

## **ANNEX B: A COUNTRY DIAGNOSIS—THE EXAMPLE OF COLOMBIA<sup>1</sup>**

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This diagnosis was also published separately (Mackay and others 2007). Preparation of this rapid diagnosis was a collegiate endeavor involving a number of staff from the Bank’s Latin America and the Caribbean Region, as well as IEG’s coordinator for evaluation capacity development.

### **1. Introduction**

The World Bank is preparing a programmatic loan to support the government of Colombia in its continuing efforts to strengthen its national system of monitoring and evaluation (M&E)—SINERGIA (Sistema Nacional de Evaluación de Resultados de la Gestión Pública, or National System for Evaluation of Public Sector Performance). The purpose of this rapid diagnosis is to assist the Bank team and the government in their joint understanding of key aspects of this M&E system, including:

- Its genesis
- Legal framework
- Objectives, and the roles and responsibilities of key stakeholders
- Principal M&E components of SINERGIA: SIGOB and impact evaluations
- Extent of utilization of the M&E information which SINERGIA produces
- SINERGIA: strengths, challenges, and future directions
- Conclusions.

The information base on which this rapid diagnosis relies consists of a number of government reports and policy statements, documentation on a broad range of lending and donor projects funded by the World Bank which have either supported SINERGIA or have supported specific activities under the broad aegis of SINERGIA, formal con-

ference presentations by senior government officials, information collected by Bank staff who have participated in numerous project preparation and supervision missions, and feedback on this diagnosis from government officials in the Department of National Planning (DNP, or Departamento Nacional de Planeación). Bank missions have included meetings with officials from central and sector ministries, the general comptroller’s office, municipal governments, and civil society groups, concerning M&E issues including the strengths and weaknesses of SINERGIA. These meetings have been a valuable source of information, although a more structured approach to capturing the views of relevant officials would be necessary to present a more considered, in-depth picture.

This paper seeks to document what we know, and what we do not know, about SINERGIA. It should be viewed very much as a work in progress—as a vehicle to seek further information, comments and judgments about the many detailed facets of SINERGIA and its possible future directions. One challenge facing outside observers is to be clear about which of the various components of SINERGIA and other budget/planning systems are working reasonably well and which exist largely on paper. A more in-depth diagnosis will be necessary to resolve a number of important, outstanding issues on which current evidence appears weak or inconclusive. Draft terms of reference for such a diagnosis are attached in an annex; this diagnosis would constitute, in effect, a formal evaluation of SINERGIA.

### **2. Genesis and Broad Development of SINERGIA**

The genesis of Colombia’s M&E system was the decision of the finance minister to replicate in

**Table B.1: Funding Support for SINERGIA: 2002–06 (\$'000)**

Source of funds	2002	2003	2004	2005	2006	Total 2002–2006
World Bank PFMP II	350	300	305	288	300	1,543
World Bank Social Sector loans	1,500	—	450	—	—	1,950
IADB	2,666	—	2,509	—	—	5,175
USAID	—	—	50	200	200	450
UNDP	—	—	400	—	—	400
Government	250	250	256.7	270	270	1,297
Total	4,766	550	3,970.7	758	770	10,814

Source: Department of National Planning.

Colombia the World Bank's own approach to evaluation. With technical assistance from the Bank, the government mapped out the basic architecture for an M&E system. This first stage of the system's evolution ran from 1990 to 1996 and included a formal requirement for evaluations in the revised 1991 constitution. SINERGIA—the national system for evaluation of management and results—was formally created in 1994. The Bank provided ongoing support to SINERGIA through this period, mainly via the Public Financial Management Project I (1994–2001). The second stage in SINERGIA's evolution, from 1996 to 2002, marked a period when the standing of SINERGIA within the government reportedly declined, partly due to a perception of difficulties with the management of the system. The option of abolishing it was raised during this period because of doubts as to its relevance to the public sector reform agenda. However, the constitutional requirement for evaluation precluded this option. Toward the end of this period, in 2001, the Bank intensified its support for SINERGIA not only via a new Public Financial Management Project (PFMP II), but also by cosponsoring with the Inter-American Development Bank (IADB) a series of impact evaluations of two major government programs, *Empleo en Acción* (a job-creation program) and *Familias en Acción* (a conditional cash transfer program).<sup>2</sup>

The third stage, from 2002 to the present, was initiated with the election of a reformist president, Álvaro Uribe. The new government was dismayed to note that the large increases in government

spending in areas such as schools and health care had not been matched by corresponding increases in government performance (outputs and outcomes) in these areas (see CONPES 2004; Castro 2006a). At the same time, President Uribe stated his strong desire for a new culture of public administration, based closely on social accountability—"social control." Thus he introduced a system for monitoring and reporting progress vis-à-vis presidential goals and the country's development goals (Sistema de Programación y Gestión por Objetivos y Resultados, or System of Programming and Management by Objectives and Results SIGOB); he has actively sought to implement the constitutional mandate for evaluation and has issued a presidential directive<sup>3</sup> and policy statement on results-based management (CONPES 2004). He integrated SIGOB into SINERGIA and has re-energized SINERGIA. This led to the appointment of a new head of the evaluation unit which manages SINERGIA, located in the department of national planning, and to the recruitment of staff and consultants to this unit.

During this third stage, the Bank substantially increased the range and level of support it provided to government M&E, via two structural adjustment loans and a related technical assistance loan, a social safety net loan, sectoral work and a second public financial management project. Other donors have also been active in supporting SINERGIA during this period of rejuvenation, as shown in table B.1. Since 2002, \$10.8 million has been spent on SINERGIA, with almost half of this

total funded by the IADB, 32 percent by the World Bank, and 8 percent by USAID and the United Nations Development Programme (UNDP). During this period, when there were severe macroeconomic fiscal constraints, the government itself funded only 12 percent of SINERGIA's costs; clearly, this low level of government financial support is not sustainable in the long term.

### 3. Legal Framework

The following discussion is based on a rapid stock-taking and analysis of legal instruments in Colombia. The Bank is currently preparing a more detailed analysis to help identify overlaps and gaps, and what types of legal instrument will be needed to fill these gaps—decree, law, or policy statement.

A detailed legal framework has been built to support SINERGIA in the years since the creation of the Constitutional mandate in 1991. This stipulated the focus of the evaluation system as being “to assess the public sector’s management and results.” Laws in 1993 regulated the fiscal control function (exercised by the Contraloría) to include “results control systems,” and also regulated the internal control function within public sector agencies to include management evaluation and control systems. A law of 1994 gave DNP responsibility for creating SINERGIA and for reporting annually to the National Council for Economic and Social Policy (CONPES), the high-level policy committee which is headed by the president, on the results of the evaluation system. SINERGIA itself was created through a DNP resolution in 1994, which operationalized the constitutional and legal mandate and also assigned responsibility for self-evaluation to all agencies in the executive branch of government. In addition, DNP assigned to itself the responsibility for developing methodologies to guide the system’s evaluation activities. More recently, a 2003 law stipulated that the national budget include details on the objectives, intended results and management indicators for all government activities.<sup>4</sup> Other laws during this period have added to the complexity of the legal framework. That said, it is commonly accepted in Colombia that a detailed legal and regulatory basis is required to provide direction and legitimacy for any area of government reform, such as

M&E. Of course, while such a framework is considered necessary, it is not sufficient to ensure that the function performs well. Other factors discussed below, such as the strength of leadership for the reform, the resources provided to support it, the establishment of routine rules and procedures, and incentives for the utilization of M&E information, are also key to a system’s success.

The government itself has recognized that the multiplicity of laws and decrees has led to a profusion of M&E concepts, methodologies and instruments, and that greater clarity is needed now that SINERGIA is entering a more mature stage of development. This led to the policy document issued by the CONPES (#3294) in 2004: “Renovation of Public Administration: Management by Results and the Reform of the National System of Evaluation.”

## 4. Objectives, Roles, and Responsibilities

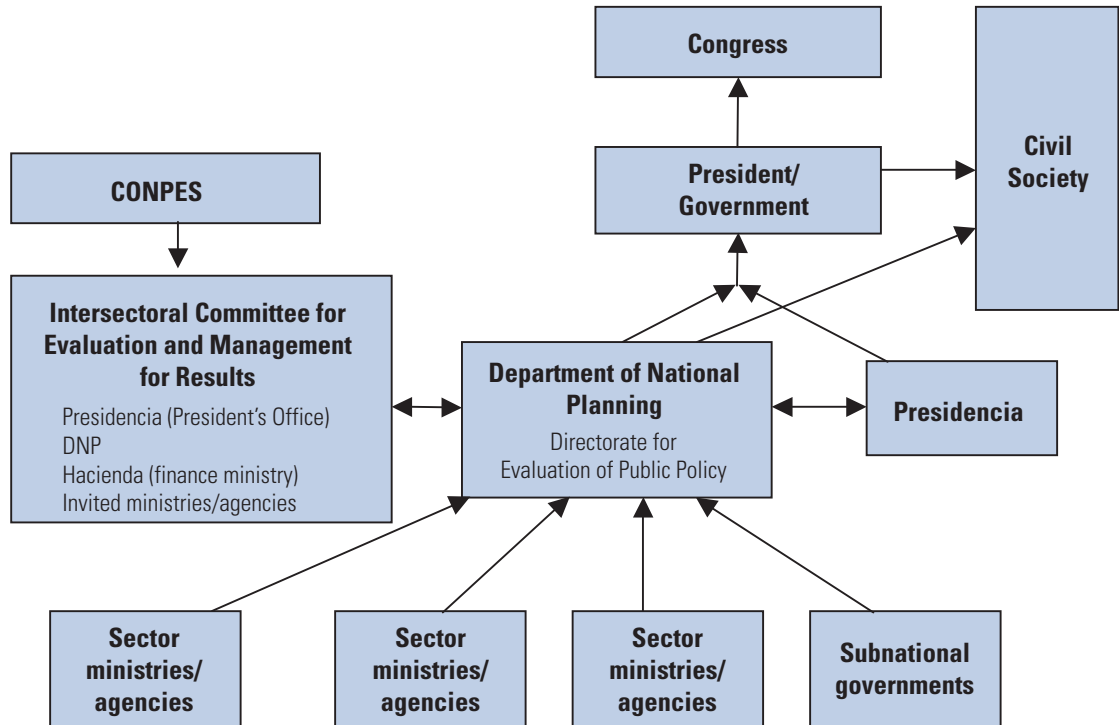
### 4.1 Objectives

The government’s latest policy statement on SINERGIA—CONPES 3294—articulates the objectives of the M&E system as follows:

1. To improve the effectiveness and impact of government policies, programs, and public institutions
2. To help improve the efficiency and transparency of the planning and allocation of public resources
3. To stimulate transparency in public management, in particular by stimulating oversight by citizens—that is, social control.

These broad-ranging objectives can be disaggregated into six different types of desired utilization of the M&E information produced by SINERGIA: (1) to support resource allocation and decision making in the national budget by providing information on the actual and likely performance of alternative spending priorities; (2) to support national planning decision making, both when the four-year national plans are developed and when annual priorities are identified under the national plan; (3) to ensure the cohesion of government action around those development priorities; (4) to assist sector ministries in their policy

**Figure B.1: SINERGIA: Roles and Responsibilities**



development and planning work; (5) to support the ongoing management of government activities by ministries and agencies; and (6) to ensure the transparency of government performance by making M&E information available to the Congress and to civil society—that is, fostering accountability through “social control.”

Of these objectives, as we shall see below, the one which Colombia’s SINERGIA has most successfully emphasized, particularly since 2002 at least, has been social control.

#### 4.2 Roles and Responsibilities of Key Stakeholders

The Directorate for Evaluation of Public Policy (Dirección de Evaluación de Políticas Públicas, DEPP) in DNP is the lynchpin of SINERGIA. This unit coordinates the system, provides advice on methodologies and types of evaluation, and manages some evaluations; it also provides technical advice and financial support for some of the sophisticated impact evaluations and other types of

evaluation conducted by sector ministries and agencies. It advises subnational governments piloting M&E systems, and also entities such as the Ministry of Social Protection (Ministerio de Protección Social, MPS), which is establishing a monitoring and evaluation system. DEPP manages the information system which tracks progress against the president’s goals, SIGOB, and it is jointly responsible with the Presidencia for preparing annual and end-of-administration reports on the government’s performance vis-à-vis commitments under the national development plan; these reports form a key input to the President’s own annual reports to the Congress (figure B.1). DEPP has a staff of 31, of whom about 70 percent are currently employed as consultants.<sup>5</sup>

DEPP coordinates the reports of sector ministries and agencies, and subnational governments, which provide the monitoring information needed for the SIGOB (discussed below). These entities and subnational governments are formally responsible for *managing for results*. DEPP also acts

as the secretariat to the Intersectoral Committee for Evaluation and Management for Results (Comité Intersectorial de Evaluación y Gestión por Resultados). This committee, which was created by a decree of December 2002, has a formal responsibility for coordinating M&E actions among government units deciding the four-year evaluation agenda—corresponding to the president’s term of office—and the corresponding annual agenda of evaluations to be conducted. This committee also decides technical standards and agrees the evaluation methodology for individual evaluations; it acts, in effect, as a steering committee for individual evaluations. Other members of this committee include other directorates of DNP, the Presidencia (the president’s office), Hacienda (finance ministry), and sector ministries and agencies invited to participate when their programs are being evaluated. The committee has met six times since its creation in early 2004, and it, in turn, reports to CONPES. In 2004 the CONPES issued a policy statement on *managing for results* and on needed reforms of SINERGIA.

## 5. Principal M&E Components of SINERGIA

Government monitoring and evaluation usually encompass a broad range of tools, methods and approaches. These can appear confusing to the layman, but it is important to understand their range, and particularly their uses, advantages and limitations, and the costs, skills and time required for each. It is important to understand that these various types of M&E are complementary; each has strengths and limitations, and the challenge is to decide how best to combine them in a national M&E system.

SINERGIA’s two main components are SIGOB, a system of performance indicators which tracks progress against the president’s goals, and its agenda of impact evaluations.

### 5.1 SIGOB

There are about 500 performance indicators that relate to the 320 presidential goals,<sup>6</sup> and for each indicator SIGOB records the objective, baseline performance, annual targets, actual performance against these targets, and the imputed amounts spent by the government; thus SIGOB includes

a large number of indicators on government performance that include input, process, output and outcome measures. The information is disaggregated by region, including for the major cities. In addition, where a target has not been met, there is a requirement that the goal manager prepares an explanation for the reasons for the shortfall. These “exception reports” are included in the SIGOB database, the core of which is publicly available on a real-time basis.<sup>7</sup> The Web site also encourages accountability by identifying the goal manager, their ministry and formal position, and their e-mail address.

An initial, basic version of SIGOB was developed in 2002 with UNDP support, and was initially located in the Presidencia. Responsibility was subsequently transferred to DNP in 2005, under the aegis of SINERGIA, where a new software package with increased functionality was developed. DNP negotiates the annual targets with each ministry and agency. DEPP is also supporting pilot work to replicate SIGOB in the municipality of Pasto.

The data which comprise SIGOB are supplied by ministries and agencies. In addition to whatever data controls are applied by the entities which supply these SIGOB data, DEPP itself endeavors to identify any data problems or inconsistencies, and has a team responsible for monitoring the quality of the SIGOB data and for following up on suspected data problems with the entities which supplied them. However, in the absence of a system of regular, detailed data audits, the reliability of the data is unknown and has certainly not been demonstrated. One partial exception is the Ministry of Education (MEN), which, with Bank support, is reportedly undertaking some limited audits of the data provided by departments and municipalities;<sup>8</sup> as funding allocations to the states are based on school enrollment data, there exist incentives for states to over-estimate enrollments.

The government’s policy statement on SINERGIA (CONPES 3294), which was drafted by DEPP/DNP, has flagged the need to address the problems with the reliability of SIGOB data, including their quality, consistency (where problems have arisen from multiple, uncoordinated data sources), regularity, and verification. This policy statement also

raises explicit concerns about ministries “gaming” the data which they provide for SIGOB.

### 5.2 Evaluations<sup>9</sup>

These constitute the second principal M&E component of SINERGIA. About 16 evaluations are currently underway or have been completed, with another 17 to be conducted over the next five years or so (table B.2). Most of these are impact evaluations and entail a sophisticated statistical analysis of program beneficiaries with control or comparison groups. They also usually include a focus on operational efficiency and other management issues. A small number of other types of evaluation are conducted, and these focus narrowly on management and institutional issues.

Since 2002, at least two-thirds of the total amount spent on SINERGIA from all sources—mainly the IADB, the World Bank, and the government—has been spent on evaluations. Their cost has ranged from \$15,000 up to \$2 million for the rigorous impact evaluation of the rural component of *Familias en Acción*. For the evaluations which have received funding support from the Bank, the main vehicle for this support has been sector-specific loans, particularly in the social sectors. The level of additional financial support from sector ministries and agencies for these evaluations is not known. CONPES has endorsed impact evaluation as an instrument of social policy (CONPES 3188).

Table B.2 also shows that the cost of many of these evaluations is high. This arises from the need to conduct detailed data collection for many of the evaluations, due to the absence of adequate administrative, household, and other data. This issue, and the potentially high cost-effectiveness of this type of evaluation, is discussed in greater detail below.

DEPP has used a competitive bidding process to contract out these evaluations to academia or to domestic or international consulting firms. These evaluations are contracted out to help ensure the objectivity, reliability, and credibility of the evaluations, and also because of a scarcity of impact evaluation expertise within government. Another objective is to help build local capacities for evaluation. DEPP and the sector ministries

typically work closely in managing these impact evaluations.

Thus for DEPP, the priority is to be able to manage or oversee these evaluations, rather than to conduct them itself. The skills base which exists in DEPP to support this work is limited; and DEPP’s reliance on contract staff—who account for 22 of DEPP’s 31 staff—may have acted as a barrier to the development of professional skills, for example, through their ineligibility for training scholarships. A priority for DEPP will be to strengthen its capacity to manage these evaluations.

The government has stated that decisions as to which activities should be subject to sophisticated impact evaluation are based on five criteria: (1) amount of resources they consume; (2) the characteristics of the population they service (for example, the poor, or the displaced); (3) importance of the activity, in terms of whether it is a priority for the national development plan; (4) innovativeness of the activity (for example, a pilot); (5) potential for replication. SIGOB’s performance information does not appear to have been used to flag “problem” government programs for which an evaluation would be warranted, but it would be worthwhile for DEPP to adopt such an approach. In Chile, for example, indications of poor program performance are used as one trigger to warrant a more in-depth investigation of the causes of poor performance through a formal evaluation—either a rapid evaluation or a sophisticated impact evaluation.

As noted earlier, the Intersectoral Evaluation Committee has formal responsibility for deciding both the four-year and the annual evaluation agendas. So far, however, the agenda of evaluations has been decided in a bottom-up manner rather than in a planned, top-down manner. Thus the evaluation agenda is currently determined on the basis of evaluations funded by international donors as part of their loans to the government, together with some additional evaluations which are largely funded by individual sector ministries and agencies, and with some financial and technical support from DEPP. This approach can be expected to have helped achieve a high level of acceptance of the findings of these evaluations, on the

**Table B.2: Agenda of Impact and Other Evaluations**  
(US\$ cost of each evaluation in parentheses)

Evaluations completed	Evaluations under way	Evaluations planned (2006–10)
Empleo en Acción (\$1.5m)	Familias en Acción—Rural (\$2m)	Cursos de Formación Complementaria—SENA (\$200,000)
Adulto Mayor (\$50,000)	Familias en Acción—Grandes Ciudades (\$180,000)	SENA—Institucional (\$60,000)
Corpomixtas (\$15,000)	Jóvenes en Acción (\$670,000)	ICBF—Institucional (\$30,000)
Programa de Apoyo Directo al Empleo—PADE (\$66,000)	Vivienda de Interés Social—VIS (\$226,800)	SENA—Otros Programas (\$95,000)
	Programa de Renovación de la Administración Pública—PRAP (\$311,000)	Reinsertados (\$119,000)
	Hogares Comunitarios (\$1.36m)	Familia Guardabosques (\$119,000)
	Fondo Colombiano para la Modernización y Desarrollo de las Micro, Pequeñas y Medianas Empresas—Fomipyme (\$88,000)	Programas del Sector Agrícola (\$119,378)
	Sistema General de Participaciones—SGP (Parte 1) (\$419,000)	Familias en Acción Desplazadas (\$119,378)
	Red de Seguridad Alimentaria—RESA (\$125,000)	Banco de Pobres (\$198,000)
	Programa de Paz y Desarrollo y Laboratorios de Paz (etapa 1) (\$206,000)	Red de Apoyo Contra la Pobreza Extrema—PEP (\$198,000)
	Desayunos Infantiles	Evaluación Programas Sector Justicia (\$119,000)
	Estratificación Socio económica (\$200,000)	DANE—Institucional (\$60,000)
		MinInterior—Institucional (\$25,000)
		Rapid evaluation pilots (\$98,000)
		Evaluación Plan Decenal de Cultura (\$150,000)
		Mujer Cabeza de Familia Microempresaria (\$150,000)
		Programas de alimentación escolar en Colombia (\$600,000)
<b>Total: \$1.631m</b>	<b>Total: \$5.786m</b>	<b>Total: \$2.460m</b>

Source: Department of National Planning.

part of the ministries and agencies whose programs have been evaluated, and on the part of DNP and other central ministries. However, it also means that the evaluation agenda has been heavily dependent on donor support and evaluation priorities. It would be worthwhile for the Intersectoral Evaluation Committee to play a substantive role in overseeing SINERGIA's performance and in developing its future directions.

### 5.3 Other M&E Activities

DNP/DEPP has been active in a number of other aspects of M&E, such as efforts to strengthen public accountability in government performance, provision of technical assistance to some ministries/agencies which are trying to develop their internal M&E systems, M&E capacity build-

ing in the public sector and in academia, advancing the piloting of performance-based budgeting at the municipal level, the preparation of a performance-based investment budget report, and the development of policy guidelines on M&E. Aspects of these initiatives are considered below.

## 6. Extent of Utilization of M&E Information Produced by SINERGIA

### 6.1 Accountability—Political and Social Control

A unique feature of Colombia is President Uribe's strong commitment to the use of M&E information to enhance political control of the executive government and to support social control. The SIGOB database is loaded in his personal computer,

and he uses this information in his monthly “management control” meetings with each minister and DNP. During these meetings, the progress being made against each presidential goal is reviewed, and ministers are required to provide reasons for any shortfalls in performance. Performance indicators and actions to meet these targets are also agreed. The president has met with ministers to ensure they are all skilled in the use of SIGOB. The president also uses this SIGOB information in his weekly town hall meetings in different municipalities around the country, and also in the annual television presentation to citizens, in which the president and his ministers discuss the government’s performance and answer citizen questions on these issues.

This strong presidential commitment to using M&E information to monitor and report on his government’s performance appears to be unique in Latin America and perhaps in the world. It sends powerful signals to individual ministers and civil servants in their ministries and agencies, and can be expected to have fostered a performance culture; the actual extent to which such a culture has developed is not known, however—this is one issue which an in-depth diagnosis would be able to investigate. There does not appear to have been a widespread adoption of M&E practices by all ministries and subnational governments, however. That said, there are several ministries, agencies, and municipal governments, discussed below, which are currently working to strengthen their M&E systems, some of them with the active support of DEPP.

Another unknown issue is the credibility of the information which government reports to civil society.<sup>10</sup> Some prominent representatives of civil society have cast doubt on the credibility of the SIGOB data—the main argument being that these data are produced by government and that they are thus inherently unreliable. SINERGIA’s reliance on the government reporting on its own performance is thus viewed by some as a structural weakness of the accountability arrangements (see below). The SIGOB Web site allows readers to give their judgments about government performance

vis-à-vis its promises (as reflected in the national development plan), and about the accessibility, quality, and usefulness of the publicly available SIGOB information on government performance.<sup>11</sup> In addition, DEPP surveyed over 3,000 households in 13 capital cities in July 2006, to ask them directly an expanded set of similar issues, including also the transparency, responsiveness, and accountability of the government and of different types of government entity, availability of information about government performance, the importance of citizen participation in public management, and the quality of a range of public services.<sup>12</sup>

Another aspect of SIGOB is that it is essentially a monitoring tool. Explanations of over-performance or under-performance need to be informed by program and policy evaluations that, in turn, need to be based on rigorous policy and program formulation linked to presidential goals and the country’s development goals.

DEPP has developed an ambitious set of initiatives to further promote social control, and it appears that the first of these has made some progress. These include:

- Colombia Lider—an independent, civil society partnership of media, banking, foundations, and other organizations to promote good governance and social control. This consortium, which has been encouraged and supported by DEPP, will highlight good performance of municipal mayors, and will monitor government plans and spending, and analyze their impact on poverty.
- Partnerships with civil society organizations to disseminate M&E information.
- Use of TV and radio stations to produce programs on government performance.<sup>13</sup>
- Contracting of sectoral experts to analyze and report on government performance. This would also provide some complementary quality assurance of the government’s M&E information, such as the SIGOB data.

Although progress on the last three initiatives appears modest, these efforts to engage directly

with civil society could have a significant pay-off if eventually successful, and would also be very difficult to reverse in future years. A strong example of such a civil society initiative, which was developed independently of the national government, is *Bogotá Cómo Vamos*. This initiative was created by a consortium of a private foundation (the Corona Foundation), the main daily newspaper in Bogotá (*El Tiempo*), and the Chamber of Commerce (Cámara de Comercio de Bogotá), and it appears to be fully institutionalized.<sup>14</sup> *Bogotá Cómo Vamos* involves widespread publication of data on municipal government performance together with data from public opinion surveys. The three partners in this venture are supporting the replication of the approach in Barranquilla, Cali, Cartagena, and Medellín. This initiative is an excellent example of the type of mechanism that can be supported to promote social control of government performance.

The president also reports formally to the Congress each year, on the extent to which the national plan's goals and objectives have been attained. The extent to which Congress is able to use this information is unclear, however. Congress plays only a weak role in the budget process (World Bank 2005b, 2005c). Congressmen have little technical support to enable them to easily digest performance information and evaluation findings, and Congress' discussion of the annual budget in any case tends to focus on narrower political issues. This experience is perhaps similar to many other countries; the potential for Congress to play any significant role in SINERGIA therefore appears to be weak—unless Congress takes the initiative in demanding government M&E information and institutionalizing its usage.

## 6.2 Support for Budget Decision Making and National Planning

**Budget Rigidities.** DNP is responsible for preparing the four-year national development plan and also has responsibility for the annual investment budget. The latter includes infrastructure and other investments, as well as investments in human capital (such as education and training);

the investment budget comprises about 15 percent of the total national budget. Hacienda is responsible for the remainder—the recurrent budget—which also includes ongoing funding for civil servants and their administrative activities, government debt servicing, pension payments, and transfers to subnational governments.

The extent to which there is potential for M&E information to influence budget decision making and national planning in Colombia is not clear. There exist considerable budget rigidities in Colombia for several reasons, including the constitutionally-mandated transfers to subnational governments and a range of permanent entitlements and revenue earmarks. As a result, as much as 95 percent of the budget is earmarked and is thus inflexible in the short-run.<sup>15</sup> But while performance information and evaluation findings may be able to exert only limited influence on national budget allocations in the short-run, there might well be considerable potential in the medium to long run, especially if there exists clear evidence about government performance in attaining presidential goals and other government priorities (see box B.1). And even in the short-run, there is potential for subnational governments to themselves use M&E information; these governments account for over one-third of the federal budget spending and have greater flexibility in budget allocations.

For this reason the pilot approaches to performance budgeting in Medellín and Pasto are potentially significant. For example, the municipal government of Medellín conducts surveys of around 23,000 households to obtain detailed indicators on human development. These are then mapped to identify the poorest districts. Government spending has been heavily reoriented to favor these districts, and performance baselines and targets are set to assist in monitoring government performance. The lack of evaluations is a constraint on understanding the results of this spending, but the government employs local academics to analyze the likely results chains of alternative options for government spending—this helps the government to decide the types of

### Box B.1: An Influential Evaluation in Colombia

*Familias en Acción* is a government conditional cash transfer program which provides income support to poor families which commit to ensuring that their children receive preventive health care, enroll in school and attend classes. The program was created in 1999 in response to the economic crisis.

A rigorous impact evaluation of the program, whose final stage is to be completed in 2006, was contracted out to external consultants, under the supervision of DNP. The evaluation found that the program had achieved impressive nutrition, education and health impacts. These findings persuaded the government of President Uribe to not only retain the previous government's program but to commit to a doubling of its coverage, from 500,000 to 1 million poor families. In late 2006, the government decided to further increase the program's coverage, to 1.5 million families.

The *Familias en Acción* evaluation has cost \$1.5 million so far. While this is a large amount, it is relatively small when compared with total government spending on that program (around \$100 million at the time of the evaluation). Due to its major influence on the government, it can be judged to have been highly cost-effective.

activity on which it should spend. With support from DEPP, the municipal governments of Pasto and Medellin have prepared performance-based budget reports for fiscal year 2007, and are preparing organic budget laws to formalize this approach. Their performance budgeting work is supported by monitoring systems and tools similar to SIGOB. On the demand side, mechanisms for social and political control have been promoted in both cities, drawing lessons from the *Bogotá Cómo Vamos* experience. In Pasto, the local alliance for accountability has undertaken a survey of 1300 households on themes analogous to the national survey conducted by DEPP, but placing greater emphasis on issues of citizen participation and local governance. An independent study on subsidized health services was commissioned and publicly discussed with the city mayor, and this process gen-

erated commitments by the local government to improve various aspects of service delivery. These municipal models provide lessons for the introduction of performance budgeting at the federal, department, and municipal levels throughout the country.

An example of the government's ability to respond nimbly to emerging priorities is the creation of the *Empleo en Acción* program during the economic crisis of the late 1990s. The government also agreed to undertake a major impact evaluation of this program; however, the government decided to terminate the program before the evaluation findings were available. Many valuable lessons for evaluation planning can be drawn from this case study (box B.2).

One interesting performance-based budget initiative is the management contracts which have been piloted between DNP/Hacienda and two social sector agencies, the Colombian Institute for Family Welfare (Instituto Colombiano de Bienestar Familiar, or ICBF) and the Vocational Training Institute (Servicio Nacional de Aprendizaje, or SENA), with World Bank support. These contracts involved the setting of performance indicators and targets for service delivery and administrative implementation.<sup>16</sup> When the targets are met, the budget allocations of the two agencies are increased by allowing them to retain a greater share of the non-tax revenues they collect. It is unclear whether or not these pilots will be retained or scaled up.

#### **Performance-Based Budgeting and Planning.**

DEPP has prepared "performance-based budget" reports, for both 2005 and 2006, for Colombia's investment budget. These reports are presented as an annex to the regular budget documents, which continue to be presented on a line-item basis. The performance-based reports use a programmatic classification to group government activities according to common objectives, which in turn were based on the Presidential Goals and the national development plan. The reports showed the stated objective for each "program," the corresponding performance targets (using SIGOB data), and also the corresponding investment

### Box B.2: The *Empleo en Acción* Program: Lessons for Evaluation Planning

The government requested Bank support for a new direct job-creation program, based on public works, in response to the economic crisis of the late 1990s. A Bank loan became effective in early 2001, and the loan included funding for a sophisticated impact evaluation; this evaluation was a condition of the Bank's lending. Some delays were experienced in implementing the project and at the same time economic conditions started to improve. By early 2004 the new government had decided to terminate the *Empleo en Acción* program; by then, some \$183 million had been spent on it.

The findings of the impact evaluation, which cost about \$1.5 million, became available later that year. The evaluation found that the program had succeeded in transferring income to the poorest households, and it had increased the employability of program participants. It had also produced public works that benefited local communities. However, the program failed to meet the targets for the number of individuals who would benefit from the program, and it also failed to meet the target for the level of net annual earnings which the program provided to beneficiaries. An implementation completion report on the Bank project has recently concluded that the program was, overall, not cost-effective compared with similar direct job creation programs in other countries and compared with other types of support for the unemployed.

Although the impact evaluation was not influential, it does provide several lessons for evaluation planning, and these are highly relevant to the management of SINERGIA. One is the need for a high level of care in planning an evaluation, particularly one which is complex and expensive, and will take quite some time be-

fore its results are available. Unforeseen events external to the evaluation are always a possibility; the challenge is therefore one of risk management. It is also important to plan evaluations so that findings will be available to feed into likely decision points, such as the election of a new government (when a new national plan will be prepared), and the annual budget cycle. Another issue for evaluation planning is prioritizing evaluations—deciding which government activities should be evaluated, when the findings are likely to be needed, and to what depth of analysis (and cost) should the evaluation be conducted. *Prima facie*, for a major government program such as *Empleo en Acción*, it is highly appropriate to conduct an in-depth impact evaluation. Even if such an evaluation provides only a marginal improvement in the program's performance—that is, its efficiency and effectiveness—spending \$1.5 million on the evaluation of a program which spent \$183 million (and potentially might have spent a lot more) would be highly cost-effective. Where evaluation funds are constrained, or where there are tight timing constraints, then other, more rapid types of evaluation are more likely to be appropriate. A final lesson for SINERGIA is the value in conducting regular in-depth reviews of its own M&E activities, to find out which have been effective, which have not, and the reasons why.

Note that the impact evaluation of *Empleo en Acción* has added to the “library” of evaluation findings available to the government. These findings should prove valuable to the government in the current debate on the desirability of creating a new public works program.

budget for that year. However, programs have not been rigorously constructed (following logframe or similar methodologies) and budget allocations are frequently estimates of the financial support given to such a program under different budget lines. Publication of these *ex ante* reports—that is, before budget execution—is a form of performance budgeting, albeit the weakest type since the reports are unlikely to have any influence on budget decision making in the absence of an explicit mechanism to achieve this; thus they might best be viewed as accountability documents. Note that the other types of performance budgeting which a country could adopt are performance-informed budgeting, where M&E information provides one input to budget decision making (as is

the case in Chile and in most OECD countries), and direct performance budgeting, where budget allocations are based on an explicit formula or grading (examples here include higher education funding based on number of students and the type and topic of their degree, and health funding based on the “casemix” method).<sup>17</sup>

There does not appear to be any relationship between the level on which SINERGIA focuses—the presidential goals—and the much more micro, project focus of the work of DNP in preparing the annual investment budget. At the start of each new, four-year administration, the DNP, with the imprimatur of the president, submits to Congress the national development plan. This indicates

proposed investments over the period. The investments included in this plan constitute the “Programs and Projects Bank” from which specific investments (and only those) can be selected for inclusion in subsequent annual budgets. DNP’s Directorate for Investment and Public Finance (Dirección de Inversiones y Finanzas Públicas, DIFP) sets the standards that projects must meet. Entities prepare projects—either by themselves or through outsourcing—and send them to DIFP. Then DIFP checks whether projects meet the prescribed standards and ranks them according to government priorities.

In making the annual selection, DIFP conducts an *ex ante* evaluation of individual investments, although in practice this comprises more of a technical “assessment” than a formal evaluation; a review of DIFP’s evaluation methodology has recently been completed. Ministries and agencies are meant to conduct *ex post* self-evaluations, but the reliability, credibility, and rigor of the self-evaluations which are conducted are open to question, and have been questioned by DIFP itself. It is unclear to what extent DIFP has been able to make substantive use of SIGOB information or the findings of the small number of SINERGIA evaluations which have been completed so far. The newly created sectoral spending committees, which include DIFP, DEPP, and Hacienda, provide a potentially important forum for utilization of SINERGIA’s M&E information in the future, particularly as the volume of evaluation findings expands rapidly in coming years as a result of the ambitious evaluation agenda which is under way.

An important test of the relevance of the M&E information which SINERGIA has produced to date will be the extent to which it was used in the new four-year national development plan which DNP prepared and which was submitted to the Congress in November 2006. DEPP believes that DNP and sector ministries have made good use of information from SINERGIA to define the goals embodied in the national plan, as well as to report the government’s (and ministry) performance in terms of the extent to which the goals have been achieved.

The M&E work of SINERGIA appears to be largely separate from the M&E activities of another directorate within DNP, the Directorate for Sustainable Territorial Development (Dirección de Desarrollo Territorial Sostenible, DDTS). The DDTS is responsible for monitoring and evaluation<sup>18</sup> of the work of subnational governments—the 1,100 municipalities and the 32 departments which oversight them—funded by transfers from the central government. The quality of the information provided to DDTS by the municipalities is reportedly poor, with many data gaps. Note that the municipalities separately provide the information on which sector ministries and agencies rely, and which they in turn input to SIGOB. The municipal-level work of DDTS and that of DEPP—on performance budgeting in several municipalities, for example—have not been coordinated.<sup>19</sup>

The split investment/recurrent budget also has implications for the use of M&E information from SINERGIA in the preparation of the recurrent budget; it raises issues of information exchange between DNP and Hacienda, coordination, and decisions on evaluation priorities. The option of unifying the investment and recurrent sides of the budget was recently considered within the government, but no consensus was reached. At present, the structure of the national budget in Colombia constrains the scope for use of M&E information.

Four other issues will also influence the ability of the government to undertake performance budgeting. The first is the December 2005 decision to implement a medium-term expenditure framework. One advantage of such a framework is that it provides greater surety in outyear funding for government ministries and activities. It can also provide an environment in which greater flexibility and responsibility is given to ministries and agencies, and these can be used to promote a greater performance orientation within government, as adopted by a number of OECD countries.

A second issue is the lack of a programmatic structure to the budget. DEPP’s “performance budgets” for the past two years have reported

planned budget spending on a program basis, and it constructed this programmatic classification of activities on an ad hoc basis. The investment and recurrent budgets continue to rely on conventional line-item budgeting, however; DEPP's performance budget reports are attached as an annex to the conventional budget reports.

There are many potential benefits from a program budgeting approach.<sup>20</sup> It links cost items (that is, activities) which have common objectives, and it assists program and spending prioritization; it also makes it easier to expand, reduce, or even terminate programs and the activities which they comprise. It facilitates evaluation by grouping linked activities, and also facilitates the setting of baseline measure of performance and performance targets. It helps clarify who is responsible for performance. However, while a program budgeting approach facilitates the use of M&E information during the budget process, it is not a prerequisite to a well-functioning M&E system which is intensively utilized by government, as the case of Chile amply demonstrates: Chile possesses the best-functioning M&E system in Latin America, in terms of a mature system of M&E which is fully utilized in the budget process, yet Chile continues to rely on line-item budgeting.

A third, related issue for Colombia is the apparently weak links between the integrated financial management information system (Sistema Integral de Información Financiera, SIIF) on which the budget is based and SIGOB. This makes it harder to link government spending on particular activities to the outputs, outcomes, and impacts produced by those activities. Thus DEPP's performance budget reports have involved the manual matching of SIGOB performance information with the cost data produced by SIIF. Chile has to conduct similar manual matching—which is time consuming—when it estimates the budget spending on the programs which it evaluates.

Related to this is a fourth issue: the limited information which DIFP possesses concerning actual government spending at the subnational level. While information on budget allocations is

available, data on budget execution by individual departments and municipalities are simply not. This makes it impossible to compare government outputs of goods and services with the amounts spent on them, and it is an impediment to better budgeting and planning, and to performance-based budgeting.

This preliminary analysis of the work of DIFP and DDTS suggests that the M&E initiatives of DEPP have generally not been closely integrated into the work of the rest of DNP. Considerably closer coordination of DNP's M&E work can be viewed as a prerequisite for the achievement of performance-based budgeting and performance-based planning. Similarly, the apparent lack of M&E coordination with the budgeting work of Hacienda would appear to be an obstacle to a greater emphasis on performance budgeting by that key ministry.

**Rapid Evaluation Pilots.** One significant, recent development is the work of DEPP, in consultation with DIFP, to conduct two pilot rapid evaluations. These are intended to provide a rapid, low-cost method of evaluation which would better complement the more sophisticated and usually expensive impact evaluations on which SINERGIA has hitherto largely focused. These rapid evaluations will clarify the objectives of the two programs being evaluated, the logic of the program design, and will attempt to assess their activities, management, cost and performance. The innovative methodology which DEPP has developed is based on a combination of the rapid evaluation methodologies used by the Chilean and United States governments. The new methodology is called the *Evaluación Ejecutiva* (E<sup>2</sup>). It is intended that such evaluations will be able to be completed within 3 months at a cost of \$15,000–20,000 each.

Hacienda has no direct involvement in either SIGOB or the evaluations, and makes no direct use of them. However, another significant development is Hacienda's recent agreement to pilot two additional rapid evaluations—these will essentially comprise desk reviews, using Chile's "evaluations of government programs" methodology. Hacienda

is also investigating the possibility of pursuing performance budgeting on a systematic basis.

**Mix of M&E Tools.** The piloting of rapid evaluations will provide an important addition to the range of M&E information available for budget decision making and national planning. For budgeting and planning to be done well requires the analysis and provision of advice on the performance of a very broad range of government activities—on those already under way and on possible new activities being considered. SIGOB already provides performance information for all government spending, and it focuses at the level of the presidential goals. Such information is relatively inexpensive to produce, and it achieves breadth of coverage. But its limitation is that it provides little or no understanding of the reasons why government goals have, or have not, been achieved. In contrast, SINERGIA's impact evaluations have the advantages of depth and rigor—they can identify causal relationships and prove definitively whether individual government actions are, or are not, producing the intended results. But sophisticated impact evaluations are typically rather expensive and time-consuming to conduct.<sup>21</sup> This is why rapid evaluations are a useful addition to the M&E toolkit: they are relatively quick and inexpensive, and can be used to evaluate a much broader spectrum of government activities than the large, one-off impact evaluations. Their disadvantage is that their findings are considerably less reliable than sophisticated impact evaluations.

The various M&E tools discussed here are complementary. Each has strengths and limitations, and each has a role to play as part of Colombia's M&E toolkit. The challenge for the government is to choose the mix which provides the most cost-effective use of the funds available for M&E.

Note that Chile has successfully employed a range of M&E tools in its budget cycle: the Hacienda uses performance indicators (some 1,560), rapid reviews (14 are completed each budget), sophisticated impact evaluations (4 are completed per budget), and comprehensive spending reviews of an entire sector (one per budget). Chile funds its

M&E system using its own budget funds, without any donor funding support.

### 6.3 Support for Results-Based Management by Ministries and Agencies

There appear to be several entities which have devoted considerable effort to building their own M&E systems for their own, internal purposes. DEPP provides a range of support to these ministries, depending on circumstances. For some, it involves advising or even initiating sophisticated impact evaluations (such as for some components of the *Familias en Acción* program); for others it entails assistance in creation of ministry monitoring systems (such as for the MPS).

It would be useful to investigate the genesis and motivation underlying the creation and institutionalization of these entities' M&E systems, to identify lessons which might have broader applicability across government. These entities include the MEN. It has a management information system which includes program goals, objectives, performance indicators, targets, baselines, and exception reports. This database is comparable to SIGOB, but it reportedly includes many more performance indicators. One difficulty faced by MEN has been the generation of data for SIGOB. Despite MEN's detailed database, the information it provides cannot interface directly with SIGOB; instead, the MEN data have to be extracted manually and adjusted to meet the SIGOB definitions. It is possible that this disconnect partly arises from the different levels of focus of the two systems: SIGOB is very clearly focused on the level of the presidential goals, whereas MEN's system is focused on serving the much more specific and detailed requirements of ministry planning and activity management. It would seem reasonable to assume that most if not all other ministries and agencies face greater difficulties in providing data for SIGOB. It is not clear if there is scope to achieve greater harmonization of performance indicators—in terms of data definitions, periodicity, geographical coverage, and so forth—between the whole-of-government SIGOB system and ministry/ agency systems.

Another entity to note is the Colombian Institute of Family Welfare (ICBF), which has created its own evaluation office to assist ICBF's own management and planning. The evaluation office has prepared evaluation guidelines, and it oversees the sophisticated impact evaluations which it contracts out to academia and consultants. (ICBF also undertakes some other types of evaluation.) It cofinances the impact evaluations with the World Bank (through social sector loans), the IADB and DEPP; ICBF also receives technical assistance from these entities. Some of the evaluations of ICBF programs have been led by the multilateral donors. ICBF has an overall budget of some \$500 million, and its evaluation budget is expected to be about \$2 million in 2006 (compared to \$3 million in 2005, when it financed a large survey of nutrition). All of ICBF's impact evaluations are counted by DNP as coming under the aegis of SINERGIA.

Ministry/agency M&E systems can be expected to make it easier for entities to satisfy the information needs of SINERGIA, but they should be viewed as quite distinct from SINERGIA, whose objectives are very much focused at the whole-of-government level. And entities with good practice M&E systems appear to be very much the exception, however. As already noted, there has not occurred any widespread adoption of M&E practices in ministries and agencies across the government. An in-depth diagnosis would be necessary to determine if sector ministries and agencies collectively make much use of the two main information components of SINERGIA: SIGOB and the impact and other evaluations. In other words, are most entities simply suppliers of data, produced on an ad hoc basis, to SINERGIA?

## 7. SINERGIA: Strengths, Challenges, and Future Directions

### 7.1 Strengths and Challenges

The government of Colombia has achieved a considerable success in the creation and strengthening of SINERGIA. It is one of the strongest whole-of-government M&E systems in Latin America, in terms of the types of M&E it undertakes, its overall credibility, and its utilization; much of this progress has been achieved since 2002. Cre-

ation of the SIGOB system for monitoring the progress against the presidential goals has been notable, as is the intensive use made of this system by the president, the presidencia, and the DNP. Indeed, the president's role as the key champion for, and user of, such a monitoring system is unprecedented within the region. The ambitious agenda of impact evaluations is also impressive.

The CONPES policy document on SINERGIA (#3294) lists four challenges facing this M&E system: (1) lack of a single, clear conceptual framework, (2) a need to clarify the roles and responsibilities of the organizations which support SINERGIA, (3) absence of clear links between planning, budgeting, and evaluation, and (4) problems with the availability and frequency of data, as well as problems with data quality controls.

This rapid diagnosis concurs that these substantive issues clearly need to be addressed. The main challenge facing any government M&E system is its full institutionalization. This entails not only the creation of a system which provides good quality information, but one where that information is used intensively in supporting sound governance, and where the system is fully sustainable—in other words, a system which is likely to survive changes in government and to continue to be relied upon by future administrations. This definition of a “successful” M&E system provides the yardstick against which SINERGIA can be compared. It also provides the destination toward which options for the future development of the system, and for World Bank support, should be framed.

Utilization of SINERGIA information has been substantive for accountability purposes: the accountability of the president to civil society and to the Congress, and the accountability of ministers (and their ministries) to the president. *Prima facie*, this unique emphasis on accountability seems unlikely to continue to such a high degree when the current president leaves office in 2010. Nevertheless, if in the meantime the processes and popular support for presidential accountability have become established, there will be continuing demand for the type of information provided by SIGOB. DEPP has recently drafted a CONPES

document intended to establish policy guidelines for government accountability and social control.

DEPP believes that SINERGIA information has also been used by the planning area of DNP and by sector ministries to assist their work in preparing the 2006–2010 national development plan. This issue has not been subject to detailed investigation, however.

There is little evidence that the four other potential uses of the M&E information produced by SINERGIA have been realized to any significant degree so far: (1) to support resource allocation and decision making in the national budget; (2) to ensure the cohesion of government action around those development priorities; (3) to assist sector ministries in their policy development and planning work; and (4) to support the ongoing management of government activities by ministries and agencies. An in-depth review of the use of M&E information by sector ministries and agencies might well reveal that the President's use of SIGOB information prompts some of them to take this information seriously in their planning and policy development work. And it is possible that as a growing number of sophisticated impact evaluations and rapid evaluations are completed in coming years, they will increasingly be used for budget and national planning purposes—although it would be a misconception to assume that the supply of evaluation findings automatically leads to their utilization.<sup>22</sup>

A recurring issue is the quality, availability and cost of the data used by SINERGIA and by ministries and agencies for their own work. One difficulty is lack of harmonization of data definitions. Another is the substantial absence of formal data audits. And the cost of impact evaluations has been driven up by the need for more detailed information than is available from either the regular household surveys conducted by the national statistical office (Departamento Administrativo Nacional de Estadística, DANE),<sup>23</sup> or from the administrative data produced by entities. *Prima facie*, there is an important role which both DANE and the high-level data coordination committee (Comisión Intersectorial de Políticas y Gestión

de Información para la Administración Pública, COINFO, or Intersectoral Committee for Information Policy and Management), which was created in 2003, could play here. The government is aware of these difficulties and it has decided to give a high priority to strengthening administrative and other data by, for example: promoting greater harmonization of data; the regular collection of core socioeconomic, health and nutrition data; and the development of minimum data standards. It has also signaled the need to improve data coordination through support to both DANE and COINFO.

The evaluation agenda is also costly. The cost of the impact evaluations underway or recently completed is \$7.42 million, with an additional \$2.46 million to be spent on new evaluations planned for the next five years. While this evaluation agenda might appear, *prima facie*, to be expensive, its cost represents only a very minor percentage of total government spending on the evaluated programs—thus the evaluations would need to result in only a relatively minor improvement in the effectiveness of government spending to make them highly cost-effective.

That said, there are ways in which the cost of evaluations could be reduced considerably, although some of these options would take several years to achieve (Bamberger 2006). A number of the large evaluations have to collect data by means of large, one-off, expensive surveys. The need for such ad hoc surveys could be reduced through an expansion of national statistical collections, such as longitudinal databases which track samples of the population over time; readier availability of data would also reduce the length of time needed to conduct an impact evaluation. The expansion of national statistical collections would itself be costly, and would take a number of years to complete, but would help to further increase the cost-effectiveness of SINERGIA. Another option is to rely much more on local Colombian evaluation consultants, rather than expensive international consultants. DEPP is using the rapidly increasing number of evaluations being conducted as an opportunity to increase the domestic supply of capable evaluators.

The government is pursuing an ambitious and broad-ranging strategy for strengthening SINERGIA. The initiatives include, among others:

- SIGOB
- Support for replication of improved SIGOB-type databases in municipal pilots (Medellín and Pasto)
- The agenda of impact and other evaluations, conducted jointly with DNP/DEPP, social sector ministries/agencies, and donors
- Development of a rapid evaluation methodology, and the pilots being planned by DEPP/DIFP and in Hacienda
- Efforts to engage directly with civil society, to encourage utilization of M&E information
- Preparation of government performance reports for the president, Congress, and civil society
- Preparation of performance budget reports, linking national development plan activities with their imputed costs, on a pilot, programmatic basis
- Support for performance budgeting efforts at the municipal level (Medellín and Pasto), with a view to mainstreaming these pilots
- Efforts to coordinate the generation of information feeding the M&E system, and to ensure the quality of the information—with a particular emphasis on the data registry for subsidy programs
- The Constitutional provision for evaluation, and laws, regulations, decrees; and the CONPES policy statement on M&E
- Support for the Intersectoral Committee for Evaluation and Management for Results
- Support for COINFO.

This broad-ranging strategy has been opportunistic, and this is wholly appropriate for two reasons. First, it is important to trial a number of initiatives to see which ones are more successful in the Colombian context: building a whole-of-government M&E system is an art, not a science, and it is often difficult to judge which initiatives are likely to be successful. None of those governments which have successfully built a whole-of-government M&E system did so in a linear, predictable model where the whole system was

clearly envisaged from the start and progress was made incrementally, step by step, to achieve this vision. Rather, successful countries such as Chile, Australia, and Canada have started with some view of what a “successful” system would look like, but have also worked to create a whole-of-government system in an opportunistic manner, adjusting their plans as new opportunities emerge and as particular roadblocks have been encountered. These opportunities and roadblocks are not only country-specific, but are also government-specific, according to the strengths and weaknesses of individual ministries and other bodies (such as the national audit office), and according to the depth of commitment to a results focus of the key stakeholders in government. The arrival, or departure, of an M&E champion such as President Uribe is enormously influential, but it is also fortuitous. Similarly, the Hacienda’s consideration of the possibility of pursuing performance budgeting provides a discrete window of opportunity to pursue this potentially significant use of SINERGIA information.

The downside of this opportunistic approach is the apparent absence of strong linkages between many of the various initiatives. From this perspective, it might be argued that SINERGIA is not so much an integrated M&E system, but rather a collection of performance-related activities with two main (and largely unrelated) components: SIGOB and the impact evaluation agenda. In parallel with these multiple initiatives, donor support appears, *prima facie*, to have been highly balkanized. Given the priority for SINERGIA to now enter a period of consolidation (discussed below), emphasis should be placed on achieving much better coordination among donors.

A good practice feature of DEPP’s management of SINERGIA has been its willingness to present the approaches, methods and results of SINERGIA to public debate via the international conferences which DEPP sponsors—in 2004, 2006, and annually in the future.<sup>24</sup> These also provide a forum in which plans for the future strengthening of the national M&E system can be debated. Continual review and adjustment of the strategies underlying a national M&E system are highly desirable.

**Table B.3: Stages of Maturation in SINERGIA Activities**

	Demonstration	Expansion	Consolidation
<b>More successful</b>	<ul style="list-style-type: none"> <li>• SIGOB pilots in municipalities</li> </ul>		<ul style="list-style-type: none"> <li>• SIGOB</li> <li>• Impact evaluations</li> </ul>
<b>Uncertain</b>	<ul style="list-style-type: none"> <li>• Rapid evaluation pilots</li> <li>• Performance budgeting pilots in municipalities</li> <li>• “Institutional incentives” involving public recognition of high-performing organizations and civil servants</li> </ul>	<ul style="list-style-type: none"> <li>• Performance budget reports</li> <li>• Easy-to-read reports on M&amp;E information (for civil society and Congress)</li> <li>• Institutional framework for accountability (draft CONPES document)</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory framework, including Intersectoral Evaluation Committee</li> </ul>
<b>Less successful</b>	<ul style="list-style-type: none"> <li>• Direct engagement with civil society</li> </ul>		

A second argument for a broad-ranging strategy is that the institutionalization of SINERGIA can be expected to be stronger, the greater the performance orientation of numerous stakeholders inside and outside of government—such as sector ministries/agencies, subnational governments, the Contraloria, the Congress, and civil society. Demand from these stakeholders for M&E information is likely to be cumulative and mutually reinforcing. It is also likely to lead to efforts to strengthen the supply side of M&E—such as improvements in the quality of data which feed into SIGOB, and in the availability of data needed for evaluations. Thus the greater are the synergies amongst all the performance-oriented M&E initiatives, the greater will be the probability that SINERGIA will thrive. The downside of this complexity, however, is a growing burden on DEPP in terms of management and coordination challenges. A careful balance between breadth and depth therefore needs to be achieved.

There are many performance-related activities which do not fall directly under the aegis of SINERGIA—such as the project evaluation work of DIFP and entities, the assessment of municipal performance by DDTS, and the M&E systems created by social sector entities for their own internal uses. To the extent these other performance-

related activities are strengthened, this could provide useful demonstrations of the value of M&E, which in turn could strengthen the lessons for other ministries and agencies, and would also help to further legitimize M&E (and SINERGIA) within the government. DNP will need to consider carefully the extent to which DEPP becomes involved in these efforts, many of which are not directly related to the development of SINERGIA. The clearest relationship between SINERGIA and these other M&E activities arises from the need to achieve some harmonization of data requirements, standards, and procedures; the degree of actual (or potential) overlap between SINERGIA and other M&E systems and activities is not clear, however. This is another issue which would benefit from in-depth review.

DEPP’s efforts to institutionalize SINERGIA can be classified into three categories, in a sequential chain: demonstration; expansion; and consolidation (table B.3). These can be further categorized into those which appear to have had some success, those whose level of success is uncertain, and those which have encountered real challenges. The extent of success can not be judged clearly, however, and an in-depth diagnosis would ideally be undertaken to assess this more definitively. Indeed, one observation is that progress in

institutionalizing SINERGIA should be subject to continuous monitoring, through agreed performance indicators and targets, and regular evaluation; thus the government should apply high expectations to SINERGIA in terms of regular and credible monitoring and evaluation of it. This is an important, potential role for the Intersectoral Evaluation Committee.

Clearly, demonstration activities should only be expanded once they have achieved some substantive measure of success. And activities which are at the expansion stage, such as the performance (investment) budget reports, could usefully be broadened to include the recurrent budget. Activities in the final stage of maturity, such as the work of the Intersectoral Evaluation Committee—whose role, responsibilities and membership still have to be fully defined—should be helped to rapidly improve and consolidate.

## 7.2 Options for Consolidation of SINERGIA

Within this framework, and given the unique window of opportunity over the next three and a half years during the second administration of President Uribe, what steps might offer the greatest potential for achieving a high level of institutionalization of SINERGIA, and of maximizing its prospects for sustainability? The priorities for consolidating SINERGIA would appear to include the following:

- Ensure a much more focused, strategic approach to evaluation planning, under the leadership of the Intersectoral Evaluation Committee, to ensure that the range and depth of SINERGIA's evaluations best support the government's budget decision making and national planning.
- Foster much greater ownership of SINERGIA's M&E information by sector ministries and agencies through their broader involvement in the Intersectoral Evaluation Committee, and through clearer roles, responsibilities and functions for the Committee.
- Give the Intersectoral Evaluation Committee the responsibility to consider and agree on the recommendations from the large number of evaluations which will be completed in coming years, and to ensure the implementation of these recommendations through their close monitoring.
- Achieve a demonstration effect, encourage a broader range of sector ministries and agencies to undertake evaluations through creation of a central pool of some evaluation funding to support rapid and impact evaluations. Such funding, which would ideally be overseen by the Intersectoral Evaluation Committee, would also help ensure the continuity of the government's evaluation agenda. It could also attract a range of donor funding.
- Support the rapid evaluation pilots to be trialed by the Hacienda and DNP, with a view to their rapid expansion and consolidation if the pilots are judged to be successful. Seek close collaboration between the two ministries in these efforts.
- Identify good practice M&E approaches adopted by social sector entities (such as, possibly, MEN and ICBF), and use these as a basis on which the Intersectoral Evaluation Committee would mandate specific M&E functions which all ministries and agencies are required to undertake.
- Strengthen the municipal pilots which are pursuing performance budgeting, and expand the pool of pilots to include some much weaker municipalities, with a view to the eventual consolidation of the approach at the subnational level—involving centrally determined standards and requirements—if the pilots are found to be fully successful and replicable.
- Ensure much greater quality assurance of the data which ministries, agencies and subnational governments provide for SIGOB—independent data audits will be required if a high level of credibility of SIGOB data is to be achieved.
- Review the various data systems which central ministries maintain, with a view to seeking greater harmonization, simplification and coordination to prepare a set of basic standards of administrative data.
- Ensure that both DANE and COINFO play an important role to guarantee the quality of data used by SINERGIA—in SIGOB and in evaluations—and to reduce its cost.

- Explore ways to further reduce the cost of the impact evaluations conducted under SINERGIA—such as via the expansion of national statistical collections, and greater reliance on local Colombian evaluation consultants.
- Establish the necessary linkages between the country’s development goals, policies (properly structured), programs, and projects; only when these linkages are established can there be proper evaluation of Presidential Goals. Such policy evaluations should be piloted.

## 8. Conclusions

SINERGIA is a well-performing, whole-of-government M&E system. The main challenge it now faces is its full institutionalization, so that it will continue to thrive and to support good governance after a change in administration. For SINERGIA to be fully sustainable in this sense will require the strengthening of both the demand and supply sides of M&E; these are closely related. The supply side can be strengthened by improving the quality and credibility of monitoring information, reducing the costs of data supply, and increasing the volume and breadth of types of evaluations which are conducted. The demand side can be strengthened by promoting greater awareness of, and confidence in, the monitoring information and evaluation findings which the system produces—awareness among ministers,

civil servants, and in civil society. Greater utilization of M&E information will require that key ministers and their ministries—especially the Presidencia, DNP and Hacienda—play a leading and even forceful role in championing the usefulness of the M&E information produced by SINERGIA. This support will need to go well beyond simple advocacy, and will need to include steps to ensure the utilization of the M&E information to support budget and national planning decision making and social accountability.

Sector ministers and their ministries also have a role to play in ensuring utilization of M&E information, in sector ministry policy development and planning, and in the ongoing management of government activities by ministries and entities. Their use of M&E information would be expected to encompass both the information produced by SINERGIA, and M&E information which their own ministries are meant to collect.

Thus on both the demand and supply sides, there is a need for greater clarity and focus of M&E roles, responsibilities, and accountabilities. It is argued here that the CONPES and the Intersectoral Committee for Evaluation and Management for Results should play a significant role in the oversight of SINERGIA and in ensuring its full institutionalization to further strengthen sound governance.