

The Donor Committee for Enterprise Development

# JOINT BUSINESS ENVIRONMENT WORKING GROUP AND RESULTS MEASUREMENT WORKING GROUP MEETING

#### **MEETING MINUTES**

# 13 March 2013, Geneva

#### **PRESENT**

Farid Hegazy, ILO, Geneva (BEWG Chair)
Lasse Møller, Danida, Copenhagen
Luca Marangoni, EC, Brussels
Monica Peiro Valleso, EC, Brussels
Alexandra Opperman, GIZ, Bonn
Marc Banzet, CIDA, Ottawa
Juergen Reinhardt, UNIDO, Vienna
Margareta de Goys, UNIDO, Vienna
Henk van Trigt, Netherlands, The Hague

Markus Pilgrim, ILO, Geneva
Pierre Guislain, World Bank Group,
Washington DC
Christine Zhenwei Qiang, World Bank Group,
Washington DC
Claudio Volonte, IFC, Washington DC
Virginia Rose, ILO, Geneva
Donna Loveridge, TMEA, Nairobi (by telephone)
Jim Tanburn, DCED Secretariat, Cambridge
Simon White, Consultant

# **APOLOGIES**

Merten Sievers, ILO, Geneva Simon Calvert, DFID, UK

#### 1 Welcome, introductions and confirmation of the agenda

Farid Hegazy (Chairperson) opened the meeting at 9:45AM and welcomed all participants. All participants then introduced themselves and the agenda was adopted.

# 2 RMWG Update

Jim Tanburn, in the absence of Merten Sievers, presented an update of the work of the RMWG and, in particular, the efforts of the RMWG in piloting the DCED Standard. He highlighted the focus of the Standard on monitoring progress in PSD programmes.

Most of the RMWG efforts have been focussed on the DCED Standard and the preparation of products that promote and support the application of the Standard. This area of work is receiving high levels of attention on the DCED website (it currently attracts the most traffic on the site). Jim reported that the Standard has also been well received as an important management tool in the field and among agencies.

Most of the programmes that have sought support and auditing through the Standard are inclusive market development programmes. There is a need to expand this to other types of PSD work, including BER programmes.

# 3 Update on the DCED Standard: Report from TradeMark East Africa

Donna Loveridge, by telephone, presented on TMEA's piloting of the Standard. The slides she presented are attached.

The question-and-answer session that followed this presentation is summarised below:

- TMEA has headline indicators that were built into the original design of the programme, such as reduction in transit times. Mapping these onto the Standard's suggested Universal Indicators of employment and income was not a simple task and work was on-going to explore further impact-level indicators.
- On the costs (time and money) of applying the Standard: Yes, there are costs involved in using the Standard. However, there are also clear benefits and cost savings.
- On the capacity gap: TMEA is now a \$500 million programme, creating a high-demand on the capacity of the organisation to manage, monitor and evaluation projects. This has required an investment in staff skills in this field.
- Learned about the Standard: Donna learned of the Standard through her manager, then attended a seminar Jim ran in Nairobi.
- Benefits of the Standard approach: detailing programme logic has been important, as
  has focusing on specific results chains rather than typical log-frames. The framework
  used in the Standard is helpful. Theory of change approach is good, but could fall into
  the same pitfalls of typical logical frameworks (form-filling) if care is not taken to avoid
  this.
- On external support in using the Standard: Yes, Donna did receive external support. It has been good to learn how other programmes have faced challenges.
- On being audited: It would be good to be audited. However, there is more work to be done to be ready for an audit.
- On going beyond measuring Outcomes and Impacts: There is literature to support the
  view that trade outcomes lead to higher level impacts over time. However, the higher
  up the impact chain, the harder it is to attribute these changes to a single programme
  or project.
- On data collection strategies: There are many problems experienced in collecting good data in East Africa. In theory it is good to collect data at border posts, borders, etc., but in reality this is very difficult. TMEA is talking with border authorities and others to improve their data collection, but this is taking time. Electronic trade data systems are being set up and are currently being piloted. This is taking time. TMEA is working with the World Bank and TMSA to explore ways to monitor cross-border trade.
- On scale: TMEA is a big programme, which has influence across the region. However, it is important to be able to clearly define and track how TMEA contributes to change, rather than to simply assume this.

### 4 WBG Impact Review update of work undertaken and critical issues

Christine Zhenwei Qiang, Manager, International Trade and Investment Unit, Investment Climate Department, World Bank Group, presented on the Measuring Outcomes and Impacts of IC Reforms program.

The question-and-answer session that followed this presentation is summarised below:

- On the lack of inclusion of jobs in impact measures: While there is strong demand for data on jobs, it is very hard to come up with reliable measures on jobs. We need to find ways in which these numbers can be credibly measured. Currently do an extensive review on the measurement of jobs. There was further discussion on the need to take this forward as a group. Members were encouraged to go to: www.ifc.org/jobcreation
- On the indicators applied, such as Reach: Generally, this refers to scale. These are largely aggregated outcome indicators.
- On the business registration results chain: The focus here is on the productivity of the firm and its relationship with business registration.
- On the use of a control group in the proposed Benin business registration impact measurement: There is a lot of self-selection involved in this—firms choose to attempt register. This group can be identified quite easily. The greater challenge is to work out how to select firms for different kinds of interventions; there can be contamination across these categories and it can be hard to stop groups of firms from receiving a service. There is also an ethical concern with this. Overall, this requires good cooperation with the government.
- On the use of a control group in the proposed border post impact: Thinking of using regression discontinuity methods to examine the trends. There are methodology notes on all this that are available.
- On the independence of project evaluations: DIME is an internal evaluation unit
  working across the World Bank Group and operates relatively independently from
  other functional units. Academics are also used as independent resource people.
  There is a need to distinguish between terms, such as "independent", "audit", etc.
- On indicators: Is it possible to establish benchmarks for measurement across agencies?
  Business registration reform was found to lead to a drop in the number of registered
  firms in Vietnam. However, this was found to be a result of a cleaning up of the data
  on registered firms, which showed that fewer firms were actually registered. This
  shows how a reform might be done in the midst of a broader process of change and
  how the overall impact of these kinds of reforms might change over time.
- On the need to improve project design: Many project documents present overly
  ambitious objectives. This makes evaluations that are conducted later in the project's
  life more difficult. Thus, it is important to be more realistic. Moreover, programme
  designers are being encouraged to be more realistic and to present a clear logic of the
  project's interventions and its desired impact.

# 5 Reports from other agencies

There were no reports presented.

# 5 Presentation and discussion of draft case studies and policy note - Measuring BER Results

Simon White presented the policy note and three draft case studies, noting that a fourth is to follow. In particular, he elaborated on the 17 principles proposed in this early draft document. Participants complimented him on the Paper so far, with the following suggestions:

- Example intervention logics at the start of the Paper might illustrate what is being written about
- The gender dimension could be enhanced, for example with practical tools, model indicators etc.
- Other practical guidance for Embassies and field offices will be welcome, for example how to contract consultants to formulate programmes that incorporate measurement from the start, some inspiring indicators, guidance on the job creation challenge, how to fill gaps in the logic etc.
- Generic indicators for measuring outcomes and impact would be helpful
- Examples on mixed methods would be welcome
- The Universal Indicators could be given less prominence, partly as the Standard is more about clarity of logic rather than recommending common indicators – and partly as those indicators may anyway need to be adapted to BER needs

#### 6 Next steps and opportunities for communication and collaboration

The BEWG proposed to reserve two hours in the afternoon of 2<sup>nd</sup> July to consider a 'near final' draft of the policy note; the RM WG was invited. The RM WG appreciated the invitation, and remains keen to coordinate with and inform the initiative. However, it noted that it had its own work programme, and that several working groups were working on supporting packages around the Standard; it was concluded that any collaboration will therefore need to be very pragmatic and based on need.

It was noted that the WBG programme presented above had a wealth of material on its website, and that this could be summarised on behalf of members by BEWG. That might be as a brief, or even as a short briefing event for members.

#### 7 Future Meetings

The BEWG is meeting on 2 July 2013 in the Hague and its was agreed that two hours of this meeting, in the afternoon, would be dedicated to a discussion of the next (near-draft) of the Donor Guidance Annex. Members of the RMWG are especially invited to participate in this discussion. Details on this meeting will follow.

# 9 Close of Meeting

The meeting was closed at 4:20PM.

#### **ATTACHMENTS**

- 1. Presentation slides: Update on work to date with the DCED Standard, Jim Tanburn
- 2. Presentation slides: TMEA and the DCED RM Standard, Donna Loveridge
- 3. Presentation slides: Measuring Outcomes and Impacts of IC Reforms program, Christine Zhenwei Qiang

4.	Presentation slides: Draft Measuring Donor-Supported Business Environment Reform Results: Practical Guidance for Development Agencies, Simon White