achieve a general understanding of the system, too.

- How do competing motivations or objectives affect the functioning of the NMES?

Divergent objectives amongst NMES actors can lead to interruptions in the flow of data or to more or less overt negotiations over NMES responsibilities (which may appear superficial but often can hide deeper conflicts), or over results and related recommendations. The interview partners can shed light on any competing interests when asked such questions as whether they consider the distribution of tasks and responsibilities to be efficient. For the analysis, consider whose control over resources increases or decreases because of the NMES.

- How well does the NMES accommodate actors' needs, motivations, and objectives?

Ideally, the NMES will be open to change in order to accommodate actors' important needs or interests. If the unit that coordinates procedures, collects sector M&E data and drafts the annual report, is solely accountable only to a single actor (such as to the vice president), then other stakeholders, such as sector units or NGOs, are less likely to be able to initiate change in the system.

- How does the NMES handle competing objectives and potential conflicts?

The NMES might have mechanisms for managing competing objectives, including conflicts of interest. Are there rules or mechanisms in place to prevent or reconcile conflicts that might arise? Are incentives in place that benefit the participating actors? For example, if the NMES is centred around the ministry of finance, do procedures allow for sufficient participation of other stakeholders in the annual performance reporting? Do sector ministries not only "lose" control over information, but also gain from well-crafted reports?

Capacities

Many types of advanced capacities are required throughout the NMES, but the systems are often designed based on purposes and needs, regardless of the capacities currently available. Also, many NMES have been developed with external support. In some of those cases, the system may still lack certain capacities even though this is not apparent at first sight. For example, if the NMES has a well-defined indicator system, this is not necessarily an indication that capacities exist to review and revise the system without support. Capacity constraints need to be assessed for their effect on the functioning of the NMES relative to other factors, such as adverse incentives and conflicting interests.

Some NMES capacity requirements are context dependent, but many will be common to all. Yet even sourcebooks about NMES capacities often remain nebulous about specific needs (see Kusek/Göergens 2009: 91 ff.).

Below are two complementary ways of assessing capacity requirements and existing gaps. In addition, the multi-lateral development organisations often conduct needs assessments on capacities for M&E. The NMES analysis should draw on them for reference, when available.

Even more important is to ask interview partners which specific, additional capacities they consider necessary, how many units need the capacity, and why and how it would improve the NMES. In addition to providing information on the capacity development needs, this also helps to recognise how well capacity issues are reflected in the NMES, and the size of the role they play in comparison to other factors.

- **Option 1: Determining capacity requirements based on M&E processes and activities**

Capacity requirements can be sketched out by using a schema of the NMES as the basis. In other words, identify the capacities required by each activity or unit in an organisational or flow chart (which are often provided in NMES documents), in the visualisation of actors (see B.2.a), or in a general components overview (see A.4).

Questions then are:

- **Do the actors responsible for each task have the capacities to:**

- Consult with stakeholders and identify the specific needs and uses for M&E; formulate and prioritise the focuses and purposes; design a functional approach and set up; determine the roles and mandates of the actors involved.
- Translate policy targets into useful and feasible indicators; construct a viable and coherent indicator system across the relevant sectors with appropriate levels of indicators.
- Generate/collect data at each level of the results chain; prepare accurate and timely data reports; collate the data; produce sound, meaningful analyses that are relevant and aligned with the information purposes of the system.
- Draw on data and analyses to produce and disseminate meaningful information that is intelligible and accessible to the intended users and that fits their information needs.
- Actively request, access, and take up M&E information; use M&E information in decisions for operational management, planning, advocacy, or other purposes related to the actor's role.
- Oversee the whole NMES process; assess the performance of the NMES in terms of quality of information and achievement of objectives (needs, purposes); adjust/re-design the system as needed; coordinate other units' NMES work and manage conflicts of interest.

- **Option 2: Determining requirements by capacity levels**

Capacity requirements can also be ascertained by looking at the different levels of each unit in the system (Schiavo-Campo 2005: 2, Kusek/Göergens 2009: 91). This approach helps to differentiate specific types of capacity needs and to identify the kinds of support/capacity development that may be offered. It can complement option 1 by posing in-depth questions about the capacities for each NMES component and actor. For example, with regard to the design of the indicator system, does the responsible actor have the capacities on each of the following levels?

- **Institutional level: Are adequate rules and mandates in place?**

- For instance, does the mandate of the central operational unit confer the authority to require contributions from other units and to draw attention to M&E findings?
- Does the unit in charge have the ability to adapt the processes, set standards, create incentives, and impose sanctions?

- **Organisational level: Are management structures, working processes and interfaces between units and with external organisations, compatible with the demands posed by the NMES?**

This is different from the institutional level. For instance, civil society organisations may have a good institutional access to the M&E of the national strategy – but they need to be sufficiently organised amongst each other to have a coordinated voice and agenda to complement or challenge the government's M&E findings or approach.

- **Human resources level: Are there enough sufficiently-qualified staff members?**

- Do staff members have the managerial, technical, and analytical skills to fulfil their role? Are abilities suited to the particular institutional and organisational context?
- Is staff knowledgeable about the national M&E system, how it works, and how their contributions feed into the system? Do they bring in a constructive attitude to M&E?
- Are the capacities of unit staff sufficient to handle the workload? Is there a sustainable hiring and staff development system in practice?

- **Infrastructure or technology level: Are hardware and software in place that enable high quality and timely data collection, transfer/collation, analysis, and dissemination?**

B.3: The generation and use of M&E information

This section looks at the supply and demand sides of M&E data. The supply side includes the indicators, data, and analysis along with the related questions of quality and quantity. The demand side encompasses both requests for types of data or information prior to its collection as well as the use of M&E information after it has been produced.

The indicator system

On the supply side, an NMES defines certain indicators and milestones and measures the extent to which they are being achieved. The indicators substantiate the policy goals and strategies being assessed; they define the subject matter of the NMES. The indicator system is often considered the central piece of the NMES, to the exclusion of all others. Of course, the indicator system is a technical component, and the political components, such as relationships between the actors, are at least as important. Still, any analysis of NMES always includes whether the “right” indicators are being used.

▲ The choice and quality of the indicators

Lists of the NMES indicators can usually be found in the annexes of framework documents. Ideally, the NMES has a clear, uniformly developed, conceptual framework for the indicators it employs, including their rationale. However, in practice, indicator systems often evolve in separate exercises to accommodate the interests of the many, various actors. If they are simply added together for national M&E, the overall portfolio can become overly comprehensive without fitting together well.

■ Is it clear how the indicators are to be used?

Even “good” indicators should be included in the system only if they are truly used by the actors and help to strengthen performance and a results orientation (Schiavo-Campo 2005: 10). Therefore, the purpose and intended primary uses and users should be listed along with each indicator (Booth/Lucas 2002: 16).

● Who was involved in the choice of indicators?

Various NMES actors are affected by the choice of indicators: those who collect the data, those who analyse them, and those who use the resulting information. Each has different needs. Involving the actors helps to ensure ownership and a useful choice of indicators. Donors should resist influencing the selection of indicators.

● Do the indicators correspond to quality standards?

Some quality criteria are:

- Are they clear and specific?
- Are they a direct measure of progress? If yes, a change in the indicator value unambiguously means better or worse.
- Are observed changes put into perspective? For instance, figures on school enrolment for a group should be put in perspective of the size of that group (ratios versus absolute figures).
- Are they sensitive to changes made in the interventions? If so, they allow for assessing the success of a modification (attempted improvement) of an intervention.
- Can changes in their values be attributed to policy and public sector performance?
- Are they based on data that are available in a timely manner and at low cost?

Indicators should not be chosen merely because donors require them.

- **How are trade-offs with respect to indicator quality handled?**

Some indicators will not fulfil all criteria for practical reasons. It may be necessary to use second-best indicators or proxies that are less costly to collect or more readily available. If compromises are made on indicator quality, findings must be handled with care (GTZ 2004: 46).

- **How are milestones and targets set?**

The indicator system should include the goals against which achievement is compared over time (Schiavo-Campo 2005: 7), so that progress can be assessed. In other words, the NMES should resist the temptation to quantify what is achieved without comparing it to targets.

- Are targets set as absolute levels or as improvements over previous periods?
The latter is recommended to put progress into perspective.
- Do target values achieve a balance between being realistic and being ambitious?
Targets should be neither absurdly ambitious nor effortlessly achievable.

▲ The portfolio of indicators

- **Which levels of indicators are included?**

M&E indicators are categorised by where they fall along the results chain (input, process, output, outcome, or impact). Some sources recommend having a balance across levels (Booth/Lucas 2002: 11). On the other hand, particularly in early phases of an NMES it is worthwhile to emphasise those that help with pressing priorities (for instance, expenditure tracking), that are feasible, or that promise the largest gains.

In practice, NMES often have a “missing middle” (GTZ 2004: 44). They lack output and in particular outcome indicators that would help to understand how inputs contribute to impacts. These indicators play an important role in accountability (what has the policy really produced/changed?) and learning (which interventions/approaches have contributed the most to desired outcomes?).

- How well are the levels of output and outcomes incorporated?
- Have donors influenced the choices?

- **Are process indicators included?**

These indicators help to assess how implementation processes have been conducted and the how the intervention activities have been performed (see Booth/Lucas 2002: 32).

Process indicators and results/outcome-based indicators are often listed in separate documents, so both types need to be requested specifically in order to get the whole picture.

- **Are qualitative indicators included?**

To provide a rich picture of public sector performance, not only should indicators from different links along the results chain be included, but also indicators that capture different views and perceptions.

Whereas quantitative indicators can provide objective counts or numbers of items or events (e.g. how much money expended, how many health centres built, how many clients served, ratio of teachers to students or median income), qualitative indicators capture subjective perceptions, values, and experiences and are especially useful in helping to explain how and why interventions are successful or not. Examples of qualitative indicators are: beneficiaries’ satisfaction with services received, how the service has changed the beneficiaries’ living situations, activities the beneficiaries were able to perform as a result of having received the services or perceptions and

experiences of poverty. Qualitative indicators most often focus on recipients and target groups and therefore grow in number and importance further along the results chain (outputs, outcomes, impacts), but they can also be useful process indicators. An example of the latter is when the activities of an intervention include training of staff, in which case qualitative indicators would apply to the perceptions of the training by the staff participants.

It is important to note that qualitative indicators are often numerically coded for analysis, for instance, when client satisfaction is measured on a scale of 1 to 10. However, while several clients could choose a rating of, say 4, there is no objective and universal definition for “level 4 satisfaction.”

- **Are indicators disaggregated?**

These indicators differentiate observations by geographic region and demographics (e.g. gender, age). Disaggregation of indicators allows for the monitoring of specific groups and for more precise targeting of interventions. It also generates additional data and more sophisticated analysis needs (GTZ 2004: 65). A related question is whether the disaggregation of the data is maintained throughout the collection and analysis process.

- **Are indicators for cross-cutting issues included?**

It is important to note whether indicators on such cross-cutting issues as gender and the environment have been chosen, as well as what role donors might have played in the selection.

- **Is the indicator system sufficiently comprehensive and also manageable?**

The functionality of the indicator portfolio has to be seen primarily against the background of the purposes of the NMES. But it also has to be feasible and cost-effective. There is a basic trade-off between the system capturing important issues and it becoming too comprehensive to handle. The rule “as few as possible, as many as necessary” should apply.

- **How coherent is the indicator system?**

Coherence is important to the overarching system. Results should be comparable across sectors and provide a coherent performance picture for budgeting purposes. Related questions include whether all sectors have indicators for each section of the results chain or if and how each sector sets target values.

Data collection

Data are individual facts, statistics, or items of information and constitute the lifeblood of M&E. Indicators are particular data or combinations of data that are selected because they are meaningful in assessing specific activities or phenomena. In assessing an overall NMES, it is crucial to know which data are used, what their quality is, and how they are collected.

▲ Routinely collected data

These are mostly the administrative data of sector ministries that are collected regularly, and mostly for internal purposes, meaning they would be collected whether or not an NMES exists or needs them.

- **What types of administrative data are collected?**

Administrative units typically collect data on key functions and aspects of their day-to-day work that can be counted or that they are required to record. Administrative data commonly include

expenditures; inputs such as employees, supplies for facilities or activities (e.g. the medicine supply for a health centre); or output data, such as number of patients treated, number of inoculations administered, and other services provided. Many units also collect outcome data, for instance, statistics on live births or numbers of patients treated successfully.

Administrative data normally register only those people who use services, and not those who should, but cannot or do not use them, or sometimes even those who receive services from other providers.

- **How are they collected?**

Administrative data typically are recorded at the lowest administrative level of an agency or line ministry or at the actual point of service delivery. Important questions include how the recording of data and the reporting of it to higher administrative levels is carried out and supported. Are the definitions of the data to be collected and the reporting forms standardised? How frequently are the data collected? What quality controls exist for collection and reporting?

- **What is the quality of administrative data?**

Important quality criteria are the validity, consistency and completeness of data sets, the timely availability of data and costs of collection, and compatibility with the selected indicators and with other NMES data. If data quality is poor, a likely cause is overworked and poorly paid staff, and perhaps incentives to over-report exist, as well (GTZ 2004: 52).

At the point of collection, data are often not attributed to particular strategies (GTZ 2004: 75), which makes it difficult to assess performance in terms of the strategies.

- Does data quality vary across sector? Sectors with more donor engagement may have better data systems, whether this is because of donor requirements or because of their support.
- If data quality is problematic, how is it addressed? Is there an improvement strategy? Are alternative data or collection tools being explored?

▲ Diversification of data and collection methods

In the past, administrative data clearly dominated the M&E landscape along with household surveys. Studies were rarely commissioned to provide complementary data (GTZ 2004: 7). Since then, capacities have increased and assessment tools have evolved.

An NMES should employ a good mix of data types and collection methods. The mix should incorporate both quantitative and qualitative analyses in order to achieve a robust understanding of how national strategies work best and how they affect people's well-being (Booth/Lucas 2002: vi).

Several types of information needs cannot be filled by administrative data. For instance, as noted above, administrative data captures information about those who use services, but not about those who should, but cannot or do not use them (GTZ 2004: 52). Also, the work of private service providers (e.g. private clinics) is usually not taken into account. Moreover, administrative data often does not include information on the effectiveness or quality of services. Such information gaps can be filled by other types of data collection and surveys, which might be conducted frequently, periodically, or on an ad hoc basis. These data collection and survey exercises can relate to different points along the results chain (see box 6).

- **What data collection exercises are carried out in addition to the collection of administrative data? How are they carried out?**

The additional types of data collection that are conducted can inform about the kinds of data available to the NMES, and can also relate to the purposes and approach of the NMES. For instance, when the NMES includes participatory assessments and customer satisfaction surveys that are conducted by NGOs, it probably indicates an interest in qualitative information that is important for understanding the causes behind observed changes, and also in civil society involvement.

- **Do the various, alternative data collection methods meet the needs of the NMES?**

Different issues are involved with each type of instrument. For instance, are household surveys conducted regularly enough? Do they provide disaggregated data that allows for regional or demographic-group targeting of interventions? Do participatory assessments of policy implementation draw on representative population groups? Such questions are beyond the scope of most basic NMES analyses, and there is little discussion in the literature about the potential shortcomings of these additional data collection instruments.

BOX 6. Data collection and NMES

Data collection exercises beyond administrative data (GTZ 2004: 48-58)

- **Comprehensive surveys** provide information on poverty and well-being (impact level) and include: household surveys that capture income, level of education achieved or quality of housing; health and demographic surveys on child and maternal mortality, disease incidence.
- **Impact evaluations** assess changes that were brought about. They range “from large scale sample surveys in which project populations and control groups are compared before and after [...to] participatory appraisals where estimates of impacts are obtained from combining group interviews, key informants, case studies and available secondary data.” (World Bank IEG 2004: 22.)
- **Service delivery surveys and customer satisfaction surveys** include questionnaires, interviews with households, “exit polls” of users (who are asked about the service they’ve just used) and other methods. They show how well people are reached by service provision (output/outcome) and how services or service provision can be improved. Facility surveys augment administrative data by assessing how service facilities are furnished with equipment and supplies.
- **Participatory assessments** provide qualitative data, for instance, to describe poverty, changes in poverty, or customer satisfaction with more detail and context. They are also an important source of information on implementation processes. They can complement other surveys or stand alone.
- A recent trend is to use information and communication technology to support the flow of M&E information to and from social services stakeholders (Sharma 2011). Citizens can inform themselves and also report on such issues as corruption; results of social M&E exercises (social audits and expenditure tracking, service delivery score cards) can be presented to service agencies.
- **Public expenditure reviews** examine expenditure information from several years and investigate the congruence of policy and expenditures and the efficiency of expenditures in a longer time horizon. **Audits** are another source of expenditure information. Expenditure data are also collected in specific **expenditure tracking studies**. These determine how much of the allocated money is absorbed by which administrative layers and how much of it arrives at the level of actual service provision.

The processing and analysis of data

Once the data are collected, they need to be collated (merged and ordered, connected with the relevant indicators), processed and cleaned, and analysed. The purpose of analysis is to turn data into meaningful information upon which good decisions can be made.

The amount of processing to be carried out depends on the information needs. Information about improvements in medical supplies at public hospitals might merely involve a review of the levels of supplies over the previous five years. Assessing a more complex outcome, such as the improved quality of education that results from several types of interventions would be much more involved.

▲ Collation of data

■ Does the NMES have the necessary means for data collation?

Collation is the merging and ordering of data sets. It requires procedures that ensure the timely delivery of specified data sets; standards for data collection (e.g. data sheets) that ensure data compatibility with the indicator system; and reliable means of data transfer that prevents loss and avoids duplication of documents.

Software may support these functions, by incorporating technology to structure procedures, and requires standards in data quality and compatibility. But software solutions depend on the availability of information technology equipment and the training of staff, and a prerequisite is the existence of a useful indicator system.

■ Does the collation of data work well across different data sources?

Data from different actors must be collated, which requires a broad sharing of information. In addition to having a technical means for reporting and transferring data, the actors must be willing to share them. Sharing is facilitated when the central unit that collates the data has the authority to demand them from the various actors (GTZ 2004: 75/78).

Another issue is a tendency for some units to adopt a “more is better” approach, and to indiscriminately submit large amounts of data into the system, regardless of their value to the M&E objectives (GTZ 2004: 66).

▲ Processing and data analysis

The processing and analysis of data remains a black box in much of the literature, which tends to express only a general impression that institutionalised analysis, in particular, is a deficit of many NMES. Processing and analysing data requires both solid, technical capacities and incentives to go beyond the mere editing of collected data (Bedi et al. 2006: 36). It also requires, of course, that data meet quality standards.

Key informants (e.g. NMES staff, consultants) should be able to provide insight into the processing and analysis that is performed on the data. Consider asking staff in the statistical office to describe their processing and analysis procedures and related challenges.

● Where is analysis conducted?

Analysis is not necessarily located (only) in the bureau of statistics. For instance, poverty observatories conduct poverty analysis (as is the case in several West African countries); the analysis of implementation could be performed by an interagency technical working group.

When analysis tasks are carried out by different units, they will need to be coordinated to avoid overlaps and duplications, especially with regard to the work of the central bureau of statistics.

Specific analyses such as expenditure reviews may be done in separate exercises, and by involving donors or others. In this way, analysis is institutionalised, but not tied to a particular unit.

■ **What is the quality of existing analyses?**

Quality criteria include methodological soundness of analyses and publications, timeliness, and, most importantly, utility in terms of the NMES' purposes and the needs of the end users (see B.3.d).

■ **Does sufficient capacity exist for processing and analysing the available data?**

It can be difficult to assess the capacities for analysis within statistical offices or other units of the NMES, because the quality of the analysis is so dependent on the quality and supply of data and indicators (GTZ 2004: 76). However, analysis units "have been most effective where they have remained small and close to the government and have focused purely on analytical tasks. [...] If they are too far removed, [...] their analysis is typically less relevant and operational [and less] owned by decision makers" (Bedi et al. 2006: 37f.).

Demand for and use of M&E information

The actual use of information is the very purpose of any M&E. This seems self-evident, but all too often, M&E systems generate very large amounts of information and much of it does not get used (cf. García López 2010: 164). This can lead to a vicious circle: if data and information are produced in quantity rather than quality and then are not used, they are not validated either – which means that the data and information produced continue to be of lower quality and to remain unused (Castro 2011: 5).

Demand and use are closely related. Any use constitutes demand, even if it is motivated by external requirements. There is no use without demand of some kind. On the other hand, demand is necessary, but not sufficient for actual use of M&E, as when the needed M&E information has not been communicated or has not been produced. NMES as well as NMES analysis should address demand and use as closely linked, though distinct issues.

The lack of domestic demand for M&E information can be a significant challenge of an NMES (Lucas et al. 2004). However, there is indication that domestic demand is growing (CLEAR 2012: 7), even in countries where NMES have long been driven by donors.

▲ Current demand and use

● What demand exists for M&E information? How is M&E information used?

Do line ministries use M&E information for steering, managing, or modifying programmes? For planning or developing policy options? Do they request particular or new types of M&E information?

- Do central ministries use M&E information in policy analysis, planning, and/or budgeting?
- Do parliaments, civil society organisations, or other accountability institutions request and use M&E information to hold the public sector accountable? Does any actor challenge public policy and performance based on M&E information?
- Is demand generated through all administrative levels, including the operational level? Or does it arise mostly from the top organisational levels?

● Has the NMES clarified its intended uses and users?

Clarity about the intended uses and users of M&E information facilitates its demand. Basic NMES documents should state who the key recipients are; exhaustive lists of users and uses are not very helpful, and efforts to disseminate M&E information should focus on the main actors.

● Is the M&E information proactively disseminated?

The active dissemination of high-quality information may also stimulate (latent) demand. Dissemination has frequently been a deficit of NMES, and many systems have directed their efforts mainly to producing an annual progress report (Bedi et al. 2006: 39). That said, even well-targeted dissemination does not stimulate demand reliably, and an NMES should not be primarily supply driven.

- Which factors drive or limit demand for M&E information within government?

Demand for M&E information from government units may be based on:

- Ownership of the M&E system and recognition of the need for more efficiency and effectiveness, and the benefits of a results orientation.
- Incentives or requirements – any external motivator that makes actors demand information, such as performance-based budgeting rules or annual reporting requirements (see below)
- Effective rewards or sanctions can drive demand for M&E information, although probably in a more limited way than when demand is based on recognised needs.
- Unintended disincentives might also exist. Are there units that might mostly “lose” when M&E information is used?
- Demand and requirements from donors. Remember that donor demands/requirements may or may not align with the purposes of the NMES.

▲ How the NMES fosters demand and use

- How actively does the NMES promote demand and use?

“The most promising strategy for building demand is to establish a link between the monitoring system and key points in the decision making process” (Bedi et al. 2006: 35). Possible entry points for M&E data are budget decisions, investment plans and expenditure reviews, recurring scrutiny of government performance by parliament or donor negotiations. Tying budgets to evidence of performance is one very important link (see B.4.b).

Moreover, formal reporting mechanisms that institutionalise the use of M&E in executive decision-making can operate with greater frequency than the annual budget. For example, Uganda has a performance review retreat twice a year; in South Africa, reporting is done quarterly (CLEAR 2012: 14/15).

- What mechanisms does the NMES have to enable, motivate, and oblige actors to use M&E information? Does the NMES set incentives and obligations for producing and/or using M&E information?

A response, for instance, from a sector planning unit that M&E information helps in making better policy decisions needs to be followed up by questions about where exactly in the planning process the information is brought in, what specific information is used and what happens if a unit does not use it.

Setting up effective “carrots and sticks” can be quite challenging unless M&E has strong political backing or a larger reform is already underway that includes a results orientation (such as performance budgeting).

- Does the NMES actively inform stakeholders about how to use M&E information?

This is a “chicken or egg” problem: If stakeholders do not see the utility of M&E for them, they will not demand M&E information (and not contribute enthusiastically to it either) and therefore will not gain experiences with M&E, which again limits their awareness of its utility (Mackay 2006: 5).

BOX 7. NMES and incentives

Mackay (2010: 5) differentiates incentives into carrots, sticks and sermons:

“An example of a carrot is the provision of greater autonomy to managers who can demonstrate (through reliable M&E information) that their programs are performing well.

An example of a stick is to set challenging (but realistic) performance targets that each ministry and program manager is required to meet.

An example of a sermon is a high-level statement of support for M&E, such as from a president or influential minister.”

Lopez Acevedo et al. (2012: 58) show that incentives lie on various levels, which all need to be considered:

- (1) The level of national policy and its institutional framework; such as regulations that tie budgets to evidence of performance;
- (2) The level of institutional architecture of the NMES; this mainly involves incentives for agencies to co-operate;
- (3) The agency level. For instance how upper-level management awards performance-based management.

- **Does the NMES tailor reports and presentations of information to the intended uses and users?**
M&E information can be delivered to the planned audiences, but the mere dissemination of reports does not ensure its uptake and use. Targeting is more effective when:

- The content is relevant for users. Civil society organisations may want to know more about the pro-poor effectiveness of interventions and less about management details.
- The M&E products are well-suited to users. Is information presented in a useful format for instance in terms of detail and language? Are there mechanisms for users to actively search or query specific information?
- Products are readily accessible, timely and affordable. Are media and distribution channels employed to reach external audiences?
- Dissemination is proactive and not only on demand (Schiavo-Campo 2005: 4). Even dissemination within the governmental should not be left to explicit demand; feedback loops to policy makers should be installed as a regular element of NMES (Booth/Lucas 2002: 37).

- **Are there political champions who promote demand?**

In many countries, for instance, whether or not an issue is mentioned in the president’s annual speech is decisive for its uptake.

B.4: Key factors that influence the system: Drivers and context

There are some important factors that have a big influence on the NMES by shaping how it is perceived and accepted throughout the government as a whole, as well as within the public sphere. This manual touches on two of them: a) drivers of the system and b) the greater context of the NMES.

Drivers

Drivers are those forces that actively motivate and influence the creation, development, and performance of the NMES. They may be institutional, such as laws that establish or regulate M&E; organisational, having either an M&E mandate (such as the bureau of statistics) or an active interest in M&E (the Ministry of Planning); or be individuals who champion M&E.

Drivers are not necessarily in central or powerful positions. A review of Senegal's NMES suggests that the main actor driving NMES development is not the central unit (the national planning division) but rather the Délégation à la Réforme de l'État et à l'Assistance Technique, an internal technical assistance agency.

A typical driver outside government is the demand for M&E from donor, private sector, or civil society organisations. These drivers do not necessarily influence the NMES in ways that align with its purposes and mandate, which is one reason they are so important to include in an NMES analysis.

▲ Domestic driving forces

- **How strongly is the NMES driven by domestic demand for M&E information**

A main lesson drawn in the literature is that successful NMES are decidedly home-grown (CLEAR 2012). Otherwise, political and administrative support (e.g. data provision by sectors) is prone to be limited and the purposes of the NMES are much less likely to coincide with actual needs.

- **Are there strong key actors?**

It helps to have strong actors with a vital interest in the NMES, for instance a treasury in need of better information on budget execution. Windows of opportunity for NMES development are often small (Mackay 2006: 9), resistance is common, and the political will to implement a critical system is volatile. At the same time, NMES development takes a lot of time and strong actors are important to negotiate the obstacles.

- **How many drivers are there? How diverse are they? How broad is the support base for the NMES?**

Having many different drivers with disparate needs and motivations can cause confusion regarding priorities or standards. They may also raise expectations about the NMES too high. At the same time, having several drivers can give the system a broad base of support.

On the other hand, having only one or two actors drive the system might help the NMES to develop more efficiently, but it also might cause it to be captured by the interests of the few. This could lower overall support and increase resistance. For example, in Chile, the NMES is firmly based in the treasury, which is highly competent; but ownership and support in the sector ministries is limited (Mackay 2006: 3).

▲ Donors as drivers

While there is some optimism that government demand for NMES is growing, many such systems are still largely driven by donors (CLEAR 2012: 7). Donors bring in various driving forces (Bedi et al. 2006: 27f.), which the following questions address:

- **Where and how do donors support the NMES?**

Donors may directly support data collection and analysis but also contribute to the development of capacity of any of the stakeholders.

- Is support aligned with the needs of the NMES and the government's strategy?
How does support drive the NMES in the direction prioritised by the partners?
- Is there an explicit division of labour within the donor community regarding support of the NMES? Do the donors coordinate their efforts with each other?

- **What M&E activities do the donors conduct for their own needs?**

Donors' own M&E activities may align with and add to the work of the NMES, or conflict and compete with it (and with the M&E of other donors). In some countries, most impact evaluations are conducted or commissioned by donor agencies, which could have a dampening effect on the relevant capacity development of national organisations (CLEAR 2012: 17).

- How do donor M&E activities affect national M&E activities and capacities?
Are they aligned with and help to move the NMES in the direction intended by the partners?
- Do donors initiate multiple reporting processes?

- **Which demands and procedures do donors bring in?**

Donor demand for M&E information presents another potential channel of their influence over the NMES.

Donors' M&E requirements often place a heavy burden on partner countries: inspection missions, information provision and the use of discordant criteria and methods. (Mackay 2007: 46).

Donors may also use the M&E information, in order to set budgets for and allocations within sector programmes.

- Do donors push for the monitoring of different or additional activities or phenomena than those the partner has chosen?
- Does donor involvement reduce partner ownership of or demand for M&E information? Does the partner perceive M&E as "just another reporting duty" to satisfy donors?
- Have the partner government and donors devised a common M&E agenda?
Has a distinction been drawn between monitoring "for donors" and monitoring for domestic purposes?

The context of the system

The context of the NMES is the overall environment of the public sector, including such dynamics as decentralisation and other reforms, as well as how M&E relates to other national systems more generally. “M&E, compliance and process auditing, quality management, policy analysis, and information management represent separate communities of practice that substantially overlap, but are often poorly connected to each other.” (Shepherd 2011: 6).

▲ The integration of pre-existent M&E activities into the NMES

Most often, some M&E structures, capacities, and activities have existed within the public sector and its stakeholders (such as NGOs) prior to the development of an NMES. These need to be incorporated, despite the difficulties (Clotteau et al. 2010). The NMES should coordinate and rationalise the various systems, and avoid introducing new ones as much as possible (Bedi et al. 2006: 20).

■ How compatible is the new NMES with the pre-existing M&E? How effectively have these legacy activities been accommodated and integrated?

Line ministries have often established reporting processes, data formats, indicators and ways of handling data constraints, which should be accommodated by the new system whenever possible. Their successful integration depends largely on how the NMES manages the trade-off that, on one hand, the overall system needs standardised procedures and formats, coherent indicator sets, and more reliable external evaluations (as opposed to self-evaluations); while, on the other hand, it needs to get the ministries, sector agencies, and others stakeholders on board. Setting up a new system at the expense of an existing one (which may enjoy legitimacy) can lead to friction and resistance. At the same time, the stakeholders of the existing systems might resist central coordination and integration when it is perceived as a loss of control. In any case, the enormous breadth of information that an NMES needs to cover (GTZ 2004: 4) makes impracticable the introduction of a wholly new structure, and it is wise to make use of “existing (essentially proven) reporting structures” (GTZ 2004: 39).

▲ Public sector reforms and dynamics that affect national M&E

Examples here are decentralisation, reforms of the planning and budgeting process, private sector delivery of public services, new public service standards, and increased civil society participation. Any large shifts in responsibilities, structure, and key procedures may affect national M&E. Other changes can be initiated by other dynamics, for instance, when there is a change of government.

● How do reforms relate to, and are likely to affect, national M&E?

Along with decision-making authority, decentralisation may shift reporting responsibilities and duties, as well as the need for M&E information, to lower levels. With a move to programme-based and performance-based budgeting, sector M&E needs to become programme-based.

■ How do reforms align with and support the NMES, and vice versa?

The NMES may align to reforms, for instance, by organising data supply chains along the new structures. If public services are increasingly provided by private actors, the national system needs to find ways to monitor them.

Reforms may support the NMES by tying resources or rewards to performance. The most important way this can be done is in the budgeting process (see box 8). Also, reforms are intended to enable improved public sector performance, so that resistance to M&E is likely to diminish.

- What role does performance or a results orientation play in the public sector?

M&E will be better received and supported in a “performance culture”. The general attitude of public servants towards performance-based rewards and decision-making and towards M&E depends on a variety of factors:

- Do staff members have sufficient autonomy and resources to determine their own level of work performance?
- Is poor performance sanctioned and is good performance sufficiently rewarded?
- What types of experience has the staff had with sharing data and reporting on performance?

▲ Links between national planning, budgeting, and M&E

- How is planning linked to M&E?

Depending on the country’s planning cycle, there may be several entry points for M&E information. In the new planning and budgeting system of Cameroon, for instance, there are multi-annual sector strategies and ministries’ strategies; and changes are made in annual programme budgets. The question is how – and how systematically – does planning use M&E evidence.

- How is budgeting linked to M&E?

“The need to access public resources creates powerful incentives across all public agencies and provides the most promising hook for creating demand for effective monitoring.” (Bedi et al. 2006: 42). In the prospective midterm expenditure frameworks and annual programme budgets, which make explicit spending choices and trade-offs, agencies should justify their resource bids according to national priorities and evidence of past performance.

BOX 8. Performance budgeting

- In direct performance budgeting “... there is a direct, often formula-driven relationship so that the budget allocation for a program is based on its performance as measured by its results.” (Mackay 2007: 10.) This type of performance budgeting can be found only in a few countries and in certain sectors, such as health or education, where outputs can be rigidly standardised (Krause 2012: 2).
- In the more common indirect performance budgeting, M&E information is (only) one of several inputs into the budgeting decision, along with policy priorities, and other factors.
- While a growing number of countries link planning and performance budgeting, a recent collection of case studies comes up with the following result: “... in none of the countries is there a comprehensive implementation of a performance budget.” (CLEAR 2012: 13.) Note that the M&E information feeding into budgeting is not necessarily results-oriented (e.g. in Kenya, *ibid.*) which therefore might channel budget allocations toward interventions with high levels of output regardless of their outcomes.

From the perspective of the treasury, information on how much money was spent on what and to which effect allows for realistic budgeting. From an M&E perspective, the dependence of sector budgets on proven effectiveness should lead to more thorough M&E by the sector ministries (but possibly also to the over-reporting of results). These links need to be explored:

- How is M&E information used in budgeting? Does it inform budgeting in general or only decisions about investment projects or donors funds (Mackay 1999: 8)?
- How closely is the budgeting process tied to evidence of effectiveness? (See box 8.)
- Do past budgets reflect previous M&E information? For instance, have the recommendations of the annual performance review found their way into the subsequent budget.

- **How are planning and budgeting linked?**

Regardless of the quality of M&E, results-based development requires strong communication and coordination between the planning and budgeting authorities. If planning is in fact based on M&E information about the effectiveness of policy interventions but does not consider budget limits, plans will not be feasible. If budgeting is based on expenditure monitoring but does not consider planning within the national strategy, the programmes that receive allocations are less likely to contribute to it.

Uganda provides an example where planning and budgeting processes are neatly linked through the PRS. Uganda put the budget in charge of its PRS, and its M&E system was designed “with the budget process in mind.” (Krause 2010: 4).

- ▲ **Public accountability institutions and stakeholders**

These may be official or de facto agents of government accountability and include the parliament, civil society organisations that may act as watchdogs, corporate associations that observe and lobby for private sector policy, media and national audit offices.

- **Are the data and information collected or produced by the NMES available to and accessible by the public?**

In order for public accountability institutions to do their work, they need M&E data that is readily available and accessible in a timely fashion. Reports should be disseminated in print and also be available electronically. Data sets could be made available electronically, too, to facilitate independent analysis.

- **Are opportunities created for public discussion of the M&E information and for public policy dialogue?**

In addition to finding out about events and opportunities for the presentation and open discussion of the M&E information, it is important to note who organises or sponsors the events and makes the presentations: The government? NGOs or citizens’ groups? Donors?

- **How effective are the public accountability institutions?**

The basic question here is whether they are able to inquire into and effectively address poor performance. For the scope of the analysis, the following questions might be appropriate:

- Do critical media reports or NGO publications on government action exist that indicate the reporting parties had sufficient independence?
- Where are official audit offices situated in the system? What are their technical and human capacities? What is their reputation in terms of monitoring state activity?

Annexes

Annex 1: Sample analysis grid

The grid below presents an example of one possible design for an analysis grid. In this example, the issues and questions for a fictional analysis were selected from the manual in a “mix-and-match” approach and are listed in the first column. The sources of the information appear as column headings. The particular, potential source(s) for answers to the questions are marked with an “X.” In most cases, a grid for structuring the analysis of an NMES would include more sources. The grid could also be used for the collection of information by replacing each “X” with the answer received to the specific question from the specific source.

There are many possibilities for using this manual to visually plan out the analysis process. For instance, a grid could be constructed that fills in precise questions on each topic for each source of information. Another option would be to design a “mind map” of the issues, sources, and analysis process. In any case, the manual is intended as a resource for mixing and matching topics, questions, and sources as needed to fill knowledge gaps and fulfill the purposes of the analysis.

SOURCE	Estab- lishing Docu- ment	Existing Reviews of the NMES	Central NMES Unit	Statistics Bureau	Sector Ministry “W”	Budget Office	Local Govern- ment Agency “X”	NGO “Y”	Donor “Z”
ISSUE/QUESTION									
Cornerstones of the NMES									
▲ The main purposes of the NMES									
● What are the stated purposes? Are they well-defined, explicit and clear?	X	X	X	X	X	X	X	X	X
■ Taken together, are the purposes coherent and compatible?		X	X	X	X		X	X	X
■ How well do the purposes address the specific needs of the country, sector, stakeholders?		X	X		X	X	X	X	X
▲ The object/focuses of the NMES									
● What is the NMES focused on? What does it monitor and evaluate?	X	X	X	X					
■ How well does the stated object/focus relate to existing needs?		X			X	X	X	X	
▲ The official mandate of the NMES									
● What is the official mandate? What is it based on and who has authorised it?	X	X	X						
■ Does the mandate give the NMES sufficient legitimacy vis-à-vis actors inside and outside of government?		X	X	X	X	X	X	X	
▲ The approach and set-up of the NMES									
● How does the approach put a results orientation into practice?	X	X	X			X		X	X
● How centralised is the set up?	X	X						X	
● Does the NMES have a standardised system for indicators and data?	X	X	X	X	X		X		
Actors and the organisational structure of the NMES									
▲ Main tasks and roles									
● What are each actor's role and tasks?	X	X	X	X	X	X	X	X	X
● How are donors involved in the NMES?	X	X	X					X	X

SOURCE	Estab- lishing Docu- ment	Existing Reviews of the NMES	Central NMES Unit	Statistics Bureau	Sector Ministry "W"	Budget Office	Local Govern- ment Agency "X"	NGO "Y"	Donor "Z"
ISSUE/QUESTION									
→ Actors and the organisational structure of the NMES									
▲ The operational division of labour and coordination of actors									
■ Is the division of labour clear at the operational level?					X		X		
▲ Capacities									
● Capacity requirements based on M&E processes and activities	X	X	X						
■ Do the actors responsible for each task have each type of capacity required?		X	X	X	X	X	X	X	
The generation and use of M&E information									
▲ The choice and quality of indicators									
■ Is it clear how the indicators are to be used?		X			X		X	X	X
● How are milestones and targets set?	X	X	X	X		X			
▲ The portfolio of indicators									
● Which levels of indicators are included?	X	X	X	X					
● Are qualitative indicators included?	X	X							
● Are indicators disaggregated?	X	X							
■ Is the indicator system sufficiently comprehensive and manageable?	X	X	X	X	X		X		
■ How coherent is the indicator system?	X	X	X	X					
▲ Routinely collected data									
● What types of administrative data are collected?	X	X	X	X	X		X		
▲ Diversification of data and collection methods									
● What data collection exercises are carried out in addition to collecting administrative data?	X	X	X	X					X

SOURCE	Estab- lishing Docu- ment	Existing Reviews of the NMES	Central NMES Unit	Statistics Bureau	Sector Ministry "W"	Budget Office	Local Govern- ment Agency "X"	NGO "Y"	Donor "Z"
ISSUE/QUESTION									
→ The generation and use of M&E information									
▲ Processing and analysis									
● Where is analysis conducted?	X	X	X	X					X
■ Does sufficient capacity exist for processing and analysing the available data?		X	X	X	X	X		X	X
▲ Current demand and use									
● What demand exists for M&E information? How is M&E information used?			X	X	X	X	X	X	X
▲ How the NMES fosters demand and use									
■ How actively does the NMES promote demand and use?	X	X	X	X	X	X	X	X	X
Key factors that influence the system: drivers and context									
▲ Domestic driving forces									
● Are they strong key actors?		X	X					X	X
▲ Donors as drivers									
● What M&E activities do the donors conduct for their own needs?			X	X					X
▲ The integration of pre-existent M&E									
■ How compatible is the new NMES with the pre-existing M&E?		X	X	X	X		X		
▲ Public sector reforms and dynamics that affect M&E									
● How do reforms relate to/affect national M&E?		X	X	X		X			X
▲ Links between planning, budgeting, and M&E									
● How is planning linked to M&E?	X	X	X	X	X		X	X	X
● How is budgeting linked to M&E?	X	X	X	X	X	X	X		X
● How are planning and budgeting linked?			X		X	X			X

Annex II: Sample interview guide

This example is intended to shed some light on how to design a questionnaire for an in-person or telephone interview. In this case, the interview would last about one-and-a-half hours. Note that the questionnaire covers most components of the NMES (Part B of the manual), but addresses only a limited number of issues per component in order to achieve a broad but basic overview.

At the same time, the questions in this example that are related to the relationships between the central and the more peripheral actors are more detailed. This would be the case when the questionnaire is informed by a prior analysis of relevant documents that identified these issues as especially important or unclear.

1. According to official documents, the purposes of the national M&E system are (...).
 - Are these purposes systematically pursued in practice?
 - If not, why not? Who set the priority purpose?
2. Object: According to the documents (e.g. the indicator system), what the system monitors and evaluates are (...)
 - How successful is M&E in each of these areas? Why?
 - Who uses the M&E information? How do they use it?
3. How would you characterise the institutional set-up of the system?
 - According to a scheme in the documents, the set-up is centralised around unit X. Does the unit set standards for data collection practices, indicators and procedures across sectors? Is the unit able to enforce its standards?
 - How well does this set-up work, given that the central unit is in ministry Y?
4. Who are the main actors and what are their respective roles in the M&E system?
 - How important are these actors in practice, and why?
 - How would you characterise the quality of cooperation between central and other actors?
5. How do you evaluate the current capacities in the system?
 - Which are crucial capacity bottlenecks? How great of a problem do they pose?
 - What is the main cause of these capacity deficits?
6. How would you describe the indicator portfolio?
 - There are few output or outcome indicators. Why? How does this affect the usefulness of the resulting M&E information?
 - To what extent have sector and decentralised units been involved in reducing the number of indicators compared to the previous PRSP indicator system?
7. Analysis is done in the bureau of statistics and the poverty observatory.
 - How do sector and decentralised actors receive the analyses?
8. Who are the main users of M&E information? How do they use the information?
 - The sector working groups are supposed to take up the recommendations of the annual review and translate them into sector measures. How is this take-up ensured?
 - To what extent does parliament refer to the annual performance report?
9. Regarding the driving forces, how would you describe the behaviour of donors?
 - Do they align well with the central M&E system? For instance, do they use the same indicators in sector M&E? Or do they push M&E towards other indicators/priorities?
10. To what extent is the process of decentralisation reflected in a decentralisation of M&E? For instance, is the monitoring of local sector performance done by local actors?

Annex III: Further reading

Briefings and glossaries

Mackay, Keith (2007): How to Build M&E Systems to Support Better Government, World Bank, <http://go.worldbank.org/0G9SWG1AB0>.
Annex E contains a glossary.

Kusek, Jody Zall, Ray C. Rist (2004): Ten Steps to a Results Based Monitoring and Evaluation System: A Handbook for Development Practitioners, World Bank.
Annex VI contains the OECD M&E glossary.

World Bank PREM Notes: The Nuts and Bolts of M&E systems, various issues, <http://go.worldbank.org/CC5UP7ABN0>.
Since 2010, the Poverty Reduction and Equity Group of World Bank has published a series of short briefings. Topics include NMES types, M&E process design, M&E system diagnosis, M&E and the budget, social accountability tools, data baselines, mixed methods design and defining indicators.
Country cases include: Brazil, Chile, Indonesia, Mexico, South Africa, Yemen.

World Bank Independent Evaluation Group (2004): Monitoring and Evaluation: Some Tools, Methods & Approaches, <http://go.worldbank.org/0G9SWG1AB0>.
This brief on key instruments such as indicators, evaluations, surveys and rapid appraisal methods, summarises each of them with a brief definition, explanation of how it can be used, advantages and disadvantages, and requirements. It is useful as overview and entry point.

Diagnostic tools / comprehensive catalogues of analysis questions

Bedi, Tara, Aline Coudouel, Marcus Cox, Markus Goldstein, Nigel Thornton (2006):
Beyond the numbers. Understanding the Institutions for Monitoring Poverty Reduction Strategies, World Bank, pp. 59ff. (More on this publication under “Books and comprehensive studies.”)

Mackay, Keith (1999): Evaluation capacity development: A Diagnostic Guide and Action Framework, World Bank Evaluation Capacity Development (ECD) Working Paper 6, pp. 19-23, <http://go.worldbank.org/A9NQ72Q900>.

Useful overviews

Booth, David, Henry Lucas (2002): Good Practice in the Development of PRSP Indicators and Monitoring Systems, ODI Working Paper 172, <http://www.odi.org.uk/publications/3855-odi-working-papers>.
This paper argues for balance amongst the different indicator levels (including process indicators), methodological breadth (including qualitative and alternative methods), and pragmatic approaches.

Lucas, Henry David Evans, Katherine Pasteur (2004): Research on the current state of PRS monitoring systems, IDS Discussion Paper 382, <http://www.ids.ac.uk/publications/ids-series-titles/ids-discussion-papers>.

Schiavo-Campo, Salvatore (2005): Building Country Capacity for Monitoring and Evaluation in the Public Sector: Selected Lessons of International Experience, World Bank Evaluation Capacity Development (ECD) Working Paper 13. <http://go.worldbank.org/0G9SWG1AB0>

This is a brief, but very concise and insightful presentation of some key issues and related lessons and suggestions.

Country analyses

Booth David, Nsabagasani Xavier (2005): Poverty Monitoring Systems: An Analysis of Institutional Arrangements in Uganda, ODI Working Paper 246. <http://www.odi.org.uk/publications/3855-odi-working-papers>.

Castro, Manuel Fernando, Gladys Lopez-Acevedo, Gita Beker Busjeet, Ximena Fernandez Ordonez (2009): Mexico's M&E system: Scaling up from the Sectoral to the National Level, No. 20.

CLEAR Centre for Learning and Evaluation Results (2012): African Monitoring and Evaluation Systems: Exploratory Case Studies, www.theclearinitiative.org/african_M&E_cases.pdf

This is a very recent collection of case studies. The general discussion in the summary focuses on the demand for M&E and raises the challenge to "elevate evaluation from under the shadow of monitoring."

Country cases include: Benin, Ghana, Kenya, Senegal, South Africa, Uganda.

GTZ (2004): National Monitoring of Strategies for Sustainable Poverty Reduction / PRSPs, <http://www.giz.de/Themen/en/5607.htm>. (More on this publication under "Books and comprehensive studies.")

Country cases include: Albania, Burkina Faso, Kenya, Nicaragua, Vietnam.

Hauge, Arild (2003): The Development of Monitoring and Evaluation Capacities to Improve Government Performance in Uganda, No. 10.

Ivins, Ingrid, Helena Hwang (2013): Building Monitoring and Evaluation Capacity in the Republic of Yemen, World Bank PREM Note "The Nuts and Bolts of M&E systems" No. 24, <http://go.worldbank.org/CC5UP7ABN0>.

Lopez-Acevedo, Gladys, Katia Rivera, Lycia Lima, Helena Hwang (2010): Challenges in Monitoring and Evaluation: An Opportunity to Institutionalize M&E Systems, pp. 57ff. and 139ff.

This publication draws on experience in Brazil, Colombia, Costa Rica, Mexico, South Africa, and Sri Lanka. It includes regional views on Latin America.

World Bank Independent Evaluation Group (previously: Operation Evaluation Department):

For several years, this group has produced Evaluation Capacity Development (ECD) Working Papers, <http://go.worldbank.org/T0Z2K1E3T0>.

Country case studies include:

Zaltsman, Ariel (2006): Experience with Institutionalizing Monitoring and Evaluation Systems In Five Latin American Countries, No. 16.

Includes Argentina, Chile, Colombia, Costa Rica and Uruguay

Not attributed (2007): A Diagnosis of Colombia's National M&E System, SINERGIA, No. 17.

Ronette Engela, Ajam Tanja (2010): Implementing a Government-wide Monitoring and Evaluation System in South Africa, No. 21.

Examples of relevant NMES documents

Benin Strategy for Growth and Poverty Reduction SCRP,
<http://www.cspef-mef.info/images/stories/SCRP.pdf>

Guide to the M&E system for the national strategy: http://www.cspef-mef.info/index.php?option=com_content&view=article&id=14&Itemid=114

SCRP Annual Progress Reports: http://www.cspef-mef.info/index.php?option=com_content&view=article&id=10&Itemid=110

Documentation of Annual Progress Review (with donors): http://www.cspef-mef.info/index.php?option=com_content&view=article&id=32&Itemid=129

Cameroon 2035 development vision, http://www.minepat.gov.cm/index.php/fr/modules-menu/doc_download/106-vision-2035-du-cameroun

National Strategy for Growth and Employment Creation DSCE Monitoring Matrix
http://www.minepat.gov.cm/index.php/fr/modules-menu/doc_download/107-les-matrices-de-suivi-de-la-mise-en-oeuvre-du-dsce

Sector strategies: http://www.minepat.gov.cm/index.php/fr/modules-menu/doc_download/107-les-matrices-de-suivi-de-la-mise-en-oeuvre-du-dsce

Senegal National Strategy for Economic and Social Development SNDES and previous PRSP
<http://www.finances.gouv.sn/index,8.html>

Sri Lanka National Evaluation Policy: Annex IV in Kusek, Jody Zall and Ray C. Rist (2004)
“Ten Steps to a Results Based Monitoring and Evaluation System: A Handbook for Development Practitioners”, Washington D.C.: The World Bank.

South Africa National Evaluation Policy Framework: http://www.thepresidency.gov.za/MediaLib/Downloads/Home/Ministries/National_Evaluation_Policy_Framework.pdf

South Africa Policy Framework for the Government-wide Monitoring and Evaluation System:
http://www.thepresidency-dpme.gov.za/dpmewebsite/_admin/Images/ProductDocuments/Development%20Indicators%202007.pdf

Books and comprehensive studies (including case studies)

Bedi, Tara, Aline Coudouel, Marcus Cox, Markus Goldstein, Nigel Thornton (2006): Beyond the numbers. Understanding the Institutions for Monitoring Poverty Reduction Strategies, World Bank.

This volume recognises that NMES often must manage not only technical issues, but also political ones. Amongst its findings is that “territoriality among public sector agencies, combined with a lack of incentives to participate, has led to resistance to rationalization and coordination” (p. xvi). Highly recommended. If you can afford the time, read pp. 9-52.

Country case studies: Albania, Bolivia, Guyana, Honduras, Kyrgyz Republic, Malawi, Mali, Mauritania, Nicaragua, Niger, Tanzania, Uganda.

GTZ (2004): National Monitoring of Strategies for Sustainable Poverty Reduction / PRSPs.
<http://www.giz.de/Themen/en/5607.htm>

This study includes a main report on requirements and instruments of PRSP M&E, with results from some case studies. It details the various expectations NMES have to meet. Cases show challenges particularly in stakeholder involvement and in the very use of M&E information, as well as the missing middle problem (lack of output/outcome information). The study also shows why donors ought to make more use of PRSP M&E.

Country case studies: Albania, Burkina Faso, Kenya, Nicaragua, Vietnam.

Kusek, Jody Zall, Ray C. Rist (2004): Ten Steps to a Results Based Monitoring and Evaluation System: A Handbook for Development Practitioners, World Bank.

A ten-step model outlines the process of designing and building a results-based NMES, from readiness assessment and agreeing on M&E objects to using findings and sustaining M&E in organisations.

Lopez-Acevedo, Gladys, Katia Rivera, Lycia Lima, Helena Hwang (2010): Challenges in Monitoring and Evaluation: An Opportunity to Institutionalize M&E Systems, World Bank.

Proceedings of the 5th Conference of the Latin America and the Caribbean Monitoring and Evaluation (M&E) Network. Topics include evidence-based policy-making and M&E; access to information; and partnerships with government, academia and civil society.

Country case studies: Brazil, Colombia, Costa Rica, Mexico, South Africa, Sri Lanka. Also included are regional perspectives on Latin America.

Lopez-Acevedo, Gladys, Philipp Krause, Keith Mackay (Eds., 2012): Building better policies: The Nuts and Bolts of Monitoring and Evaluation Systems” Washington D.C.: The World Bank.

This is a very recent and comprehensive overview of NMES. It has no summary and requires some time. It is available online. Chapter 4 offers further details on NMES diagnoses.

Country case studies: Australia, Canada, Chile, Mexico.

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Mackay, Keith (2007): How to Build M&E Systems to Support Better Government, World Bank, <http://go.worldbank.org/0G9SWG1AB0>.

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