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*Third Party Evaluation*

*entrusted by JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)*

*in JFY2000*

**COUNTRY PROGRAM EVALUATION**  
**OF**  
**THE REPUBLIC OF BOLIVIA**

**SUMMARY REPORT**

**September, 2001**

**IC Net Limited**

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The content of this report is based on the information available in March 2001 when the evaluation team conducted the field study in Bolivia.

The opinions expressed in this report are those of the authors and do not necessarily represent the views of the Japan International Cooperation Agency (JICA).

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## **Summary**

### **1. Background and Objective of the Evaluation Study**

JICA has been conducting a Country Program Evaluation since Fiscal Year 2000. Since FY 1998, however, more emphasis has been placed on the macro-level economic and social analysis approach than on the simple aggregation of individual project evaluation.

Two studies have been conducted to date, one for Bangladesh (FY 1998), and the other for Mexico (FY 1999). For FY 2000, Bolivia was chosen as one of the countries to be evaluated.

In the past, JICA has granted assistance in sectors such as basic life and welfare (health and medical care), agricultural development, infrastructure, environmental conservation and resource development through a wide variety of schemes such as acceptance of trainees, dispatch of Japanese experts, project-type technical cooperation, development studies and grant aid.

This study aims at evaluating JICA's assistance in general in Bolivia, including the verification of an appropriate selection of priority development sectors and issues and also utilizing the obtained lessons and recommendations for the future implementation of JICA's assistance including the reinforcement of the country-wise and issue-wise approaches.

### **2. Scope of the Study**

The regions, sectors, projects and periods within the scope of this study were determined as follows:

- Region: The entire Republic of Bolivia.
- Sector: The main sectors within the scope of this study are, i) basic life and welfare, ii) agriculture, forestry, livestock and fisheries, and iii) infrastructure. For the individual projects, the "environmental conservation and mining" was also included as a sector within the scope of this study.
- Projects: The sector-wise analysis and evaluation consider all projects that were implemented during the evaluation period. A total of 27 projects were studied in detail.
- Period: Between 1985 and 1999. Only in the basic life and welfare, however, we evaluated the projects implemented on and after 1980, because grant aid, which is the main assistance scheme employed for this sector, has been provided during the first half of the 1980's.

### **3. Framework, Type and Method of the Evaluation**

The general evaluation framework consists of the following three major elements: ① Comprehension of tendencies and the present situation of Bolivia's socioeconomic development, ② Evaluation consisting of project evaluation, sector evaluation and cross-sectoral evaluation, ③ Lessons and recommendations. The relationship between each element is as follows: ① provides

base material for ②, and as a result of ②, ③ is obtained. The evaluation methods used in each type of evaluation mentioned above are described as follows:

- 1 ) Project evaluation: evaluation is conducted based on 5 evaluation criteria such as efficiency effectiveness, impact, relevance and sustainability, and evaluation results are scored on 5 grade point basis.
- 2 ) Sector evaluation: qualitative assessment was made under the following two standpoints.
  - (1) Confirmation of the impact of the cooperation through sector and sub-sector (regional) indicators.
  - (2) Compatibility between the priority development issues of each sector and JICA's assistance.
- 3 ) Cross-sectoral evaluation

This time the major projects evaluated belong to the three schemes of assistance such as Project-Type Technical Cooperation, Grant Aid and Development Study. Thus we summarized the results of the project evaluation mentioned in above point 1). On the other hand, a qualitative evaluation from the standpoint of poverty and gender was conducted based on the questionnaires and interviews administered to the inhabitants of the areas where the projects were carried out.

#### 4. Summary of the Results of the Evaluation

The chart "Summary of Country Program Evaluation of the Republic of Bolivia" in the following page shows a complete picture of the evaluation. In macro level evaluation regarding the **assistance to the important sectors for Bolivia**, we can conclude that JICA's assistance was quite appropriate and in accordance with the priority development issues. However, according to the government statistics and indexes, the **effects of development in each sector and sub-sector** are various. For example, the effects in the basic life and welfare field sector are comparatively high, while they are average in the infrastructure sector, and they are somewhat low in the agriculture, forestry, livestock and fisheries sector. **The impacts of the individual projects** in which JICA has been involved are similar to the development of each of these sectors, showing relatively high impact in basic life and welfare field, moderate in infrastructure and in the agriculture, forestry, livestock and fisheries sector.

Now, as a tendency of the cross-sectoral evaluation, when watching the **results of the projects by schemes**, in general, the results of the Grant Aid projects are relatively effective but with no major differences between each scheme. Regarding poverty and gender issues, there are not many projects that intended to deal with the reduction of poverty or gender disparity and were effective. Approximate 80% of the evaluated projects were proposed in times where the poverty and gender problems weren't necessarily considered important development issues by the donor society including JICA. In that sense, there were the limitations of the period. When considering

that Bolivia is the poorest country in South America and that the gender disparities are substantial, however, technical cooperation that takes into consideration the poverty and gender issue should have been considered.

Summary of Country Program Evaluation of the Republic of Bolivia

**【Compatibility of Priority Development Sector and JICA's Assistance in the Past】**  
 JICA's assistance in general seems to have been cooperating with those sectors where the Bolivian Government and the major donors have given priority in allocating budgets. Therefore we can conclude that **JICA's assistance has been in accordance with Bolivia's priority development sectors.**

**【Sector Evaluation】**

① Effects of assistance seen through the macroeconomic and social indicators (See below).  
 ② Compatibility between the priority development themes of each sector and JICA's assistance (See below).

Basic life and welfare field	Agriculture, forestry, livestock and fisheries	Infrastructure
① In the health and medical care sector, life expectancy, infant mortality rate and maternal mortality rate performed an obvious improvement in the last 20 years showing that the efforts of the Bolivian Government and donors including JICA have had effect. The water and hygiene sector have shown certain results in improving sanitary environment for living.  ② JICA's assistance has corresponded to the priority development issues at this sub sector level. In the future, it is recommendable to implement more projects aiming at strengthening the sanitary and medical services to suburbs and rural areas and to lessen the regional differences. These issues emerged around 1994, when popular Participation Law was issued. JICA has also responded well to the priority development issues in water and sanitation sub-sector.	① Certain development effects are recognized in agriculture, forestry, livestock and fisheries but the GDP growth of the sector is below that of the economy in general.  ② JICA's support in all cases has assisted priority development issues at a sub sector level. However, there are many technical cooperation projects that emphasize only on R & D, whereas assistance in the sense of developing agriculture into an industry by extension of technologies and improving distribution systems has not been enough.	① In transportation infrastructure, rural roads and the aviation sector have realized development effects as shown in indicators with some JICA's contribution. However, the railway network has yet to be established thus donors including JICA have not shown effects in this point.  ② All assistance granted by JICA responds to the priority development issues and has been appropriate. Especially in the improvement of key airport facilities, an efficient assistance was achieved by combining various JICA's assistance schemes with Japanese governmental loan.

This sector shows best assistance results of the 3 sectors. JICA's cooperation is limited to certain regions and the medical sector but has contributed to the realization of impacts.

Impact and sustainability is relatively low among the 3 sectors. JICA contributed to a certain degree in increased national catch of fish. In agriculture however, that has not been the case.

In general, it's at the similar level as the basic life and welfare field but the impact is rather low. JICA's project contributed significantly to the improvement of infrastructure, airports and roads although it did not contribute much in other sectors.

5. Evaluation Criteria		5 grade points
1. Efficiency		2.9
2. Effectiveness		3.4
3. Impact	Overall Goal	3.8
	Negative impact*	4.6
4. Relevance		3.6
5. Sustainability		3.5

5. Evaluation Criteria		5 grade points
1. Efficiency		2.6
2. Effectiveness		3.1
3. Impact	Overall Goal	2.5
	Negative impact*	4.8
4. Relevance		3.1
5. Sustainability		2.6

5. Evaluation Criteria		5 grade points
1. Efficiency		3.0
2. Effectiveness		3.5
3. Impact	Overall Goal	3.0
	Negative impact*	3.5
4. Relevance		3.7
5. Sustainability		2.5

【Evaluation by Schemes】

Scheme	5 Evaluation criteria	5 grade point	Summary of evaluation	
1. Project-Type Technical Cooperation	1. Efficiency	2.6	The plan, input, operation and administration were appropriate in general but there were negative exterior impacts that prevented the achievement of the project objectives from exceeding 3.0. Counterpart organizations are sustainable and even when external conditions have influenced, overall goals were achieved until a certain degree. Had it not been for the negative external conditions, achievement of project objectives would have been higher. <b>Objectives should be made clearer, external conditions should be checked in the planning phase and input should be used more efficiently.</b>	
	2. Effectiveness	3.0		
	3. Impact	Overall Goal		3.4
		Negative Impact		4.7
	4. Relevance	3.1		
5. Sustainability	3.1			
2. Grant Aid Program	1. Efficiency	3.5	The plan, input, operation and administration were appropriate and even though there were certain negative impacts, objectives were achieved in general. Counterpart organizations had certain sustainability and even though external conditions impacted on overall goals, these have attained relatively high effects. We feel that there is some room for the improvement in planning in this scheme as well. In other words, <b>external conditions should be checked (legal system, organizational and financial condition of the implementing agency, beneficiary's capacity of reception, etc.) and better effects will be achieved.</b>	
	2. Effectiveness	3.9		
	3. Impact	Overall goal		3.6
		Negative Impact		4.2
	4. Relevance	3.9		
5. Sustainability	3.1			
3. Development Study	1. Efficiency	3.0	As projects suit Bolivia's needs and planning is appropriate, relevance is generally strong. Actual input and other project administration are not inappropriate but achievement of objectives was 3.4. Counterpart organizations have weakness with sustainability and verification of external conditions to link project objective with overall goals has been rather weak. Therefore implementation of studies' results has been low and expected effects have not been attained. <b>This scheme also needs to be reinforced in the verification of external conditions that lead projects to reach overall goals and improve the quality of study reports, equivalent of the project purpose.</b>	
	2. Effectiveness	3.4		
	3. Impact	Realization of Plan		2.8
		Overall goal		2.2
		Negative impact		5.0
4. Relevance	3.8			
5. Sustainability	2.7			

【Poverty and Gender Evaluation】

1. Basic life and welfare field - Excluding the Rural Groundwater Development Project that was executed in rural zones, the projects have been executed mainly in the capitals of the departments, not directly contributing to correcting regional differences of the poverty between rural and urban zones. From the Gender standpoint, the "Mother and Child Hospital in Trinidad" and medical care projects in Santa Cruz contributed to promoting systematic reproductive health.
2. Agricultural sector - The regions that received the benefits of the project are in rural zones with high poverty concentration. The objectives of the specific projects mention increasing the production of agricultural and fishing products, and activities related to increase the income of the inhabitants of the regions were carried out. However, these were not specifically focused on fighting against poverty. They don't respond to the gender problem.
3. Infrastructure improvement - Projects related to roads connected urban zones with rural zones dealing directly with problems such as access to social services and regional differences in the distribution. The regions that benefited from the environmental projects include rural zones but the projects did not aim at correcting regional differences or gender problems.

\* "Negative impact" refers to the degree of unexpected negative impact. It is desirable that no negative impact emerges, therefore the case in which no negative impact is observed is rated 5 on 5 grade point basis.

## 5. Suggestions and Lessons for Future Assistance

The suggestions and lessons of this evaluation study consist of two parts: 1) Review of the JICA Country Program for the Republic of Bolivia for the cooperation projects, and 2) Improvement of the formulation and implementation of the cooperation projects.

### 1) Review of JICA Country Program for the Republic of Bolivia (Hereinafter referred to as “JICA Country Program”)

The “JICA Country Program” was first reviewed by confirming Bolivia’s basic development direction through the existing PRSP in the first place. Next, the important issues for JICA in granting its assistance to Bolivia (priority issues where Japan should assist) were clarified. Then, considering the tendencies of other donors, we selected the “priority issues where Japan should grant assistance”. By comparing the contents of the “JICA Country Program” with the final version of “priority issues where Japan should grant assistance”, we completed the review of the plan. The results of reviewing 18 development issues belonging to 5 sectors of the “JICA Country Program” are summarized on the page 7 as “Table: Inspection of the Priority Sectors and Issues in the “JICA Country Program”. In the review of the priority sectors and issues in the “JICA Country Program for the Republic of Bolivia”, 16 out of 18 issues were considered important and it seems appropriate to continue assisting in these issues. Also, as a result of this analysis, 3 new issues that are considered worthy of assistance have been confirmed.

However, in the actual promotion process of the PRSP, donor coordination and each donor’s specification of aid areas are under way. In addition, the total number of issues mentioned above is rather excessive when we consider the cost-benefit relationship. Therefore, it would be better to focus on a limited number of development issues by the donor coordination and making an exhaustive discussion on the issues where Japan has more expertise.

### 2) Improvement of the formulation and implementation of cooperation projects

We have described our suggestions regarding how the formulation and implementation of JICA’s future assistance projects should be improved from the 3 following standpoints:

#### (1) Suggestions on how JICA should deal with the PRSP

Taking into consideration Bolivian governments’ posture to donors, the characteristics of the PRSP and furthermore, the results of the analysis made thus far, we would like to propose the following approach.

First, regarding the cooperation issues, we would establish the following categories:

1. ”Support for particular technology development/extension and advisory service in the



various kinds of policy formulation”, 2. “Infrastructure improvement of relatively large scale targeting at a wide range of beneficiaries. To the first, the conventional technical cooperation should apply in general while the latter should be included in the conventional grant aid scheme. For the first category, the existing technical cooperation schemes such as expert dispatch and project-type technical cooperation should be maintained after making a selection of the sectors and issues to support based on the comparative advantage of Japan’s technologies and the division of roles with other donors. For the second category, a relatively wide coverage of area is assumed and therefore, the large scale of capital is required. Thus JICA can deal with the issues by providing so-called Grant Aid through the common basket method (specifying the regions and uses at the same time) based on stronger coordination among donors.

Table: Inspection of the Priority Sectors and Issues in the “JICA Country Program for the Republic of Bolivia”.

A: Development issues described in the “JICA Country Program” AND “Priority issues that Japan should assist” (final version)  
 B: Development issues described in the “JICA Country Program” BUT NOT INCLUDED IN “Priority issues that Japan should assist” (final version)  
 C: Development issues NOT described in the “JICA Country Program” BUT INCLUDED IN “Priority issues that Japan should assist”(final version)

Sector	Development issues	JICA Program name	Category (Obs.)	Suggestion
① Consolidation of Basic life and welfare field	1. Water provision and hygiene, countermeasures for water resources and administration and control	Drinking water provision program	A	Maintain as a Development issue. <b>Focus on suburbs and rural zones.</b>
	2. Improvement of regional health and hygiene at municipal level, consolidation of mother and child health	Mother and child health improvement program	A	”
	3. Consolidate pathology inspection in the countermeasures for contagious diseases	Epidemics countermeasure program	A	”
	4. Development of health related personnel	Regional health reinforcement program	A	”
	5. Diffusion of elementary and secondary education and quality improvement	Education renovation support program	B	Not shown in the objective tree of the PRSP but mentioned in the body of the PRSP. As the subject is an important issue, <b>it should be kept as priority issue.</b>
	6. Activate vocational training program and support small industries	Vocational skills development program	A	Maintain as priority issue
	7. Elevate life standards by improving electrification efficiency in regional rural areas	Regional electrification program	A	”
② Agricultural development	1. Organizing and reinforcing of animal quarantine system	Animal quarantine system reinforcement program	B	Not shown in the objective tree of the PRSP but the subject is considered to be necessary in order to deal with agricultural product exportation issue. Thus, <b>it should be kept as priority issue.</b>

	2. Increase productivity of small farmers and reinforce agricultural organizations	Income improvement program for small farmers	B	Important issue for increasing the farmer's income but Japan is not strong in technical extension of this area. <b>An expert with experience in extension and other measures will be necessary.</b> There are many similar projects by other donors thus donors should communicate and coordinate their efforts.
	3. Agricultural, livestock and fisheries technical development and establishment of diffusion system	Competitive agricultural products reinforcement program	B	
③Infrastructure (roads & bridges)	1. Formulate and implement road maintenance plan	Administrative support program for the Ministry of Transportation	A	Maintain as priority issue
	2. Support infrastructure maintenance	National main roads consolidation planning support program	A	Coordination by main donors such as WB and IDB is necessary.
④Environmental conservation	1. Preventing mining pollution	Environment friendly resource exploitation support program	B	Reconsider whether to continue dealing as priority issue.
	2. Conservation of water quality	Water pollution countermeasure program	A	Maintain as priority issue
	3. Environmental countermeasure for forestalling devastation	Forestry maintenance and recovery program (by the participation of inhabitants)	A	Cross-sectoral coordination to improve efficiency is necessary since there are other donors participating in and implementing projects
	4. Improvement of environmental policies and their administration and control	Environmental administration reinforcement program	A	Maintain as priority issue
	5. Conservation of patrimony, employment generation, development of tourist resources, industry promotion	Tourist development program	A	''
⑤Resource development	1. Mining exploitation and diversification to attain economic stability and employment generation	Resource exploitation program	B	Reconsider whether to continue dealing as priority issue.
⑥Other issues	1. Training for natural resource utilization		C	High priority, should consider adding
	2. Construction, maintenance and road control		C	''
	3. Construction, maintenance and control of irrigation and micro irrigation		C	''

Source : JICA Country Program for the Republic of Bolivia Fiscal Year 2000

## (2) Program-wise Recommendations

Program approach should be enhanced by systematically combining the 3 cooperation schemes; the Development Study, Grant Aid and Project-Type Technical Cooperation. In doing so, a log frame should be made not only by individual scheme units but also in units of programs so as to coordinate, operate and administrate in general. In the case of Grant Aid, a combination with dispatch of experts and Japan Overseas Cooperation Volunteers could also be effective. Stronger donor coordination, that is to say, not only dividing the roles among donors concerning regions of beneficiaries to be assisted but also cooperating by the demarcation between planning and implementation of projects in order to achieve common overall goals, may also be effective.

## (3) Project-wise Recommendations

### (1) Development Study

- **Promotion of projects by making external conditions clearer**

After making an analysis including the organization's fund raising capacity, a detailed study on project financing method and recommendations should be incorporated in the contents of the study. Furthermore, it would be desirable to make a detailed but understandable description of the procedures to raise funds.

### (2) Project -Type Technical Cooperation

- **Clarify the objectives and reinforce monitoring**

We have found not a few projects whose objective are ambiguous or cannot be differentiated from the overall goal. Such objectives seem rather to be mere wishes or ideals. Establishment of detailed indicators in the objectives and monitoring should be promoted.

- **From technology transfer to technology implementation**

In order to ultimate technology transfer with concrete development effects such as increasing production and income for farmers, projects should be planned, from the point of view of not only technology development and transfer, but also the development of industry such as technology extension to farmers and marketing improvement.

- **Development of technology for the poor**

The main issues that should be dealt with in the future, especially in the agriculture, forestry, livestock and fisheries sector, is the development of technology that the poor farmers can introduce in spite of their circumstances and capacities, or the increases of productivity by applying existing technology or new combination.

- **Selection of an appropriate implementing agency and the establishment of proper management system**

The more stable counterpart personnel remain, the more stable a project becomes. Therefore, it is necessary to make an effort to raise stability of counterpart personnel. For example, selecting a

university as an implementing organization would be a good idea. Also, regarding the management organization, strengthening supervisory function, for example, forming an execution committee by members of related organizations could result effective.

- **Higher efficiency through better use of inputs**

To achieve more efficiency, an appropriate implementing agency should be selected in the beginning of the project period so that the counterpart will be stable. In addition, facilities should be well designed in accordance with the scale of the planned activities.

- **Reinforcement of basic health services**

In the neighboring countries, JICA has accumulated experiences on basic health services that are administered by the municipalities in terms of reinforcing mother and child health. These include technical reinforcement and quality control, continuous training model for the workers, and the establishment and extension of a monitoring and assessment system for basic health services. Due to this reason, these elements can be very important for JICA's aid.

(3) Grant Aid

- **Reinforcement of monitoring system**

In the equipment donation projects, delays in custom clearance, thefts and damages were some of the troubles considerably affecting the implementation. These occur constantly thus the Bolivian Government should be made conscious of the issue in the future.

- **Feasibility considerations for possible schemes**

A method where the equipment donated by Japan was leased with charge to the cities expecting to depreciate half the value of the same in 10 years was tested. In reality, only partial charges were made and equipment depreciation was not covered by the related incomes of each city. The posture and idea of the beneficiaries to try to achieve sustainability is desirable but feasibility should be considered to formulate a more realistic method.

- **Reinforcement of quality control technology in the construction works for infrastructure**

Quality Control in the construction works in Bolivia is not sufficient especially in the civil and concrete works. JICA should carefully consider reinforcing the quality control system and technology transfer in this field in each project.