

2nd Evaluation of the PEMPAL network

*Commissioned by the World Bank
on behalf of the PEMPAL Steering Committee*

Final Report

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List of Acronyms

BCOP	Budget Community of Practice
CEF	Centre for Excellence in Finance
COP	Community of Practice
DfID	Department for International Development, UK
DGF	Development Grant Facility
EC	Executive Committee (of the COPs)
ECA	Europe and Central Asia
Eg	Et Gratia (for example)
GiZ	Gesellschaft für Internationale Zusammenarbeit
IACOP	Internal Audit Community of Practice
le	Ita est (namely)
MDTF	Multi-donor Trust Fund
OECD	Organisation of Economic Cooperation and Development
PEFA	Public Expenditure and Financial Accountability (Framework)
PEM	Public Expenditure Management
PEMPAL	Public Expenditure Management Peer-Assisted Learning
PFM	Public Financial Management
SC	Steering Committee
SECO	Swiss State Secretariat for Economic Affairs
TCOP	Treasury Community of Practice
TORs	Terms of Reference
USD	United States Dollars
USSR	Union of Soviet Socialist Republics

Executive Summary

1. This evaluation of the Public Expenditure Management Peer Assisted Learning (PEMPAL) network was commissioned by the PEMPAL Steering Committee and contracted through the World Bank. The evaluation was undertaken between July and December 2011, by the same evaluator as the 2008 evaluation.
2. PEMPAL is a network of public expenditure management professionals in governments in Europe and Central Asia (ECA) region. The network describes itself as providing opportunities where “these officials can benchmark their PEM systems against one another and pursue opportunities for peer learning, increasingly understood to enhance knowledge transfer”(PEMPAL 2011, p7). Currently, 21 of the 30 World Bank classified Europe and Central Asia countries participate in the network. It operates through three communities of practice (COPs), the Budget COP (BCOP), the Internal Audit COP (IACOP) and the Treasury COP (TCOP).
3. The Terms of Reference stipulated that the evaluation framework developed in the 2008 evaluation should be re-applied in order to provide a comparable assessment to the 2008 baseline assessment. This meant using the hierarchy of objectives (from input objectives to the network strategic objective) and producing analysis at the levels of inputs, outputs and outcomes. The evaluation was also to assess the three COPs comparatively and assess the implementation of the recommendations of the 2009 evaluation report.
4. The evaluation was undertaken in four main phases, namely: (i) the Inception phase, which included attendance of a cross-COP leadership meeting; (ii) the research phase; (iii) the write-up phase; and (iv) the report finalisation phase which will conclude in early December. The research phase comprised a survey of PEMPAL participants; as well as interviews with donors, COP executive committee chairs and members; ordinary members of all three COPs; members of the Secretariat and resource teams; and senior officials or political principals from PEMPAL countries. Primary PEMPAL documentation was also used extensively for further data.

Overview of key findings

5. Over the period under review the PEMPAL network has expanded its membership in terms of countries and individual members, accessed more financial resources and deepened its functionality through improving the functioning of the Executive Committees and the Steering Committee and building network institutional infrastructure. Countries are much more in charge of the agendas of the individual COPs than in 2008 and individuals and countries are learning from each other, in ways that result in direct demonstrable impact on the PFM systems of some participating countries. In short, over the period of review and despite periods of resource scarcity and no activity, PEMPAL has succeeded in building on the platform that had been established by 2008.
6. The learning that PEMPAL provides is unique to the kind of forums that it has set up: individuals and countries learn about the practice of PFM reform and PFM management. Whereas knowledge of PFM theory and approaches can be sourced from other sources, for PEMPAL participants the COPs are the only forums in which they learn about other countries’ experience of

the operationalization of these approaches in practice, to a highly useful level of detail. The appreciation of this function of PEMPAL by the senior management level in ministries of finance and the political leadership of member countries is consistent.

7. While the current focus of the objective framework for PEMPAL is on impact on country PFM systems, the evaluation found that significant value is generated at the level of individual learning, which may or may not directly translate into changes in country PFM systems in the short term, but in the long term contributes to better PFM systems.

8. The IACOP has been more successful than the TCOP and BCOP in achieving the set network objectives at the input, output and strategic objective levels. Compared to the TCOP the IACOP has opted for a smaller individual membership footprint and smaller, more frequent events. Within the smaller footprint it has been more focused on network formation as an objective, including by building quality participation, next to substantive or content objectives. More of the IACOP's work programme is focused on generating outputs of use to member countries that are unique to the network.

9. The TCOP's strategy however is informed by the broader scope and subject matter of its area of work, and its resulting membership. It offers themed events and seeks to attract different specialists to different workshops, depending on the theme. It therefore has a larger membership base of more diverse specialists and lower repeat participation. While this strategy may have costs in terms of building up a network of individuals who form relationships over time and identify fully with the network, it is necessary for the COP to be relevant. The BCOP is in a similar position.

10. In PEMPAL different country groupings cluster in different COPs, with the IACOP having stronger influence outside of the Central Asia region and the TCOP comprising a strong Central Asia membership. An examination of available evidence also point to different country groupings getting different value out of PEMPAL, with to date the former Soviet Republics outside of Central Asia showing a high degree of involvement and benefit through the survey responses. The Interviews however pointed to an equally strong general interest in and appreciation for the value of PEMPAL in the countries of Central Asia. Non-Soviet republic countries in Eastern Europe tend to cluster more in a group of more advanced countries in terms PFM reforms, which mean that their potential to benefit from PEMPAL in terms of direct impact on PFM reforms is more limited. However, they still benefit through the participation of individual members.

11. The diversity of the network across country groupings is a key element of the value countries find in their participation in the COPs; PEMPAL as a network should take care not to allow the COPs to fragment along other lines of division.

12. One negative finding of PEMPAL activity over the recent period is that it is not clear that all three COPs used available resources optimally to build network quality and deepen learning. This may be because of strategic priorities still being diffuse in the network a whole. It would seem that PEMPAL has extended the quantity of individuals who participate, without commensurate growth in the core of members who bring quality participation. In the TCOP and BCOP it is not clear that the trade-off in resource-use between topic-driven events and explicit knowledge capital formation through PEMPAL branded outputs was balanced, even taking into account that they operate in a different subject and membership context to the IACOP. Overall, the network would benefit from providing more resources to ensure the quality of events and outputs, and participation in the

events themselves. It would also benefit from a clear articulation of its short, medium and long term objectives for its own purposes.

Findings and conclusions by inputs, outputs and the PEMPAL strategic objective

Were PEMPAL input objectives achieved?

13. The overall finding is that the PEMPAL network and its three COPs have made progress in the achievement of the input objectives. The network has grown in terms of countries and individual members, the Steering and Executive Committees are functioning more effectively, resources have increased and the Secretariat has made progress in putting in place more systems to underpin PEMPAL functions. However, there are some concerns, including that in the post 2008 phase the network has not focused sufficiently across all COPs on improving the quality of individual membership (besides the IACOP), resources for technical support are insufficient and post-June funding is uncertain; and there is a need to rethink the Secretariat function given the growth in network activity.

14. This is unpacked as follows:

15. **A committed membership who has ownership of the network:** The network has grown in terms of the number of countries and number of people it reaches. However, repeat participation has declined across the COPs. While country membership of PEMPAL is ratified in the Steering Committee, there is no working definition of individual membership. In practice it is equated to the contact list, except for the IACOP, which has defined membership in terms of levels of participation and interest in the COP. In the TCOP and BCOP who attends events are more left to the invited countries to decide: in the TCOP the aim is to ensure that the most appropriate specialist for the specific topic discussed attends. This means that in effect network membership is continuously expanding, perhaps at the cost of building a larger core of quality membership.

16. The survey responses however, point to a stronger sense of a network, agency and ownership within the network. Across all three COPs members are interested in being active in the PEMPAL network, but actual participation is much less. The IACOP however, has been more successful in turning the desire to participate into actual participation. The IACOP's work agenda has contributed to this differentiation, with its opportunities for direct involvement. Treasury and budget officials however, reported a lower interest in contributing to network activities.

17. **Good governance of each COP:** Over the period COP Executive Committees have become more active in steering their COPs and in 2011 have participated regularly in the Steering Committee. This is particularly true for the IACOP, where the Committee is involved in every aspect of the COPs functioning, allowing the resource team to take a background support role. In the TCOP the Committee is actively involved in directing the work of the COP, but more of the actual management work is left to the resource team. In the BCOP an Executive Committee was only formed again at the end of 2010, but during 2011 it did meet regularly and was involved in the BCOP events held and the development of a BCOP workplan. Respondents in 2011 rated their Executive Committees higher than respondents in 2008. An important contribution to the improved functioning of Executive Committees has been the extension of the Committees and the

appointment of alternate members. While the benefit of stable Executive Committees is demonstrated by the good performance of the IACOP Committee in terms of members' satisfaction, respondents also felt that it is important to rotate Committee membership in order to build commitment by countries, as the COP has done in 2011. There should be particular attention to membership of the Central Asian countries, who is represented well in only the TCOP Committee. The IACOP and TCOP Committees have benefited from clear processes to determine COP priorities.

18. Effective governance of the whole network through the Steering Committee: The Steering Committee has functioned more effectively in the later period than the earlier period under review. With a new chair in place from 2009, Steering Committee meetings are more structured, with more regular participation by the COPs. This has translated into increased proportion of survey respondents who rated the Steering Committee performance highly or very highly. There has also been progress in formalising the network, with procedures adopted by the Committee for the operations of the network, including for planning and budgeting at the COP level. At the time of the evaluation the network was also undergoing a network-side strategic planning process. This is viewed by the evaluation as a critical intervention at this time, as there is some divergence between stakeholders on network objectives and indicators of success and insufficient agreement on what should be monitored by whom.

19. Financial resource availability: With the cash contribution of the Russian Federation in March 2010, PEMPAL operated with more resources in the 2009/10 to 2011/12 period than in previous periods. The total number of active donors however, has declined. In 2011 PEMPAL was funded through two donors' cash resources (SECO and the Russian Federation) and the in-kind contributions of two additional donors (the World Bank and the OECD). While InWent (GiZ) was still part of the Steering Committee, its ability to provide support in the future will only be clear after completion of its inter-agency merger.

20. The contribution by the Russian Federation provided a cash injection for PEMPAL, enabling an intensified programme of work across the COPs. The budget for the Secretariat, which is now formally contracted by the World Bank to provide Secretariat services to PEMPAL, also increased. While the increase in resources is a positive finding against the evaluation framework, the uncertainty about funding post 2012 and relative lack of resources for funding technical support to the COPs are of concern.

21. The evaluation tested the willingness of members to pay membership fees. Senior officials and political office holders interviewed were not in principle opposed to countries contributing to the cost of PEMPAL, but this could only happen if PEMPAL is constituted as a separate legal entity through an international agreement. Furthermore, they were clear on the need for donor funding to continue as part contributions, even if countries paid membership fees. Individual member respondents were more often not willing to pay membership fees, while the IACOP members, and members from countries outside of Central Asia, were more willing to pay than their counterparts in the other COPs and in Central Asia.

22. An effective and efficient secretariat: The evaluation TORs required particular attention to progress in establishing a Secretariat function at the CEF. The CEF makes available four part time staff members and access to IT support in response to its responsibilities under the World Bank contract. This includes a manager and a coordinator for each of the COPs.

23. Since 2006 the CEF has – besides arranging PEMPAL events across the region and supporting the Steering and Executive Committees -- developed a contact base for PEMPAL members (a collated list of participants in events) and a databank for PEMPAL records; developed a virtual library; prepared operational rules and procedures; developed a set of indicators and maintained records against the indicators for monitoring purposes; developed a network of regular service providers; developed internal procedures for managing the PEMPAL contract, implementing PEMPAL activities, managing PEMPAL funds and for reporting; and developed marketing materials for PEMPAL. In effect, it has provided services against each of the tasks in its contract. The question for the evaluation however, is whether this was done effectively, to an appropriate standard, and efficiently.

24. With regards to the organisation of PEMPAL activities, many more stakeholders have expressed their satisfaction with the CEF's performance than dissatisfaction, in line with the 2008 evaluation. This is particularly true for ordinary PEMPAL members, whose exposure to the CEF is mainly around the organisation and administration of events. On the World Bank conducted exit surveys, respondents rate the CEF's performance highly (see main report for detail), with a slightly lower rating for larger events.

25. The evaluation survey findings similarly were positive on balance. However a smaller proportion of respondents rated the CEF's performance highly and very highly in the 2011 survey compared to the 2008 survey. Also, respondents from countries in Central Asia and former Soviet republics, on average rated the CEF's performance lower than their counterparts elsewhere in the network.

26. Interview respondents were also predominantly positive about the CEF. However, just under a third of respondents raised issues (and the majority of those raising issues were also positive about the CEF in general). These included the support provided by the CEF to former Soviet and Central Asian countries and the location of the Secretariat outside of a PEMPAL country; responsiveness to Executive Committee requests for particular aspects of event support; concerns about the management of events outside of Slovenia, particularly by host countries about the clarity with which the relationship with host countries is managed; and whether the Secretariat would be able to provide the technical capacity that will be required within the network going forward. Currently the Secretariat's Terms of Reference require very little technical support to be provided.

27. Overall, secretariat functions were fulfilled: PEMPAL records on the website appears to be maintained well; the CEF has reported regularly to the Steering Committee; the CEF has hosted the Community Facilitator; the CEF has supported the Steering Committee; and the CEF does maintain a central contact base. The evaluation however raised some issues (see main text for more details), for example with regards to the currency of contact records on the website; some frustration at the support for the Steering Committee and at the unavailability of CEF personnel at times for PEMPAL tasks; about the branding of PEMPAL; and about the clarity of the division of roles and responsibilities between the CEF, the Executive Committees and the Community Facilitator.

28. On its part the CEF has emphasised the importance of the alignment between the organisation and PEMPAL and highlighted that it took on the contract to support PEMPAL because it had something to offer. Over the five years of engagement PEMPAL has benefited from the CEF's expertise and the synergies between the CEF's own activities and the activities of PEMPAL. The CEF

has faced significant challenges in setting up a Secretariat function, such as the pressure of managing event budgets, short deadlines, changing goal posts and many stakeholders' expectations and has managed PEMPAL funds with good governance, accountability and transparency.

29. The CEF also emphasised the high importance the organisation attaches to the PEMPAL contract. The exposure to PEMPAL activities and networks has enhanced the organisations capacity in its other programmes and it has been able to use the synergies to the benefit of countries in the region. This benefit is at the root of its investing its own resources into the management of PEMPAL, as the cost requirement of its support is in excess of the funding provided by PEMPAL, according to the CEF. It is striving to strengthen communication with Central Asia and will, if the PEMPAL contract continues, strengthen the PEMPAL team with a Russian speaker. It believes the staffing arrangement to be of the benefit of PEMPAL, with the flexibility of not having to fund personnel down time in between events. For the CEF PEMPAL events take priority. Overall the CEF has built its capacity over the four year to support PEMPAL events, particularly in countries in the region. This has been a positive learning curve.

30. In summary, based on the available evidence, the evaluation finds that:

- The required secretariat functions have been established at the CEF.
- PEMPAL information management systems have been established, but are imbedded in CEF systems as funding was not available to establish or maintain a separate system.
- Most participants view the CEF support positively, but some with more exposure to the CEF such as leadership teams, donors and host countries, have raised concerns. There is evidence of an emerging breakdown in the relationship between the CEF and these central PEMPAL stakeholders.
- While a good solution at the time, the CEF structure for PEMPAL support is no longer ideal. With the increased volume of work over the last two years the CEF model of part time capacity has come under strain. The short term nature of PEMPAL contracts for the CEF however does not facilitate a shift to a different model. In its response to the draft report, the CEF has noted that it was not asked whether it would be prepared to adjust the structure and that a changed structure would require a change in budget.
- The CEF institutional learning about managing PEMPAL events and supporting the network is valuable and should be documented. This process would support the identification of systematic weaknesses, such as poor awareness of rules and procedures and unclear divisions of responsibilities, and institutionalise learning further.
- Overall the network would benefit from a clearer mapping of responsibilities between the Secretariat, the Executive Committees, resource teams and Community Facilitator.

Were the PEMPAL output objectives achieved?

31. The PEMPAL output objective is that each COP should connect well and be productive and sustainable. The evaluation assessed this level of performance against two key sets of questions: (i) Does the network offer its members quality learning resources; and (ii) Is a network in place; does it connect well; does information flow well in the network and do members collaborate?

32. Overall the finding is that since the 2008 evaluation, the PEMPAL network as a whole has strengthened with more events and more countries connecting through the events. The quality of learning resources has also improved and members' use of these resources has remained roughly

stable. The trade-off between network reach to more individual members and quality participation by a core of members may have emphasised growth in contacts at the cost of forming a functioning network for learning, even if less so for the IACOP. PEMPAL's forward sustainability will be enhanced by further resourcing and strengthening of technical support mechanisms for the COPs and more dedicated human resources. Strategic decisions on network direction needs to be informed by a stronger shared vision on the nature, goals and working ways of PEMPAL.

33. **Availability, quality and interest in PEMPAL learning resources:** Use of PEMPAL resources by respondents appeared to have been maintained between the 2008 and 2011 evaluations, taking into account that the survey data are not directly comparable. IACOP respondents made the most use of COP resources, with particularly high use of guidelines and tools developed by the COP. This is also the type of material most used by the BCOP, while TCOP respondents reported highest use of event presentations, but also the least use of materials overall. Language is a barrier to using country materials across the network.

34. Respondents in 2011 rated resource quality higher than respondents in 2008. Overall IACOP respondents are more satisfied with learning resources than TCOP and BCOP respondents. TCOP respondents are still positive about the quality, but are the least satisfied. Respondents from Central Asian countries on average were slightly more satisfied with resources than respondents from elsewhere, whereas respondents from former Soviet countries overall were less satisfied. The lowest average score for any grouping was for respondents from former Soviet republics outside of the Central Asia region.

35. PEMPAL members show high interest in increasing and improving the resources available to the network: on average interest in guidelines and tools developed by the COP was higher, followed by country materials in the PEMPAL library and research, analysis and write-ups of good practice within or across PEMPAL countries undertaken by PEMPAL or the COPs. Interview responses in addition indicated a demand for PEMPAL-branded training.

36. Interview respondents all reported using the website to retrieve presentations and other materials, and to check on events; this tally with CEF survey data that shows high use and satisfaction with the website.

37. **Frequency and quality of formal and informal connection in the network:** The number of learning opportunities offered per year has increased over the period under review from two in 2008 to nine in 2011. The IACOP, of which the events are smaller on average, has organised double the number of events of the TCOP and BCOP over this period, reflecting the difference in strategies. The events are well attended by PEMPAL countries: on average 94% of PEMPAL countries attend events. However, attendance by individuals is inconsistent, affecting network formation and COPs ability to sustain a progressive work programme.

38. The assessment of informal connections from the evaluation survey shows that whereas the IACOP network density has increased (with an estimated map completion rate of 47%), density in the other two networks may have decreased. However, the relatively low survey response rates for these COPs (with an estimated map completion rate of 42% for the BCOP and 21% for the TCOP) mean that this finding should be treated with great care. The higher number of contacts and lower number of outsiders in the IACOP network however, is worth noting, even taking into account the incompleteness of the other COP network maps. It points to the COP being more able to convert its

available resources into a network that connects well, partly perhaps because the network is smaller. Strategies of the IACOP that can be linked to this apparent higher success are their membership strategy, the higher number of events with lower participation, and deliberate efforts to sustain discussions among members between events.

39. Other factors that influence the strength of the networks that have been established include language barriers, the quality of translations and interpretation and the benefit of organised social activities during events highlighted by many country respondents.

40. **Sustainability of the network:** This has been treated in the evaluation not as primarily a question of financial, but rather a question of institutional sustainability. Currently, PEMPAL is sustained for a significant part as a donor programme. Over the period under review however, a shift has occurred with increased stewardship by the COP Executive Committees and members. While the finding is that PEMPAL has become more institutionalised and more sustainable -- based on better governance by the Executive Committees, the establishment of network institutional infrastructure, growth in its footprint and frequency of events among other – there are key issues that affect the quality of connections and the sustainability. These include:

- How the network manages diversity will be important going forward to ensure continued cross-learning between groupings. For example, countries at different levels of advancement experience benefit from the network differently. Members from least or less advanced countries see a greater likelihood of PEMPAL influencing reforms in their country. Members from more advanced countries see the benefit as accruing primarily at the individual participants' level. Strategies to ensure continued participation by more advanced countries, such as ensuring that every event includes something of interest to them, would be important.
- The network as a whole needs to pay more attention to how it engages the political level. This will facilitate its own operations, but if political decision-makers can be part of the learning through PEMPAL, the likelihood of its affecting reforms at country level positively will be increased.
- While there are better functioning support structures for the COPs in place compared to the 2008 evaluation, the continued importance of quality, sustained technical support for the COPs was reconfirmed in the 2011 evaluation. The available evidence suggests that dedicated support provides the best returns in terms of network formation. Part time support also has benefits: it provides options for bringing in a wider range of skills into the network at the same cost. The evaluation finding however, is that in a next phase the network would benefit from having more dedicated support even within a budget constraint.
- Finally, a greater coherence of vision is required between the core stakeholders in PEMPAL. So far the network has benefited from an open-ended approach to goal and strategy setting. However, the point is approaching where clarity about network objectives, networking approaches, time horizons for returns on investment and medium to longer term goals would provide network decision-makers with a negotiated frame for decisions and would help prevent narrow, specific agendas from driving strategic decisions in the network.

Was the PEMPAL strategic objective achieved? Do members learn from each other? To what end?

41. The evaluation was centred on three related questions: (i) what scope of learning has taken place, what forms did it take and how effective has it been; (ii) what evidence is there of PEMPAL activities contributing to changed PFM practices at the country level; and (iii) how relevant has the network been?

42. Overall the finding is that the first line beneficiaries of the COPs programmes are the individual participants themselves, which is necessary for network continuity and sustainability. At the most elemental level of learning, all three COPs offer activities and interaction that allow members to learn just by participating, for example through receiving useful information on other countries, developing contacts and exchanging documentation, information and tips on professional practice.

43. At a second level of learning, all three COPs have made progress in building up knowledge capital, particularly around the *practice* of PFM in the region. This knowledge, unlike knowledge about theories and approaches in the abstract, is not accessible to individuals and countries in any other forum. Progress has also been made in the provision of COP-developed learning resources, and even reputational capital has been built through PEMPAL participation, such as stakeholders outside of the COP's domain recognising the strategic importance of the domain through the work of the COP.

44. The COPs have also had impact at higher levels, with participants taking the learning to make real changes in their own or their countries' practices.

45. **What evidence is there of activities contributing the changed PFM practices at the country level?** A smaller proportion of survey respondents in 2011 said that they had already used knowledge gained through PEMPAL to design, recommend or implement PFM reforms in their countries than in 2008. The evaluation however tracked specific incidences of influence in more countries in 2011 than in 2008.

46. The decrease in the proportion of individual members who report having been able to use PEMPAL learning at the country level is seen as a function of (i) many individual members not being in a position to drive reforms even if they learn as individuals, (ii) the higher proportion of PEMPAL participants who attend only one event and (iii) gaps between countries' approaches and level of advancement and the content of PEMPAL work.

47. A comparison of responses by sub-region and administrative tradition, shows that the proportion of respondents from countries outside Central Asia but from the former USSR who have been able to apply PEMPAL learning is higher than for any other combination of respondents, namely i) respondents from former Soviet Republics in Central Asia and (ii) respondents outside of Central Asia from countries that are not former Soviet republics. On the other hand, the proportion of respondents from the latter group who have been able to apply PEMPAL learning is the lowest. Interviews with respondents from Central Asia however, indicated that PEMPAL learning influences reform approaches significantly, contradictory to the survey data.

48. The data collected on specific incidences of country-level application of PEMPAL learning is encouraging. The evaluator has been able to collect specific examples of where PEMPAL activities and learning influenced country systems in 13 to 15 (two incidences were reported without the country being identified) of the 21 PEMPAL countries (and of the 18 countries covered in one or another way in the research). This was possible in a relatively small exercise, given the scope of the evaluation overall. The work undertaken in the TCOP on integrated financial management systems have impacted on a number of countries' reform programmes, by changing approaches and speeding up reforms. Membership of the IACOP has also enabled many countries to speed up their progress in implementing risk-based internal audit approaches. In the BCOP both the capital budgeting focus and programme budgeting focus has had impact in some countries.

49. Across the COPs countries frequently draw on each other to develop legal and regulatory frameworks and/or guidelines for specific functions. A few countries reported being able to avoid mistakes based on learning from other countries experiences. Countries were also able to speed up reforms on account of high level political participation in PEMPAL events. While the adjustments to systems and reform programmes can be at the macro approach level, countries also reported relatively minor adjustments or improvements in systems based on learning from other countries. Some countries have also directly benefited from exposure to systems outside of the region, which enabled them to make better decisions about the advice they were receiving on their systems.

50. **Relevance of the COPs and their work programmes:** On average respondents found the work of the COPs relevant to their work. Despite having the largest decrease in proportion of respondents who have already been able to influence PFM reforms based on PEMPAL learning, the TCOP has the highest proportion of members who find the COP highly relevant and relevant, because relevance is related primarily to individual gains. Respondents from former Soviet republics outside of the Central Asia region found the COPs on average the most relevant, while respondent from Central Asia found them the least relevant on average.

51. Respondents emphasised the gaps between countries' approach and level of advancement and PEMPAL discussions most often as the reason for perceived irrelevance.

52. While on average, respondents did report that PEMPAL is relevant because it changed their practice and improved their performance, or changed the way in which their organisation thinks about an area of work, more respondents linked relevance to reasons that concern them as individuals than reasons that relate to these impacts at country level. Respondents from the TCOP and from Central Asian country were the least certain about country level applications being reasons for PEMPAL's relevance to them.

53. **Views of senior officials on PEMPAL value:** All senior officials and deputy ministers interviewed were positive about the value of PEMPAL for their country and in the region. The key to this value is the opportunity to learn from other countries. This not only has a design aspect, but is also preventative: countries learn about the mistakes made by other countries and are able to avoid them. The value of the network however does not only lie in its influence on reforms, but also in providing individuals with opportunities for professional advancement and for contact with their peers in the region, which boosts their morale and stimulates their engagement with their work.

54. The respondent from Croatia did however point out that the likely impact of PEMPAL on reform programmes is more limited in advanced countries. However, the benefit for the individual and for the organisation through the individual still holds.

55. The topics covered by PEMPAL are seen as highly relevant to countries' reform paths. However, the coverage of PEMPAL should be extended to finance ministry-wide engagement. The argument is that the PFM system operates as an integrated whole: other PFM sub-sectors would benefit equally from the opportunity to learn from other countries in the region and develop networks. PEMPAL could then be used as a mechanism to stimulate discussion between PFM sub-sectors at the country level, which would be highly helpful to countries to lift their practice across the whole system. Similarly, two officials highlighted the desirability of more engagement with developed countries outside of the region.

56. Senior officials from countries that have hosted PEMPAL events noted the value to their country of being put under scrutiny by regional peers: it provided the opportunity view their own systems through the lens of other countries' experience, and to showcase progress. It also provided opportunities for networking on a bilateral level which otherwise would not have occurred.

57. **What is the scope of learning that occurs?** The learning that makes PEMPAL unique is not about the theory of PFM or about approaches in the abstract, but about the PFM practice of different countries. While this is about what countries do well in practice, it is also about the mistakes they make in implementing reforms or improving functions and the challenges they face. PEMPAL offers the opportunity to ask direct and detailed questions from peers. The frankness of PEMPAL exchanges is critical in unlocking this value.

58. PEMPAL participation is seen as valuable because it empowers participants with knowledge and give them confidence to engage internal and external stakeholders on PFM reforms at country level. This learning is sustained between events by on-line resources. Most members report using resources in between events, and contacting colleagues to ask advice or to discuss their experience. Comparative statistics were found to be very useful, as it allows countries to benchmark themselves against other countries in the region. At the very simple level, providing a forum within which translations of key international texts such as accounting standards can be shared, is already valuable.

59. PEMPAL COPs also act as forums for advice. Country-based sessions give hosting countries an opportunity to take advice from peers in the region, something which is valued highly by members. At the same time, in depth country sessions give other countries the opportunity to engage in depth on a country's systems. It enables questions such as: where is your unit placed? How big is it? Where does it report to?

60. Network members reported finding as much value in building up networks of contacts, as in learning about other countries' experiences. These networks are valuable reference points when faced with a challenge or undertaking reforms. PEMPAL also offers space for reflection on a country's systems, space that is not available in the day-to-day pressure of getting the job done.

61. While diversity and needing to back track to incorporate newcomers to a COP can frustrate learning, country participants report that they take what they need or what is applicable for adaptation in their own countries. Every event offers at least one valuable insight, as one respondent expressed this factor. While members find high value in learning about their peers, they also find very high value in exposure to the systems of more developed countries, through inputs at events or through study tours.

Recommendations

62. The evaluation resulted in the following recommendations:

- It is important to establish a negotiated, internalised and operationalized vision of PEMPAL shared by all key stakeholders and to agree on an integrated set of performance indicator frameworks that will measure progress at the event, COP and network level and report at the appropriate network governance level.
- Within this process, network donors should decide on the nature of their engagement with the network in the long-term, in order to frame strategic decisions on network development in a next phase.
- A next step in network formation should involve upward expansion. The PEMPAL peer-to-peer model has proven itself beneficial enough to take it a level upwards and make it a ministry-to-ministry network, that operate through sub-sector COPs. This would enable the systematic engagement and support of the senior management and political level, aiding network consolidation and country level PFM reforms. Any further expansion of COPs can then be driven by country needs expressed through a legitimate forum, rather than funder interests.
- PEMPAL as a network should develop its objective framework to incorporate the value of building the professional competency of individuals who participate in PEMPAL for PFM in the region. Focusing on visible results in country PFM systems undervalues this contribution, and makes the participation of more advanced countries seem without value for the countries themselves.
- In a next phase, the focus should be on consolidating and improving the quality of participation of individuals in the COPs.
- As the IACOP has already been doing, the BCOP and TCOP should seek means to develop COP knowledge products beyond just participation in events and capturing of presentations, taking into account the differences between PFM sub-sectors.
- Care should be taken not to fragment the COPs least the value of diversity in the network is lost.
- The technical support function should be better resourced to fulfil the demand on it, and involve more dedicated human resources.
- The content and modalities for the secretariat function require review. The current modality of contracting in part-time staff of a third party no longer is adequate compared to the demand for services, and is not sufficiently forward thinking. A consolidated, capacitated and dedicated Secretariat could be the engine of a ministry-to-ministry network in future. While in the next phase network resources may not yet allow the establishment of such a secretariat, it would be beneficial if resources for a secretariat are spent in way that contributes to it evolving over time into a full secretariat.

- Overall, the network would benefit from a working document that captures consensus on the assignment of roles and responsibilities between the Steering Committee, Executive Committees, resource teams, hosting countries, the Secretariat and the Community Facilitator.

2011 Evaluation of the PEMPAL Network

Section 1: Introduction

1. This evaluation of the Public Expenditure Management Peer Assisted Learning (PEMPAL) network is commissioned by the PEMPAL Steering Committee and contracted through the World Bank. The evaluation is in line with the long-standing intention of the Steering Committee to undertake an evaluation in 2011 and will at the same time fulfil the programming requirements of key donors, prior to a next phase starting mid-2012. The evaluation is a follow-up on the 2008 evaluation and was undertaken by Alta Fölscher from Mokoro Limited, who also undertook the 2008 evaluation.

Box 1: The PEMPAL Network

The PEMPAL network was initiated in 2006 as a joint World Bank and Department for International Development (DFID) initiative. PEMPAL is a network of public expenditure management professionals in governments in Europe and Central Asia (ECA) region. The network describes itself as providing opportunities where “these officials can benchmark their PEM systems against one another and pursue opportunities for peer learning, increasingly understood to enhance knowledge transfer” (PEMPAL 2011, p7). Currently, 21 of the 30 World Bank classified Europe and Central Asia countries participate in the network (Aubrey 2011). The 2008 core PEMPAL countries (Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Kyrgyz Republic, Tajikistan, Uzbekistan, Serbia, Moldova, Montenegro, Georgia and Kosovo) were joined in 2010 by Bulgaria, Croatia, Macedonia, Romania, and Turkey.

It operates through three Communities of Practice, namely the Budget Community of Practice (BCOP), the Internal Audit Community of Practice (IACOP) and a Treasury Community of Practice (TCOP), each of which is headed by a leadership team – or executive committee -- of country participants. PEMPAL overall is funded through a multi-donor trust fund operated by the World Bank. Current donors to PEMPAL are the Russian Federation, the Swiss State Secretariat for Economic Affairs (SECO), OECD Sigma, InWent/GIZ (until end of 2010) and the World Bank. The network is overseen by a Steering Committee, which comprises donors and representation from the leadership teams of the Communities of Practice, as well as the Community Facilitator and the Secretariat as permanent observers.

The activities of the network include

1. Events, study tours and workshops, initiated and directed by the Steering Committee, the COPs Leadership Teams, or requested by individual member countries.
2. The collection and development of resource materials relevant to the COPs.
3. The maintenance of a website, which provides information on the activities of the network and is depository for information, and
4. The maintenance of a Wikispace site for all three COPs, an informal on-line space for members to contact each other, review events and resources, and discuss issues. The IACOP Wikispace is advanced, while the sites for the TCOP and BCOP were established in 2011.

The Centre for Excellence in Finance (CEF) in Slovenia acts as a Secretariat for PEMPAL. The funding to develop secretariat capacity at the CEF was provided by the World Bank through a Development Grant Facility (DGF) and by the Multi-Donor Trust Fund.

1.1 The Terms of Reference

2. The Terms of Reference (TORs, see Annex 1) stipulate that the 2011 evaluation should: provide a comparable assessment to the 2008 assessment, utilising the same evaluation framework and therefore analysing progress made against the input, output and network outcome objectives; assess the three communities of practice separately; assess progress against the 2008 evaluation; and meet donors’ needs. We briefly highlight key evaluation questions under each of these.

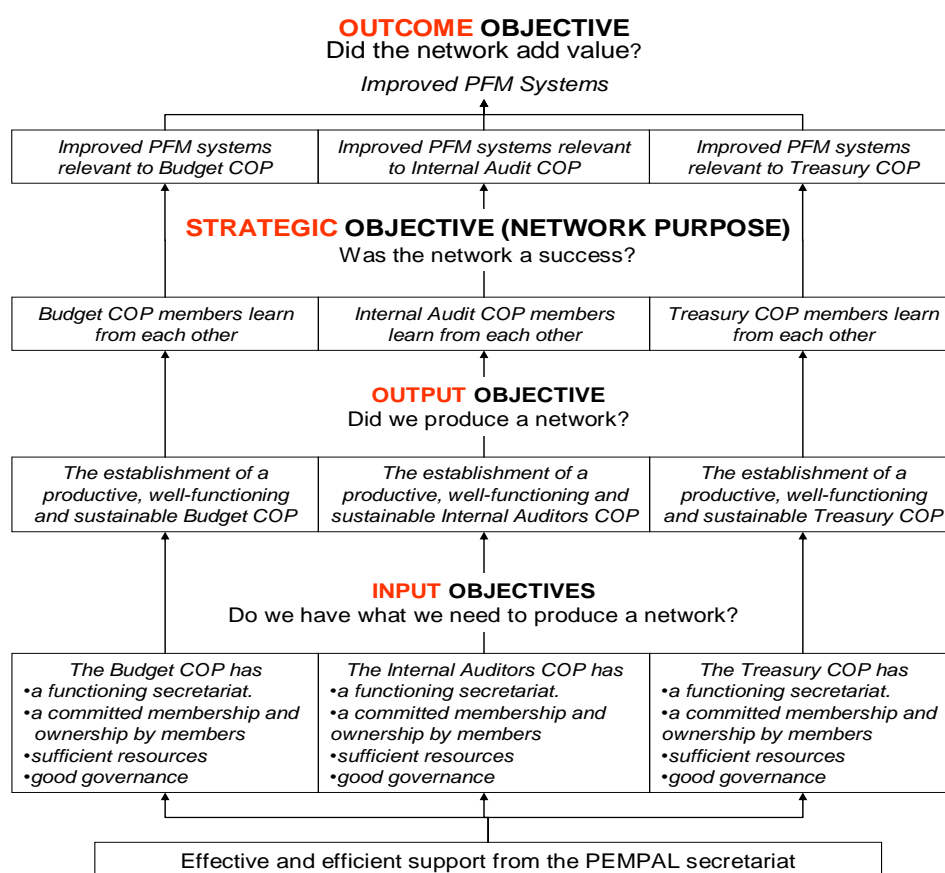
Provide a comparable assessment to the 2008 assessment

3. The 2011 evaluation is required to follow a similar methodology to the 2008 evaluation, in order to track progress against the evaluation framework (see box below).

Box 2: The PEMPAL Evaluation Framework

In the first phase of the 2008 evaluation an evaluation framework was developed, based on a survey of network participating members and donors, that arranged network objectives in a value chain from input objectives, through output and intermediate outcome objectives to outcome and impact objectives with associated indicators and targets. Figure 1 below is a graphic representation of the evaluation framework, detailing the objectives at each level.

Figure 1: The intervention logic of the PEMPAL programme



The detailed framework with evaluation questions are provided in Annex 7.

4. The Evaluation TORs state that:

“The purpose of the assignment is to evaluate the progress made in achieving PEMPAL objectives over the period since the February 2008 network plenary meeting in Istanbul. In line with the methodology developed as part of the 2008 baseline evaluation, the evaluation should use the framework based on hierarchy of program objectives and produce analysis at the levels of inputs, outputs and outcomes...”

The TORs then translate the objectives at the different levels to a series of evaluation questions, linked to each objective level.

5. **Analysing progress in achieving input objectives:** The TORs require the following questions to be answered in respect of the input objectives:

- Are the secretariat and steering committee effective?
- Does the network have sufficient resources?
- Does each COP have a committed membership who has ownership of the network?
- Does the network have good governance¹?

As part of the input level analysis, and with the purpose of satisfying the DGF reporting requirements, the evaluation should pay particular attention to the analysis of the progress achieved in building secretariat capacity at the CEF and the contribution of the DGF grant to that process.

6. **Progress against output objectives:** The TORs require the following questions to be answered in respect of the input objectives:

- Is a network in place? Does the PEMPAL network connect well, does information flow well in the network and do members collaborate?
- Does the network offer its members quality learning resources?

7. **Progress against outcome objectives:** The TORs require the evaluation to assess the scope of learning that has taken place, the forms it has taken and how effective it has been. This is expected to involve examples of the cases when information obtained through the learning facilitated by PEMPAL was used for designing or implementing PFM improvements in member countries.

Assessing the three communities of practice comparatively

8. The TORs require that the evaluation also assess in a comparative manner whether and why some COPs are more successful / functioning more effectively than others, their contribution to peer-assisted learning and opportunities for their enhancement.

Assessing the implementation of the 2008 recommendations

9. The evaluation is expected to analyse the progress in implementation of the recommendations provided in the 2009 evaluation report and develop recommendations for the next stage of the network development. Key recommendations were:

- Regularly holding plenary events to develop and maintain network membership, but supplementing these big events with carefully selected, smaller language, region or ‘system development status’ meetings.

¹ Note that the sub-questions of this question investigate the quality of leadership.

- Ensuring high contribution by members to events to build a cohesive network, and allowing members to set COP agendas.
- Being strategic about expanding the pool of core, dedicated members, having ascertained who these members are.
- Building up a learning resource base for all three COPs, using the website.
- Thinking further about developing the website, including implementing a strategy to increase member use of the website.
- Keeping the governance structure, but developing the secretariat to include strategic and content support for each COP.

Meeting the donors' needs

10. The evaluation was also expected to meet the donors' needs, especially with respect to information they might require to judge whether their continued support for PEMPAL is merited.

1.2 The Inception Report

11. The Inception Report (Folscher 2011) highlighted the following as important perspectives for the evaluation, within the framework established by the terms of reference:

- The need to pay particular attention to areas of lagging performance, namely the internal leadership of the COPs, the commitment of members and their ownership of the network; the degree to which functional COPs are in place; and the learning resources available in the network.
- The relevance and sustainability of the network
- The strategic direction and monitoring of network achievements
- Recommendations on the strategic focus for a next phase for the network

1.3 Report structure

12. The report is structured as follows:

- Section 1 -- Introduction: This section
- Section 2 -- Methodology: Explanation of the methodology
- Section 3 – Findings: A systematic discussion of the findings against the evaluation questions.
- Section 4 – Conclusions and recommendations

Section 2: Methodology

13. The evaluation was undertaken in four main phases, namely: (i) the Inception phase, which comprised joining the July 2011 cross-COP leadership events and Steering Committee meeting and a desk review of documentation, and resulted in the inception report; (ii) the research phase, which commenced in September and involved primary data collection and further review of documentation; (iii) the write-up phase, which commenced late in October and resulted in a draft report; and (iv) the report finalisation phase which concluded in January 2012.

14. In line with the terms of reference, the evaluation was modelled on the 2008 evaluation with a key focus on looking at progress since against the evaluation framework. However the 2011 evaluation extended the 2008 evaluation methodology by extending the questionnaire used in the survey; by utilising existing data collected by PEMPAL which were not available in 2008 and by extending the number and coverage of interviews undertaken.

15. The following were key activities in the research phase:

i) Conducting a survey of participants

As for the 2008 evaluation an on-line survey was undertaken of individuals who had participated in PEMPAL events (see Annex 6 for a copy of the BCOP English survey). The survey was distributed three times in October in all three network languages to 404 participants, utilising the contact list of all PEMPAL country participants provided by the Secretariat. The Secretariat distributed the survey the first and final time, on the argument that recipients were more likely to pay attention to a Secretariat e-mail, than to a mail received from an unknown evaluator. The evaluator distributed the survey once mid-October. Recipients were offered a choice of either completing the survey on line, or completing an attached PDF Form which was programmed to be returned to the evaluator. The survey reached 346 of the 404 participants at least once, with the difference accounted for by invalid e-mail addresses on the contact list, full mail boxes and recipient servers treating the survey message as junk mail. Three quarters of the survey responses were received following the first distribution: the final distribution yielded only two further responses.

A total of 46 surveys were returned, for the most part completed in full. This is an increase of 29% over the previous evaluation. While it provides a valid sample at the aggregate level, the samples for each of the COPs (see table below for report on distribution of responses) were smaller, and the results should be treated with this caveat in mind. While the IACOP sample is sizable, the TCOP and particularly BCOP samples are significantly smaller, meaning that the results cannot be assumed to be valid for the population. In most of the questions the IACOP responses do present better results. However, the response rates themselves could be seen as illustrative of different levels of engagement across the COPs.

To compensate for the small samples by COP, the findings below take into account data from event exit surveys conducted by the World Bank² where possible. These surveys enjoyed significantly higher response rates, presumably because they were conducted straight after events. The results from these surveys however show a similar trend, with the IACOP presenting with more positive trends, followed by the TCOP and then the BCOP.

Notably, the increase in responses to the evaluation survey is accounted for by increases in the IACOP and TCOP responses, while the BCOP responses declined.

Table 1: Survey response rates by COP

	BCOP	IACOP	TCOP	Grand Total
2008	13	11	9	33
2011	8	23	15	46
Grand Total	21	34	24	79

Regional and administrative bias in the results

We also analyse the responses distribution by region (classified simply as Central Asia and Non-Central Asia (mostly Eastern and Central Europe)) and by administrative tradition, which makes a distinction between former Soviet Republics and other states. This classification shows that both in 2008 and 2011, the aggregate responses are disproportionately influenced by countries that are not in the Central Asia Region. The distribution between former Soviet Republics and other states is about equal. We analyse where relevant the 2011 results by these categories too, in order to reveal how the PEMPAL experience is influenced by the country context of participants.

Table 2: Survey response rates by Region and Administrative tradition

Row Labels	Former USSR	Not former USSR	Grand Total
2008	18	15	333
CA	8		8
Not CA	10	15	25
2011	21	25	46
CA	7		7
Not CA	14	25	39
Grand Total	39	40	79

² After each event an exit survey is conducted electronically. The text for the surveys is standard, although changes are made related to specific events. Assistance to run the surveys has been contracted in by the World Bank. The contractor manage the survey change process and processes the survey results, which are sent to the contractor. The CEF distributes the finalised survey to participants.

³ Note that one respondent in 2008 could not be identified. Four respondents in 2011 did not provide their name and country of origin, but country of origin was established through IP addresses.

ii) Interviews

The evaluation findings are informed by interviews conducted at the Cross-COP leadership group and Steering Committee event in Berne, Switzerland in July; and a series of subsequent telephone interviews with different respondent groups.

The telephone interviews were conducted during October and targeted the following five groups of respondents:

- Ordinary members of the network – a randomly selected sample of 36 PEMPAL country participants was approached for an interview, evenly distributed across the three COPs. In total 11 ordinary members were interviewed telephonically, spread across the PEMPAL region. Distribution among the COPS was uneven, with predominantly BCOP and IACOP members responding to requests for interviews.
- The leadership groups – initially a sample of COP Executive committee members were approached, but this was extended to include all committee members of the TCOP and IACOP to ensure adequate representation. Four leadership group members were interviewed telephonically, in addition to discussion at the Berne Cross-COP meeting. The chairs of the IACOP and TCOP were interviewed telephonically; the chair of the BCOP was not to make the agreed interview time and a subsequent interview was not secured.
- Senior country officials who are not regular participants in PEMPAL events – World Bank staff in 11 PEMPAL countries was contacted to help identify and approach senior officials for interviews. Interviews – or written responses – were secured with Armenia, Croatia, the Kyrgyz Republic, Kazaksthan, Ukraine and Russia.
- The Secretariat and support teams – interviews were conducted with Senka Maver and Bojana Crnadak from the CEF, as well as Deanna Aubrey (community facilitator and primary BCOP support), Marius Koen and Arman Vatyan (IACOP support) and Elena Nikulina (TCOP support). An interview with Ion Chicu, who plays a primary support role in the TCOP, was not secured.
- Donors – interviews were conducted with the main donors supporting PEMPAL, including the World Bank (Elena Nikulina and Marius Koen); GiZ (Judith Hoffman); SECO (Salome Steib) and the OECD (Joop Vrolijk). An interview was requested with the Russian Federation representative, but was not secured.

The list of respondents is provided in Annex 1. The interviews were conducted in English, Russian and Serb-Croat. The CEF provided valuable assistance – outside of its standard terms of reference -- in setting up interviews with network members, by contacting potential interviewees and arranging interviews and translation through the World Bank conference facility. World Bank staff in several countries provided assistance in arranging interviews and translation for interviews with senior officials and office holders from PEMPAL countries. The evaluator set up all interviews with the Secretariat, support staff and donors, as well as selected interviews with PEMPAL members where English was the preferred language.

iii) Further study of PEMPAL documentation

The investigation of existing PEMPAL documentation – from the website, the Wikispaces and sourced from the CEF and donors – continued during the main research phase, particularly at the start of the phase to inform interviews and conduct preliminary analysis of participation.

Section 3: 2011 Data and Findings

16. This section presents key findings against each of the evaluation questions, following the logic of the evaluation framework, together with the data from the survey, interviews and existing PEMPAL documentation that underpin each finding. The evaluation questions are assessed in terms of their place within the objective framework (see figure 1 above), working upward from the input objectives to the strategic objective.

3.1 Were the PEMPAL input objectives achieved?

17. The following is seen as necessary inputs to be able to establish and maintain a network within which learning can take place:

- Effective governance of the whole network, currently through a Steering Committee.
- Effective and efficient support from the PEMPAL Secretariat for the whole network.
- Sufficient resources for the network to operate
- Committed membership of the COPs, and ownership by the members
- Good governance of each COP

18. The evaluation framework, which is matched to the objective framework with indicators to measure each sub-aspect, and relevant scores for 2011 is presented on page 9. Overall achievement against the input objectives is positive, as measured by the indicators. Significant change occurred in how network members rate the steering committee performance, in available resources, and in the relative ranking of the COPs.

Table 3: Achievement against the evaluation framework: Input level

INPUT OBJECTIVES AND ASSOCIATED INDICATORS						
Objectives		Associated indicators and desired direction of change where relevant Time period that applies is since the last evaluation, unless specified otherwise		Results 2011 Evaluation		
Effective and efficient support by the PEMPAL secretariat and SC		i. More active contacts of COPs and SC rate PEMPAL secretariat and SC support satisfactory or highly satisfactory ii. An operational website (criteria: up to date, functioning links, representative of COP activities/outputs; hits) iii. Regularity and attendance of Steering Committee Meetings		Secretariat support 70% (satisfactory and highly satisfactory, 2008 80%) SC Support 82% (leadership rated highly and very highly, 2008 53%) www.pempal.org accessible for all of the evaluation period. Very occasional non-functioning links, but coverage not equal of all events. Virtual library launched at end of evaluation period. Coverage of COP level executive meetings and planning documentation not sufficient. Wikispaces added for IACOP and TCOP and BCOP Meetings every quarter, 83% institutional attendance in 2011 (83% in 2008)		
Increase in real Resources		iv. Increase in real resources v. Increase or no change in number of funders vi. Increase in real resource contributions from members (for future implementation)		2011 USD 1 655 000 (Baseline 2008: USD 716 800) 2011 no of funders: 4 (2 cash; 2 in kind) No of Funders 2008: 6 NA		
FOR EACH COP	A committed membership who has ownership of network	vii. Increase / no decline in number of target countries participating in COP activities on average per year viii. Increase / no decline in number of active network individual contacts over period ix. Percentage of active individual contacts who believe they are able to influence network priority setting and have a sense of belonging to network		BCOP 21 (2007: 15) 77 (2007: 42) 50% (true and very true, 2008-51%) 75% (slightly true, true and very true, 2008-84%)	TCOP 20 (2006: 14) 80 (2006: 28) 43% (true and very true, 2008- 39%) 100% (slightly true, true and very true, 2008-89%)	IACOP 20 (2007: 19) 72 (2007: 38) 77% (true and very true, 2008-- 73%) 97% (slightly true, true and very true; 2008-89%)
	Good governance	x. Existence of COP Strategy, annual activity plan and budget; degree of plan implementation xi. Network reports available as scheduled and distributed xii. Regularity and attendance of Leadership Group meetings xiii. Active contacts of COPs rate COP leadership highly		2011-12 Strategy exists, budget exists 2010 Plan not implemented No reports scheduled Regular meetings 2011 100% (highly, no very highly)	2011-12 Strategy, budget exists 2010 plan implemented No reports scheduled Regular meetings 2011 67% (highly and very highly)	2011-12 Strategy and budget exists 2010 plan implemented No reports scheduled Regular meetings 2011 88% (highly and very highly)

3.1.1 Committed membership of the COPs, and ownership by the members

Data on distribution and quality of COP membership

19. The data on the distribution and quality of COP membership presents a mixed picture. The evaluation looked at three aspects (i) the distribution of membership across countries, COPs and sub-regions, (ii) participation and repeat participation in PEMPAL activities and (iii) members' willingness to participate in PEMPAL and their perceptions of their ownership of the network. Data were gathered through the evaluation survey and interviews. Data from regular surveys conducted by the World Bank are also used.

Box 3: Individual membership of PEMPAL -- how is it defined?

The "Membership" of PEMPAL for individuals is loosely defined in the practice of the network, except for the IACOP. The Background Paper for the Berne meeting (Aubrey 2011) put network membership at 150, based on the registration for the Zagreb event. The list provided by the CEF to the evaluator contained 406 country participant contacts; the lists for each COP that is provided by the CEF on the website, contains details for 337 participants as COP members. As far as invites to events are concerned, the policy is to allow two people per country, per COP, to register for events (exceptions are considered if a country is active in agenda preparation, is a member on the Exec Committee, or is giving a presentation). This limits attendance at each event, but does not formally define membership, as different people from a country can attend different events.

For the IACOP and TCOP the leadership groups have taken more control of putting together invite lists for events: for the BCOP the CEF – together with the Community Facilitator -- played this role this year as the COP was starting up again. The CEF maintains a database on participants in all three COPs, on the basis of which it can provide advice to the leadership groups.

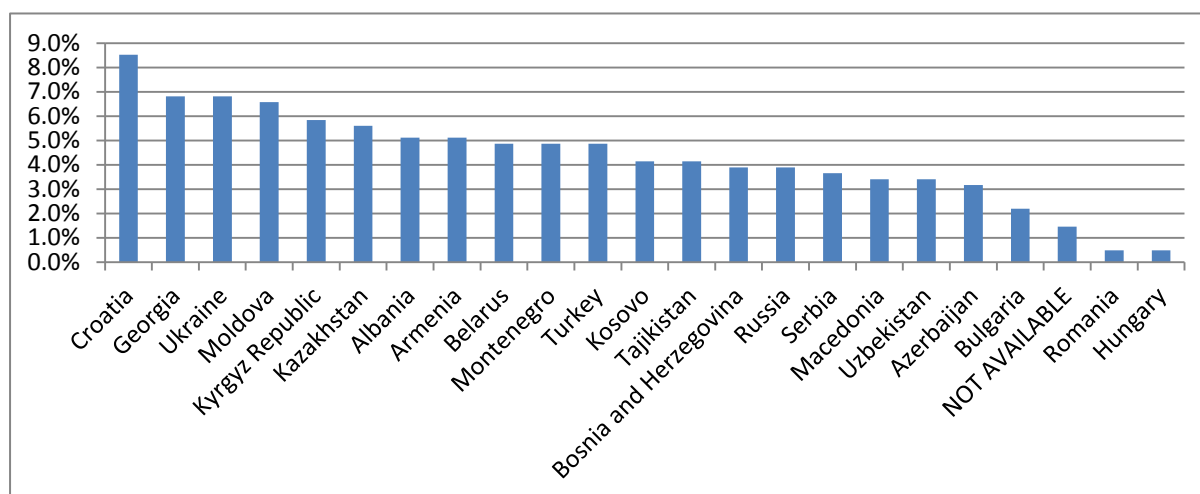
In the TCOP the focus is on getting the most appropriate specialist from the participating country to attend, depending on the specific topic being discussed, leaving the decision to member countries. The TCOP's approach is to hold thematic events in member countries that can demonstrate their experience or need for the Community's assistance in solving concrete issues. This results in a wide variety of participants attending events, going beyond just Treasury specialists to information technology specialists, debt management specialists and so forth. However, as the TCOP combines its plenary workshops with Executive Committee face-to-face meetings, repeat attendance by executive committee members is common.

The IACOP has the most focused strategy for defining when individuals are members. Its 'platinum' membership is for members of the leadership group: when an invite letter is sent to participating countries, these members are identified as the first 'must send' invitees. 'Gold' membership refers to the lead member for each country, who participates as country representatives in IACOP processes for developing products. These members are also identified as 'must invites' on country invite letters. "Green" members are individuals who the network does not want to lose track of, on account of their interest and participation in the network. The IACOP leadership identifies for each country a 'must invite' and leaves the selection of the second invitee to the country. This ensures continuity in network participation, while bringing in new members.

20. Country member contacts on the CEF database for the network – ie participants in network events -- are distributed unequally across countries. 50% of contacts come from only eight countries, while the bottom 10 countries contribute only 25% of contacts (see figure below). Of the eight countries with high membership, only the Kyrgyz Republic has not hosted an event, illustrating how factors with little benefit for the quality of engagement in the network, underlie the current membership list.

21. Several findings in this evaluation are linked to the consistency of participation in and the quality of membership of PEMPAL. While more inclusive practices around membership served PEMPAL well in the early establishment phase, the network at large will benefit from more focused identification of members in countries, distinguishing them from contacts, and quality engagement with these individuals.

Figure 2: PEMPAL countries percentage share in PEMPAL contacts on the CEF database (country participants only)



22. **Country participation determines the distribution of individual network membership in terms of sub-regions and administrative heritage.** Network contacts are spread across sub-regions broadly in line with the distribution of countries (see Annex Data 2). This is to be expected, as standard practice is to invite an equal number of people from each country: however, it also indicates that the response to invites is in line with the invitations. A slight distortion is that the participation from previous Soviet Republics is out of proportion to the number of countries: while 45% of participating countries are countries that were previous Soviet republics, 50% of the contacts on the contact database are from these countries.

23. This means that the distribution of responses to the survey was out of proportion with the relative number of contacts, with only 45% of the responses being from these members. Altogether 28% of contacts on the database are from Central Asia, which is in line with the 27% of PEMPAL participating countries from the region. This means that the 18% of responses from this region is disproportionately low to the number of people to whom the survey was sent. If survey response is taken as an indicator of sense of belonging to the network, this would mean that members from Soviet countries and particularly from Central Asia demonstrated proportionately lower ownership of the network, a finding which is in line with the findings below from the survey data itself.

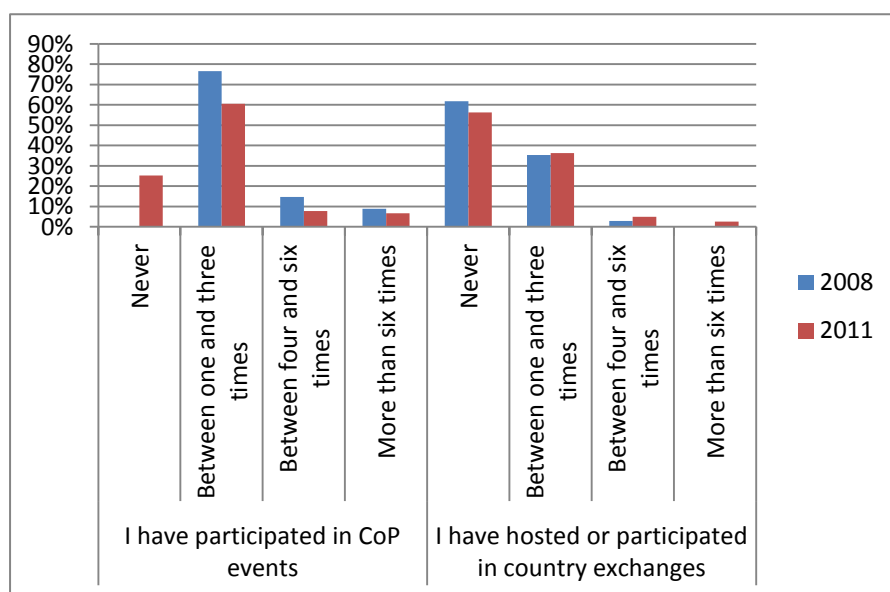
24. Network participation is spread evenly across the COPs, but within COPs specific countries dominate. This again can be related to the location of events (see Annex Data 3: Spread of countries by contacts and COP).

25. **The network has grown in terms of number of countries and number of people it reaches:** In order to assess the number of countries and individuals who are active in PEMPAL per year, the

evaluation merged the participants' lists of events in 2011 and compared it to the findings of the 2008 survey. The comparison shows a significant increase in the number of countries active in the BCOP and IACOP, and the number of individuals reached across all three networks (see Table 3: Achievement against the evaluation framework: Input level below).

26. **But repeat participation has declined across the COPs:** However, available data shows a decline in the proportion of participants active in multiple PEMPAL events, echoing a concern about the continuity of participation raised in several Steering Committee meetings (PEMPAL 2008 to 2010). The Zagreb event in January was the first PEMPAL event attended for over 20% of respondents to the Zagreb survey. The results by COP (see Annex Data 1) show that the TCOP had the most new participants (with 34% of participants new). Even taking into account differences in the population tested⁴, the results highlighted a potential issue in that growth in the number of countries and participants reached, might have come at the cost of the frequency of participation, which could affect the establishment of a network of members who build the inter-personal relationships that support effective exchange of experiences (see next section from page 35 onwards).

Figure 3: Participation and repeat participation in PEMPAL



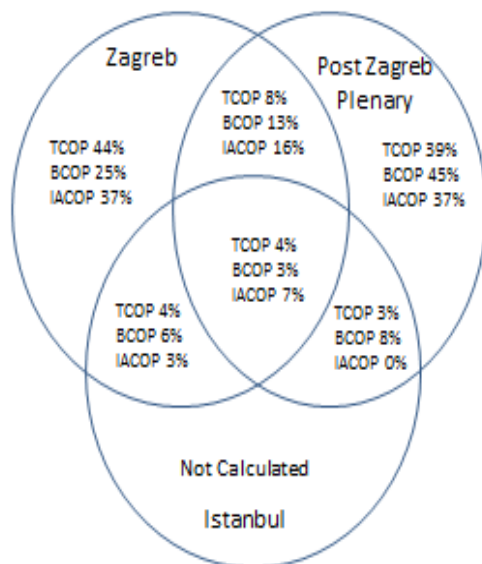
27. A comparison of the participants' lists for Istanbul (2008), Zagreb (2011) and post-Zagreb plenary events in 2011 (Ljubljana for the TCOP, Minsk for the BCOP and Ohrid for the IACOP⁵)

⁴ Note that as per the TORs and as set out in the inception report, the evaluation survey did not repeat the questions already asked in the Zagreb survey. In hindsight however, the data from an evaluation survey is not directly comparable to data from a post-event survey. In an evaluation survey the respondents are more likely to be regular supporters of PEMPAL and would by definition have participated in at least one event prior to completing the survey. In a post event survey even people who are not regular supporters of PEMPAL may be likely to respond to a survey in view of their recent participation in the event.

⁵ Readers who are not familiar with the PEMPAL and COP work programmes are referred to Annex 4, which sets out the PEMPAL work programme by event and COP.

showed that 3 to 7% of participants across all three events attended all three, that between 8 and 16% of participants attended both Zagreb and the post-Zagreb plenary, that between 3 and 6% of participants attended both Zagreb and Istanbul, and that between 0 and 8% of participants attended both the post-Zagreb plenary and Istanbul.

Figure 4: Overlap in participation between selected events by COP



28. While the relatively higher repeat participation scores for the BCOP compared to the TCOP may seem surprising, they are explained by the method followed to invite members to the mid-year Minsk capital budgeting event: as the BCOP at that point had been dormant for a period, the invite list was based on participation in Zagreb and earlier BCOP events.

29. Interview respondents – particularly from the executive committee, donor and secretariat/resource team groups – highlighted to importance of consistent membership for effective networking and learning. It is necessary to

- build the required trust for frank exchanges to occur.
- make progress against the COP’s work agenda
- build the capacity of individuals over time to be able to make an impact.

30. Building a consistent core of members that can sustain a network of public sector officials in the region was always likely to be challenging due to the high turnover of staff in the public sector. However, this is exacerbated by the common practice in participating countries of senior management / ministerial office holders determining who participates in PEMPAL events, sometimes based on the particular topic but also in some cases, as a reward to specific staff members. *The net effect of this has been that instead of consolidating the network in the 2008/9 to 2011 period, resources in effect have been used to extend network reach, perhaps at the cost of network quality.*

31. The IACOP however, has put in place a membership strategy that allows it to balance the need for consistency in attendance, with the need to have event-appropriate participation and slowly extend network participation. The invitation letters that it sends to countries stipulate the key PEMPAL members who are requested to attend, leaving an additional space for the country ministry to fill. This has allowed it to build a core of consistent members.

32. TCOP respondents reported too that it has a core of members who have been attending PEMPAL events more or less regularly over the life of the COP enabling a functional level of trust and exchange, despite high turnover outside of this core from event to event. The leadership of the TCOP is drawn from this group for the most part.

33. The data shows that some BCOP members have been participating in PEMPAL since 2008 (3% of all participants in the two major 2011 events). However, the BCOP leadership, donors and

resource teams share the sense that the BCOP is starting out again and that one of its challenges is to build a sustainable COP that is valued by members.

34. Different to the other COPs, the BCOP competes for members' time with the OECD Working Party of Eastern, Southern and South Eastern countries' Senior Budget Official network, which includes 16 of the 21 participating PEMPAL countries. While it is not set up as a COP, it is perceived to deliver high value policy-level exchanges in respect of budgeting. The BCOP has endeavoured to leverage the OECD network by having meetings in tandem with OECD meetings (eg Vilnius in 2007 and Budva in 2010), thereby enhancing the level of participants in its meetings. Both donor and senior official respondents noted that the OECD network has higher level participation than the PEMPAL network. The forward strategy of the BCOP would need to be quite clear on its comparative advantage relative to the OECD network, and aim its activities accordingly.

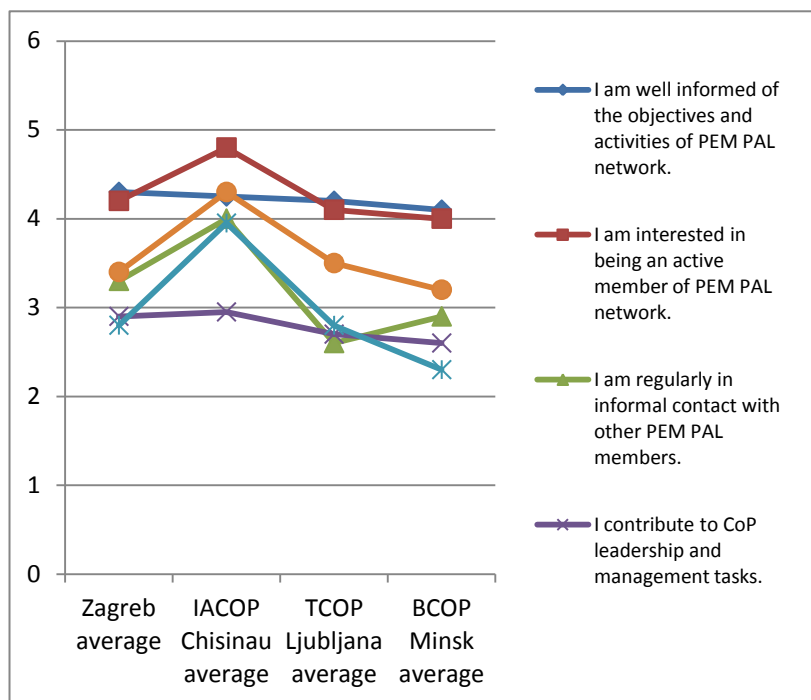
Perceptions of COP membership

35. **Stronger sense of network and agency and ownership within the network:** Survey respondents' sense of belonging to a network, being able to set priorities and driving the network has grown across all three COPs since the previous evaluation. The survey asked respondents to indicate whether the statements on their sense of belonging to a network, being able to set priorities and driving network are 'not true', 'slightly untrue', 'slightly true', 'true' or 'very true'. The distribution of answers across all three questions moved upwards: for example, 85% of respondents to the 2011 survey perceived themselves to be driving the COPs, compared to only 53% in 2008. No respondents chose 'not true at all' or 'slightly untrue' in response to the statement that they have a sense of belonging to a network, compared to 7% in 2008. On average, across the three questions 71% chose 'true' and 'very true', compared to 55% in 2008 (see Annex Data 4).

36. Ordinary members interviewed are aware that they can propose topics for future events: even members that have only attended one conference. All COP members interviewed expressed an interest future participation in PEMPAL, but most ordinary members said it depended on who would be sent by management.

37. The IACOP respondents and respondents from countries outside of Central Asia and countries that are not former Soviet republics have a higher sense of belonging and ownership: The results differ significantly by COP, with particularly IACOP respondents selecting 'very true' more often than other options (see Annex Data 5). An analysis of the results by region and by administrative tradition shows that whereas the scores are clustered closely together, respondents from Central Asia lagged the other categories across all three questions (see Annex Data 6)

Figure 5: Interest in participation and actual participation by COP



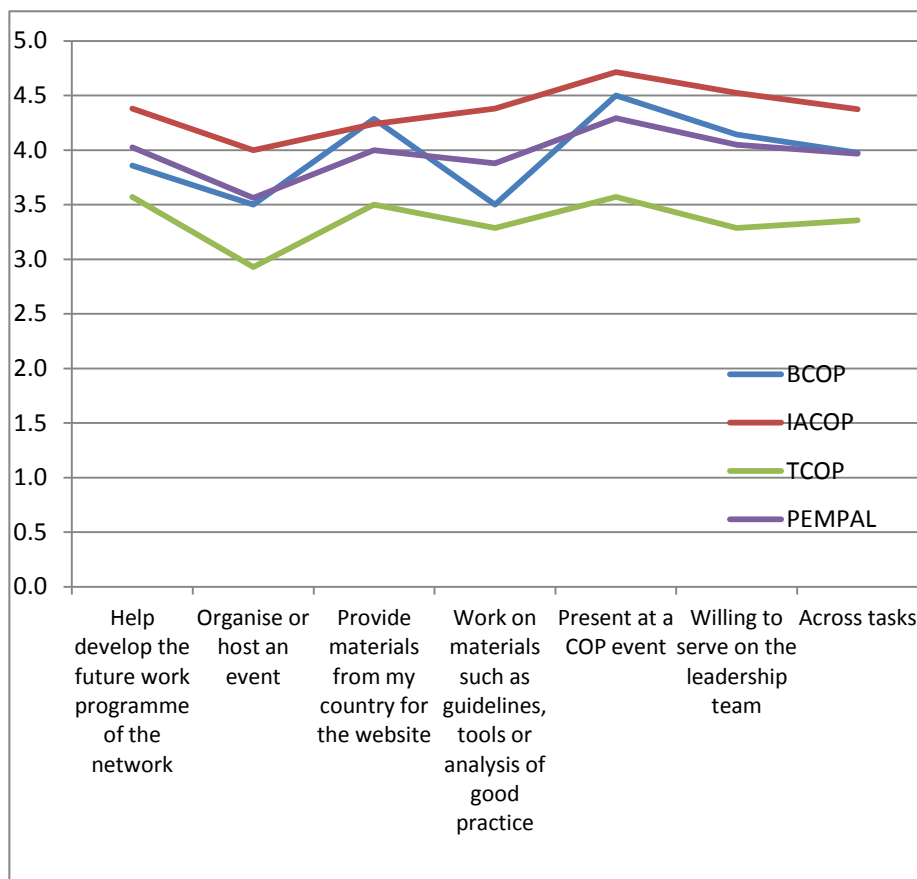
38. **At issue is not members' wish to participate, but whether they are able to participate:** An analysis of World Bank survey data for 2011 events shows that whereas the IACOP has succeeded better in leveraging the interest of members to be active members of the COP to them contributing to leadership and management tasks and providing inputs, the TCOP and BCOP have been less successful. Besides informal contact, the BCOP trails the other COPs on all other aspects.

39. **IACOP's work agenda provides opportunities for**

involvement: Since the outset the IACOP was focused on reaching a common platform that is relevant to all countries and developing products that added value and built profile. The IACOP set out a work agenda for itself in 2007 already which targeted the production of outputs against themes of importance across the network, and created sub-groups in the network to work on those themes. Since 2009 of the 10 IACOP events held (excluding study tours and executive committee meetings) seven were tagged as working on either or both the IA Manual and the Certification and Training project -- even if including a study tour of the hosting country -- with three being 'themed' events. In the early years individuals were made responsible for specific projects and tasks. While the sub-group structures became less active in the later years with the COP as a group working on the shared projects, in the early years the focus combined with groups allowed broad and purposeful involvement.

40. **Treasury and budget officials are less interested in contributing directly:** However, data from the evaluation survey suggests that being an active member for TCOP and BCOP participants might imply participation in events and perhaps submission of country materials, but not active contribution to PEMPAL outputs (see graph below). The interviews (comments by TCOP, BCOP and donor respondents) suggest that (i) these officials might have very little time available to contribute more actively and less flexibility in their work programme; and (ii) that their subject matter is broader in coverage and does not lend itself to the kind of focus that the IACOP has developed. The practices of the IACOP can therefore not be transposed automatically to the other Communities. In the other two COPs the actual work burden is shouldered more by the resource teams than the COP executive committees or members.

Figure 6: Interest in contributing to the management and outputs of the COP



41. Particularly the TCOP respondents on average scored below the other two COPs. Note the difference in scores on “work on materials such as guidelines, tools or analysis of good practice”. If it is accepted that the IACOP model is not necessarily replicable in the other COPs but that just offering events that members attend is not a sufficient outcome either, the forward PEMPAL strategy would need to find ways of involving members in an on-going work-programme, while taking account of the constraints on time.

Conclusion: quality of membership

42. Membership of the network (as measured by individuals and their country associations on the contact list of part participants) are spread proportionate to country participation in respect of regional and administrative heritage identities. Participation is spread roughly evenly across the COPs, but within COPs specific countries dominate.

43. While the number of participating countries and the number of participants in events have grown for each COP, reduced repeat participation is of concern if the aim is to build a COP that goes beyond just hosting events of interest in its field of focus. The IACOP has recognised the problem and developed a strategy to address it: respondents’ views on the cohesion of the COP and their willingness to contribute to network activities, pay witness to the success of the strategy. The TCOP however argues that its strategy is different and is aimed at delivering value at events, tailored to specialist participants.

44. All three COPs have shown improvement in members’ perceptions of their belonging to and role in a network. When viewed by region and administrative tradition, Central Asian respondents’ sense of belonging and agency in the network is weaker than other regions. Most members polled over several events in 2011 expressed a strong desire to be active in PEMPAL, however, fewer are. This is less pronounced in the IACOP than other COPs. This might be because members in the TCOP and BCOP are less interested in participating directly in the production of outputs and management of the network than the IACOP: this makes it more difficult in these networks to add value beyond just a series of events.

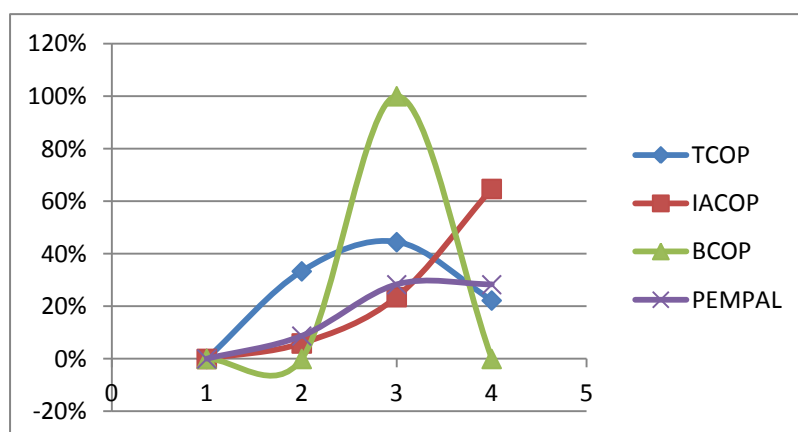
3.1.2 Good governance of each COP

45. The survey asked members to rate their COP’s leadership as below average, average, highly or very highly. This data are here supplemented by qualitative data from the interviews.

46. **All three Executive Committees are active, even if the role taken on by the Committees differs across the COPs:** The IACOP Executive Committee is deeply involved in every aspect of the COPs functioning, allowing the resource team to function more in the background, in a supportive role. The Committee steers strategic planning, is active in the planning and implementation of all events and in the development of COP resources. The IACOP committee has a stable membership and meets regularly to steer COP activities, but the resource team takes on higher responsibility for agenda development and the content of events and materials, and elaborating the COP plan. The BCOP Executive Committee was reconstituted at the end of 2010 after a break in activities. However, since December 2010 it has been meeting regularly and was active in the planning of the Minsk event. It is currently supported by the Community Facilitator, and the CEF BCOP coordinator. Despite interview respondents (TCOP respondents and donors) reporting that members of the TCOP Executive Committee are often constrained for time, the Committee has been meeting regularly.

47. **COP Committees are performing better:** Across all three COPs respondents in 2011 rated their Executive Committees higher than respondents in 2008. If the ‘highly’ and ‘very highly’ responses are summed, 88% of IACOP members rate executive committee performance at that level (compared to 73% in 2008), 100% of the BCOP (compared to 8% in 2008) and 67% of the TCOP (equal to 2008). While the TCOP Executive Committee performed worse than the other COPs in the 2011 survey, it still performed better than in 2008, when none of its respondent members rated its performance ‘very highly’ (compared to 22% in 2011). In the 2011 survey none of the BCOP members rated the Executive Committee performance ‘very highly’, while 65% of IACOP respondent members did (see Annex Data 7 and graph below).

Figure 7: Members’ assessment of COP Executive Committees, by COP (2011)



At the time of the survey all three committees were active. However, it should be pointed out that only the TCOP and IACOP Executive Committees were functioning throughout the evaluation period and meeting regularly. For a part of the period the BCOP Committee was not functioning.

48. **Extension of executive committees and appointment of alternate members important:** Donor, leadership group and secretariat and resource team respondents for the most part saw the extension of the executive committees early in 2011 and the election of alternate members who can act for executive

committee members in Steering Committee and Executive Committee meetings as important factors in the improvement of Executive Committee performance.

49. **The continuity of leadership in the IACOP is also seen as important:** Donor, secretariat and resource team and IACOP respondents pointed out that the continuity and quality of leadership by the chair in the IACOP has been an important factor in its sustained development. The other two networks have not been equally fortunate in having sustained leadership: the TCOP changed its chair in April 2009, whereas the BCOP currently is under a third chair.

50. **Despite the importance of continuity, there is also a need to rotate COP Executive Committee membership:** Several member correspondents highlighted the need to rotate individuals and countries in the leadership groups – in order to get more countries involved and to remain representative over time – and to pay particular attention to the representation of Central Asian countries. While these countries are well represented on the TCOP Committee (5 out of 9 country members), they are poorly represented in the IACOP and BCOP Committees (1 and 2 out of 9 respectively). The IACOP Executive Committee rotated two members in 2011.

51. **Developed processes of membership consultation have served the IACOP and TCOP:** The IACOP and TCOP have well developed processes for determining priorities. The IACOP has set a process that all members are familiar with, using both events and its Wikispace to list topics and poll members.

52. **Consistent COP leadership participation in the Steering Committee in 2011:** During 2011 the COP chairs (or their alternate members) attended all Steering Committee meetings for which the evaluation has records, except the 4th quarter meeting, which was missed by the TCOP, but attended by the IACOP and BCOP. This represents an improvement over previous years, and points to a strengthening of member participation in the governance of the network. This is borne out by a scan of the Steering Committee minutes, which show increased active participation by the COP chairs.

Conclusion: Governance of the COPs

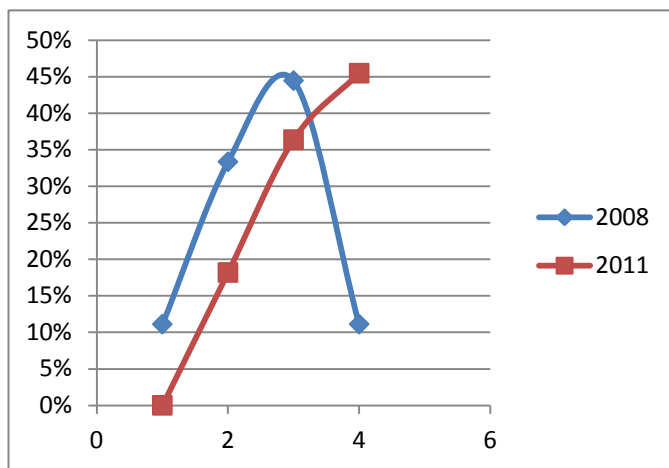
53. Over the period under review the COPs all show improved functioning of the leadership groups, at the COP and Steering Committee level. This is not even across the network: across survey and interview data the IACOP leadership appears to be more active, continuing the trend identified in the previous evaluation. The TCOPs performance is closer to its performance in the previous evaluation. The BCOP to some degree is starting out again and would need to put effort into building an effective leadership, which was identified already in the first evaluation as an issue for the COP.

3.1.3 Effective governance of the whole network through the Steering Committee

54. The Steering Committee has functioned more effectively in the later part of the period under review (post 2009) than in the earlier part, as reported by interview respondents. The approach to Steering Committee meetings was reported by donor respondents to be more structured in this period; the increasingly regular participation of COP chairs has also contributed to the quality of Steering Committee leadership and oversight. The current chair of the Steering Committee, Salome Steib from SECO, has made it an early objective of her watch to improve the functioning of the committee: this has been appreciated by other Steering Committee members.

55. During the period under review the Steering Committee met regularly and institutional attendance (assuming that neither DFID nor the US Treasury is active at present) in 2011 measured at 83%, including the COP leadership.

Figure 8: Members' assessment of the Steering Committee



56. Members are more positive about the contribution of the Steering Committee:

The views of interview respondents on the functioning of the Committee are borne out in the available data: respondents to the 2011 survey gave much higher ratings to the Steering Committee than respondents in the 2008 survey (see graph alongside). In total 81% of respondents rated the performance of the Committee 'highly' or 'very highly' (a 3 or 4), compared to only 53% in 2008. On the

other end of the spectrum no respondents rated the committee as 'below average', compared to over 10% in 2008.

57. **Progress in formalising network procedures, including planning and budgeting:** The Steering Committee has also adopted more formalised rules and procedures – developed by the Secretariat on its instruction– coupled with more formal planning and budgeting mechanisms. By March 2010 the Steering Committee had received plans and budgets for each COP for 2010. In June 2010 these plans were updated to cover the period up to June 2012 for the IACOP and the TCOP. The BCOP's plan and budget were approved in early 2011. At the time of the evaluation the network overall was working on a PEMPAL strategy, underpinned by plans for each of the COPs for the next funding cycle/period (2012-2017).

58. **Network objectives and indicators of success not internalised in the network:** However, the discussion on network direction and how to measure progress during the July 2011 Berne cross-COP meeting revealed significant differences in how stakeholders perceive the network and its goals and ways of measuring success. This was confirmed during the interviews. A key difference is with regard to the degree to which the network can target improved PFM reforms in participating countries, and the meaning of a Community of Practice in respect of what it aims to achieve as against other professional networks such as the OECD network, Eurosai and others. It was clear that even if the objective and evaluation frameworks used in this and the previous evaluation were developed based on a survey of then-participants preferences, these frameworks were neither internalised nor well known and understood by all key stakeholders. A host of frameworks are competing for space to measure success in PEMPAL, including the evaluation objective framework, a framework proposed by the Secretariat, and COP level frameworks without alignment or a shared understanding of when which framework would be useful, for whom and for which purposes.

59. While the Steering Committee and Executive Committee members are working to have all elements ready for a next funding cycle, there would high value for the network in complementing on-going activities by (i) putting in the time to develop a shared understanding among members of

the Steering Committee, the leadership groups and the Secretariat and resource teams of network purpose and goals; (ii) making distinctions between different objective and performance measurement frameworks (ie long-term for the network as a whole; short to medium term for each COP; operational for each event and other operations) and allocating the development and maintenance of performance assessment frameworks and reporting responsibilities clearly. For one, it would allow a better informed discussion on expansion of the network.

Conclusion: Steering Committee effectiveness

60. Network performance in terms of the leadership provided by the Steering Committee has improved during the period under review. The network has formalised further with the development of planning, budgeting and reporting mechanisms and operational rules and procedures. The network would benefit from more cohesion around objectives and the measurement of performance.

3.1.4 Financial resource availability

61. PEMPAL is currently supported by two cash donors (SECO and the Russian Federation⁶) and two in-kind donors (World Bank and the OECD Sigma). DFID has formally withdrawn from the Steering Committee; InWent's funding has come to an end and is unlikely to be considered for renewal until its merger with other German development agencies into GiZ is complete; and the US Treasury is also not actively participating.

62. Cash to support PEMPAL activities flows through the World Bank-managed multi-donor Trust Fund (MDTF). The largest portion of these funds is administered by the CEF, which is now contracted by the World Bank to provide Secretariat services to PEMPAL. A smaller portion is administered directly by the World Bank, and is used mostly for funding experts, including the Community Facilitator.

63. **Significant increase in resources for 2009/10 – 2011/12:** The total cash resources for PEMPAL for the period 2008 to 2011 equal USD3.75 million (see breakdown by donor in table below). The Russian Federation joined the PEMPAL Steering Committee with a contribution of USD2 million in March 2010, breathing timely new life into the network (which was starved for funds at the time) and significantly increasing the available resources for COP activities.

Table 4: Available cash resources 2008-2012 (June)

USD 1000 (nominal)	Cash resources 2008 to 2012	Percentage share
Russian Federation	2 000	53%
World Bank	830	22%
SECO	780	21%
InWent	139	4%
OECD	1	0%
Total	3 750	

Source: CEF

⁶ Up to December 2010 the World Bank provided cash contributions through its Development Grant Facility. The period for spending the funds has however run out and the contribution as of yet, has not been replaced by another cash contribution.

64. This enabled an intensified programme of activities for 2010/11 and 2011/12, with a budget increase of 257% for 2011/12 over 2009/10. The budget for the Secretariat also increased (by 100%). Over the period under review change also occurred in how the Secretariat function is funded: from 2009 the CEF is contracted by the World Bank to provide Secretariat services to the network. Previously the function was funded as part of the World Bank Development Grant Facility. The Secretariat's functions include managing the bulk of the Multi-donor Trust Fund (through which the World Bank, SECO and Russian Federation resources are channelled), used for organising events and study tours, translation services and the production of network resources (*Sub-total 1* below). The World Bank still manages a smaller portion of the funds (identified as *Community Facilitator and Resource Persons* below), particularly to contract expert resources and the newly appointed community facilitator (expert resource to support strategic direction, programme development and event content for the 3 COPs, appointed end 2010, full time from 2nd quarter 2011).

Table 5: Budget 2009/10 to 2011/12

	FY09/10	FY10/11	FY11/12	Percentage increase 2009/10 to 2011/12
COP activities	185	800	660	257%
Secretariat	75	185	150	100%
Steering Committee	40	20	20	-50%
Evaluation (once off)		80	0	-
Subtotal 1	300	1265	950	217%
Community Facilitator and other Resource Persons	-	390	390	-
Total	300	1655	1340	347%

Source: World Bank

Table 6: Spending up to the first quarter of 2011/12 against available budget

	Spending FY10/11 and 1st quarter 11/12	Remaining budget	Budgeted Spend per quarter	Average spend per quarter	Over (+) or under (-) spending
COP activities	989	471	183	198	8%
Secretariat	251	84	42	50	20%
Steering Committee	20	20	5	4	-20%
Evaluation*	50	30	40	25	-38%
Subtotal	1310	905	277	262	-5%
Community Facilitator and other Resource Persons	631	149	98	126	29%
Total	1941	1054	374	388	4%

Source: World Bank; * Evaluation quarterly spend is calculated as a once off, over two quarters in 2011.

65. **Positive finding qualified with concern over funding for technical support and uncertainty of funding after 2012:** While the increase in resources (by 347% between 2009/10 and 2011/12) is positive, a positive finding on resource availability is qualified in three respects:

- Further likely COP commitments for 2011/12 equals USD800 thousand. Secretariat costs for the remaining period is estimated at USD170 thousand. Together these absorb USD970 thousand of the remaining USD 1 054 thousand up to June 2012. This means that even if Steering Committee meetings do not absorb any further resources, the available resources for resource persons (outside of what is budgeted for in the COP commitments through the CEF) are USD 28 000 per quarter, significantly less than the USD126 per quarter spent up to now.
- Even with USD126 per quarter June 2010 to September 2011, the resource teams are not adequately funded. In addition to contracting short term consultants to support specific events or COP programmes and the Community Facilitator, the provision of technical support to the COPs is through World Bank staff (2 each for the TCOP and IACOP). Their participation is not fully funded and depends on the capacity and willingness of the individuals to undertake afterhours work.
- The current funding for PEMPAL runs out in June 2012. While there are positive signals from SECO and the Russian Federation with regards to further support, and while donors such as GiZ (formerly InWent) may return with further contributions⁷, on-going funding is not yet certain.

66. **Members respond lukewarmly to possibility of paying membership fees:** In recognition that the need for own resources would grow over time in order for PEMPAL to fully become an institution in its own right, the evaluation tested the interest of members in paying membership fees. It also provides an indication of the degree to which members feel themselves as part of a network which is valuable enough to pay for. Currently PEMPAL events are fully funded by the multi-donor PEMPAL programme.

67. Respondents in the interviews – particularly senior officials and office holders – were not in principle opposed to paying membership fees, but highlighted the obstacles countries would face to budget for the fees: unless PEMPAL is constituted as a separate legal entity (for example through an international agreement) countries would not be able to budget for fees.

68. Eight out of the 46 survey respondents did not answer the question on willingness to pay fees (or willingness to motivate to their institution for the payment of fees). Of the remaining 38 respondents 22 were not willing to pay and 16 willing to pay. Of the latter group 9 were willing to pay up to USD50 per year per person, 5 up to USD 150, 1 up to USD 500 and 1 more than USD500 (see Annex Data 8).

69. Only 33% of Central Asia respondents were prepared to pay, compared to 44% of respondents from other countries. Altogether 39% of respondents from former USSR countries were prepared to pay, against 45% of members from countries that were not part of the USSR.

70. Between the COPs 20% of the TCOP responding members were prepared to pay, 14% of the BCOP members and 62% of the IACOP members (see Annex Data 9).

⁷ There is an expectation that the Russian Federation would also renew its support, but the evaluator could not ascertain this directly with the Federation representatives yet.

71. When prompted about membership fees in the interviews PEMPAL participants raised a concern that if donor funds were not available, the current mode of operation of frequent face-to-face meetings would not be possible, which in turn would negatively affect the functionality of the network.

72. Overall members seemed aware of the trade-offs between operating through expensive meetings, and extending PEMPAL coverage to other parts of the PFM system and/or involving additional countries.

Conclusion: Financial resource availability

73. The increase in resources through the contribution of the Russian Federation breathed new life into the PEMPAL network and has enabled an extended work programme across all three COPs. It has also meant that the data reflect a significant increase in resources for the network compared to the previous evaluation. However, funding of the technical support to the network – critical to the quality of learning and strategic growth of the COPs (see discussion in next section) – appears to be constrained and there is as yet no certainty that future funding would allow a continued pace of work. It looks unlikely that members – besides for the IACOP – would be willing to pay fees or motivate for their institutions to fund their participation, even if fees are kept low (below USD50 per year). The response however might have been influenced by the widely held view in the network that donor resources are necessary to sustain network operations in their current form, which participants favour. Had the question been more explicit about the membership fees complementing donor resources, the distribution of responses might have been different.

3.1.5 Effective and efficient Secretariat

74. The TORs require the evaluation to pay particular attention to the Secretariat function, established at the Centre for Excellence in Finance in Slovenia from 2006. Initially the Secretariat was funded through the World Bank Development Grant Facility, but from 2009 the arrangement shifted to a series of short-term contracts, funded from the Multi-Donor Trust Fund.

75. According to the TORs for the Secretariat (see Annex 5 for the full text on responsibilities) it is responsible for:

- Maintaining records (info) on PEMPAL membership and their contacts and making these contact details available on www.pempal.org.
- Maintaining archives for the PEMPAL.
- Facilitating communication between the members of the PEMPAL network, by maintaining the website content and organising and coordinating video, tele and webconferences.
- Providing organizational and coordination support for preparation and implementation of COP activities.
- Reporting on the events (participants, conclusions, follow up events, financial report) to the Executive Committee of each COP, the World Bank TTL and the SC
- Assistance to the COPs in developing COP specific activity plans.
- Hosting and supporting the work of PEMPAL Community Facilitator.
- Carrying out all activities necessary for the management and support of study visits including administrative review of proposals as per the guidelines approved by the SC.
- Organization of Steering Committee meetings.

76. Since taking over the Secretariat function from the World Bank in 2008, the Secretariat has
- increased the number of staff who are involved in PEMPAL activities to four half time positions, a head and three COP coordinators. PEMPAL funds also fund access to an IT support person.
 - been able to work more efficiently, using less resources compared to overall spend on network activities, for secretariat activities.
 - maintained and overhauled the PEMPAL website. Originally the website was hosted by the Ministry of Finance of Slovenia, but was subsequently moved on to a CEF platform. The CEF outsourced the re-development of the website to a specialised company.
 - put in place a databank for PEMPAL records, largely managed through the website.
 - developed a virtual library which provides on-line access to all PEMPAL records as well as country materials.
 - developed a PEMPAL contact base of PEMPAL participants, as part of the CEF overall contact base.
 - prepared operational rules and procedures, which have been adopted by the Steering Committee to guide PEMPAL activities.
 - developed a set of indicators against which data is collected routinely and collated to monitor the network
 - developed and managed a network of regular service providers, particularly interpreters and translators, who provides translation at COP and PEMPAL events across the region.
 - developed internal procedures for managing the PEMPAL contract, implementing PEMPAL activities, managing PEMPAL funds and reporting, including the provision of regular quarterly and annual reports to the Steering Committee, and event reports summarizing main messages from PEMPAL discussions.
 - undertook marketing activities, e.g. PEMPAL newsletter, booths and posters for the Plenary, videos, etc.

The CEF Secretariat is also the source of many new initiatives over the evaluation period, including initiatives for knowledge sharing (virtual library, enhanced reporting, daily debriefs and best practice benchmarking), an enhanced set of indicators to measure outputs and outcomes, the going green initiative, and a project to collect stories on network successes.

Establishment of the secretariat function at the CEF: available evidence

77. The CEF has undertaken all the tasks set out in the TORs: it has set up and does maintain the website; it has established mechanisms for communication within the PEMPAL network; it keeps records for PEMPAL; it provides organisational and coordination support for COP activities; it provides reports on events; it has assisted the COPs in their activity plans; the Community Facilitator is currently based at the CEF; it supports study visits; and supports the Steering Committee. The question that the evaluation has grappled with is *whether this was done effectively and efficiently*. We look at each of the functions separately, drawing on interview, evaluation survey and other PEMPAL data.

78. **Maintenance of contact information:** The CEF reported that they have developed a PEMPAL participant database, as a subcomponent of an overall CEF database which they maintain. The

evaluation was not able to check the completeness and accuracy of this database⁸. Instead, the records provided on the web were checked for valid contact details (do the e-mail addresses work?) and completeness.

79. The website provides a list of members of each of the COPs, including their country designations, positions and e-mail addresses. The list is smaller than the list provided to the evaluation. The percentage of returned e-mail of participants on PEMPAL web list because the addressee was unknown or the server did not exist or did not accept messages, was 5%. Given personnel turnover in the region, the percentage is judged to be acceptably low.

80. However, while the website has been updated with the materials and reports for the COP events prior to August, the contact lists on the website seem not to have been updated since the Zagreb event. If the consolidated participants lists of Zagreb and the post Zagreb plenary events (the Chisinau event for the IACOP) are compared to the PEMPAL web list, 88% of the participants in the June Minsk BCOP plenary event and 67% of the TCOP event in Ljubljana in April are not on the list. The issue is not that they are only once-off participants, as most of the Zagreb only participants are on the web list. Even for the Zagreb event the contact list does not include complete information for the BCOP and TCOP participants (see table below), but does include contacts for resource people and translators. While November might be judged too soon to have updated contact lists from a June event, updated lists for the TCOP event in March should have been uploaded.

81. The Secretariat has stated that the central contact list is updated manually from time to time. It is the intent of the Secretariat to automatically update the central list after each event.

Table 7: Completeness of COP contact lists on website

	Zagreb only participants on list (percentage of Zagreb only participants)	Zagreb participants not on list (percentage of total participants)	Zagreb participants with multiple events not on list (% of total participants with multiple events)	Plenary participants not on list (percentage of total plenary participants)	Plenary participants with multiple events not on list (percentage of participants with multiple events)
BCOP	95%	8%	12%	88%	17%
TCOP	77%	17%	17%	67%	18%
IACOP	100%	0%	0%	21%	0%

82. **Maintenance of PEMPAL records:** PEMPAL records reflected on the website is more complete for 2011 than for previous years: *a sample check of records for the 2011 events showed that records for most events are available and up to date*, with the following issues observed:

- While the TCOP study tour to Slovenia and the TCOP workshop (end September in Kazakhstan) had complete records besides the Reports, the Moldovan IA study tour to

⁸ It was not possible to check the database for accuracy within the context of the evaluation as it would have required an audit of the records, which is deemed a separate undertaking. The check undertaken should therefore be seen as a proxy assessment.

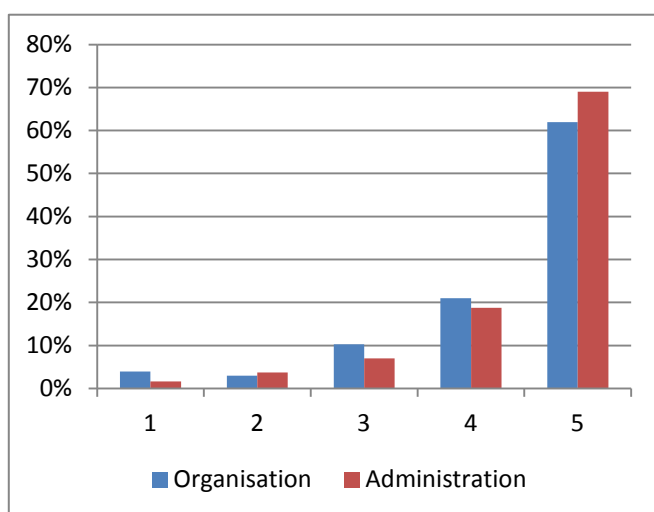
Croatia had only very basic and summary information and no records, although the records are available on the IACOP Wikispace. In response to this observation, the Secretariat has noted that the reporting requirement is on the participants in a study visit. However, the Moldova reports were provided on request of the Secretariat and posted subsequent to the fieldwork and submission of the draft evaluation report.

- Records for events prior to 2011 are not as complete as and is organised differently to the 2011 records.
- Executive Committee and Steering Committee meetings are not fully reported, even if reporting has improved in 2010 and 2011. In 2010 and 2011 only 3 of the four Steering Committee meeting minutes for the year are on the site in complete form. Only one IACOP Executive Committee meeting minute is available. For 2011 minutes for 5 BCop and 4 TCOP executive committee meetings are provided. The Secretariat intends addressing these issues.
- There is only one quarterly report available from the Secretariat on the website: the TORs stipulate that quarterly reports should be posted. The Secretariat has however pointed out that quarterly reports are available on a cumulative basis, and that the available January to September report therefore includes reporting on all quarters for 2011. This would also mean that the 2010/11 annual report replaced earlier quarterly reports for 2010. There are not reports for 2009 available on the website.

83. **Facilitation of communication in the network:** The Secretariat has enabled communication in the network through organising and facilitating web, tele- and video conferences. No interview respondents highlighted issues in this area. Other PEMPAL documentation however notes issues with the technical reliability of the Adobe Connect mechanism.

84. **Organisation of COP events and study tours:** Establishing the capacity to organise PEMPAL events, is arguably a core secretarial function for a network like PEMPAL. Survey respondents rated Secretariat performance in organising COP activities highly (see paragraph 85 to 88), while interview respondents were predominantly positive, but also highlighted problems (see paragraph 89 onwards).

Figure 9: PEMPAL event participants’ rating of event organisation and administration (CEF surveys)



85. As is shown in the graph alongside across the Zagreb event (all COPs, 175 participants), the BCOP Minsk event (73 participants); the Chisinau IACOP event (33 participants), the TCOP Ljubljana even (56 participants) and the Bern Cross Cop Leadership event (38 participants), survey respondents rated the quality of advent organisation (pre-event organisation, organisation of the event) and event administration (staff responsiveness) highly, even if the assessment of the event itself slightly lags event administration. A

breakdown of the numbers shows a slight decline in the satisfaction ratings for larger events (see Annex Data 10). The Zagreb event is the only in for which respondents selected “1”; the percentage of respondents that selected “5” on the other hand, while lower than for other events, is still over 50% of survey respondents. The BCOP response to the Minsk event is overwhelmingly positive: a 100% 5 rating.

86. The distribution of scores between the evaluation survey and consolidated event exit surveys are similar, indicating a high level of satisfaction with the CEF. On average respondents to the evaluation survey returned a rating of 3.4 out of a possible 4, while exit survey respondents returned an average rating of 4.6 and 4.7 out of a possible 5 respectively for event organisations and administration.

87. Evaluation survey findings on the Secretariat showed that proportion of people rating the Secretariat highly and very highly, however, has fallen from 80% in 2008 to 70% in 2011. However, a higher proportion of respondents selected “very highly” in 2011 compared to 2008; at the same time more selected highly unsatisfactory and satisfactory (8% compared to 0% in 2011) and fewer selected ‘satisfactory’ (see graph below). In addition, more than a fifth of respondents did not answer the question on the Secretariat. Note that the 2008 survey did not refer just to the 2008 year, but to the CEF’s engagement with PEMPAL generally as judged in 2008. The 2011 survey similarly, inquired about people’s experience with the CEF generally as judged in 2011.

88. By COP, region and administrative heritage, the responses are distributed as follows:

- All highly unsatisfactory and unsatisfactory ratings came from the IACOP; the proportion of highly satisfactory ratings is higher for the TCOP than the BCOP.
- More respondents from countries that are not former Soviet republics rated the Secretariat very highly, than from former USSR republics, meaning that the average score for former USSR republics are lower than for the rest (at 3.1 compared to 3.6 out of a possible 4).
- Fewer respondents from Central Asia rated the secretariat services very highly than from countries that are outside of the Central Asia region. The average score for Central Asia is 3.3 compared to 3.7 for countries elsewhere.

89. Data from the interviews provide the context of these findings. Out of the respondents, 13 were asked their views on the Secretariat and Secretariat function. These were members of leadership groups, donors and members of the COP support teams, who were deemed to have significant contact with the Secretariat and expected to have an opinion on the Secretariat function. Two further respondents voiced opinions about the Secretariat function, without being asked.

90. Of the 15 respondents who expressed an opinion on the Secretariat and Secretariat function, 5 respondents felt that the Secretariat is doing a good job, noting the efficiency with which events are organised, saying for example that ‘things always run smoothly’.

91. Of the remaining 10 respondents, 7 were positive about the Secretariat and the Secretariat function, but expressed reservations about specific issues. A further 3 acknowledged the inputs of the Secretariat, but were mostly negative in their responses about the Secretariat and the Secretariat function. Themes that were raised were (see Annex Data 10a for an analysis of the responses):

- *Support of former Soviet and CA countries lag quality of support to other countries:* Altogether five respondents spoke about the need to make greater effort to overcome

language and cultural differences. Three respondents from Russian speaking former Soviet Republics noted that a more responsive approach of the CEF to organising events, to accommodate Russian speaking countries and/or improvements in the quality of translation, would be welcome. The issue is not only whether communication occurs in Russian, but whether the CEF personnel understand the culture and protocols of former Russian republics well enough. The tone of communication to former Russian Republics and the countries in Central Asia, particularly to senior staff and World Bank Office staff, were brought up by two respondents from the donors and support staff group.

- *Secretariat should be in a PEMPAL country, and closer to Central Asia:* There is a concern that the Secretariat is not based in a PEMPAL country: the Secretariat services should be closer to PEMPAL countries, and particularly closer to countries in Central Asia, which are not participants in the CEF's other programmes. This was raised by three respondents.
- *Routine support for 'the extra mile' in respect of events:* Four respondents raised issues around the support for events. One IACOP leadership group member pointed out that each event raises the same issues: ill-preparedness to issue certificates; delays in thank you letters to Ministers, support for resolutions at the end of events. TCOP members and IACOP members felt that the compilation of a checklist and allocation of roles and responsibilities between the Secretariat, the leadership group and the hosting country should by now be a routine CEF action. However, that is still something that the leadership group undertakes in order to facilitate event organisation. One other IACOP member however, acknowledged that the Secretariat has a checklist and the Secretariat has pointed out in its response that it does operate against a checklist, which means that additional checklists from Executive Committees are not needed, even if welcome.
- *Coordination of event management with host country:* Similarly, three respondents raised issues about the organisation of events from the host country perspective, of whom two were closely involved in the organising of events. Respondents from countries that have hosted events felt that (i) the division of roles and responsibilities were not made clear to them from the start; (ii) that the CEF budget limits were not sufficiently clear and that their procurement rules made organisation difficult; (ii) that a disproportionate burden rested on their shoulders to organise the events and (iv) that key aspects of event management were not initiated in time. For one respondent it was that the CEF staff only arrive in country just prior to the event, while earlier more concrete engagement would have been useful.
- *The provision of technical support to network events:* Seven respondents raised issues about whether the Secretariat in its current form, can provide the technical support that the network needs. While initially the expectation was that the Secretariat would provide more of the technical support, in practice that role was taken up by World Bank support staff. With the current CEF team therefore doing limited technical support, and while the respondents saw the need for a secretariat to take on more of that role, the respondents expressed their reservation about whether the Secretariat as it stands, would be able to.

In its response to the issues raised by respondents, the CEF pointed out that many of the issues raised are now contained in standard rules and procedures, for example the division of responsibilities between the CEF and host countries. It also felt that it has gone the extra mile and that its staff has supported initiatives around events that increase visibility of PEMPAL. It noted that requests for an extra mile usually come when Secretariat staff members in the event locations are already overburdened. It said that partners in host countries many times offered their help and that

this is appreciated, but that the organisation of events does become challenging when more host country individuals become involved.

Figure 10: Distribution of responses across network by year of assessment, by COP, administrative heritage and region



92. **Reporting on PEMPAL:** An examination of available Steering Committee minutes show that the CEF has been reporting regularly as required. On a few occasions the Steering Committee has asked for improvements to the clarity, content and format of reports, for example in December 2009, October 2010 and July 2011.

93. **Providing assistance in developing COP action plans:** The Secretariat’s current TORs are predominantly oriented at administrative and logistical tasks. However, two aspects would require some technical capacity, namely the assistance to the COPs in developing COP specific activity plans (what this would mean is not elaborated in the TORs), and in developing event agendas. From available evidence both these roles have been taken over largely by the COP resource teams, supported by the Community Facilitator on a part-time basis since the end of 2010, full time since April 2011. Interview respondents from the resource teams and donors were unanimous that the CEF PEMPAL support staff does not have the capacity currently to provide the level of support that is required. This is not related to qualifications as much as not having the same level of experience of working with and in ministries of finance as technical support staff as the current resource persons.

94. Hosting of Community facilitator: The CEF has been hosting the Community Facilitator since March 2011 through the effective provision of office accommodation and administrative support. Interview evidence suggests that the absorption of a World Bank contracted Community Facilitator into the CEF has not been entirely without problems. Issues have arisen regarding the division of roles and responsibilities between the CEF and the Community Facilitator in areas of overlapping responsibility. For example, for those tasks that have both policy and administrative aspects (eg event reporting, guidance to resource teams), various stakeholder expectations could be better managed and work processes strengthened by a clear delineation of responsibilities between the Community Facilitator, resource teams and CEF regarding these tasks.

95. Support for Steering Committee meetings: The CEF supports Steering Committee meetings by preparing the agenda and documentation, attending the meetings and taking and distributing minutes. The report on timelines of meeting preparation and distribution of minutes submitted by the CEF to the evaluation, showed a steady improvement over the year in early preparation of Steering Committee agendas and distribution of documentation (CEF 2011). The Steering Committee chair had expressed some frustration at having had to re-establish procedures for Steering Committee meetings with new CEF staff responsible for the Steering Committee after a staff change-over instead of the hand-over occurring within the Secretariat.

96. Further data findings that apply across the secretariat functions are:

- Four donor and resource team interview respondents (out of seven interviewed) expressed frustration at CEF staff not being available for PEMPAL tasks when needed, due to CEF support staff being committed on other tasks.
- While respondents expressed appreciation for the CEF initiating tasks that are not explicitly part of its TORs (such as the collection of success stories and writing inputs for the IMF blog) there was a concern that this occurs at the cost of quality and responsiveness to stakeholders in its core required functions. The CEF however pointed out that for the success stories project for example, it has used its own staff resources.
- CEF branding interferes with PEMPAL branding. Concerns were raised about blurring PEMPAL branding with CEF branding during events and in documentation and website links. The CEF has responded that it promotes PEMPAL at all times.

The CEF's view

97. As noted in paragraph 7 above, the evaluation process included interviews with two CEF members of the PEMPAL Secretariat. The discussion from these interviews is reflected below, together with additional information and perspectives provided by the CEF, received as comments on the draft report.

98. The CEF emphasised the importance of the synergies between the CEF and PEMPAL. It made sense to bring the CEF on board PEMPAL from 2006 in a Secretariat role. The organisation's staff had experience in organising events and understood the detailed, hard work that goes into each event. It also had a good reputation in the region, on which PEMPAL could draw in the early years. The CEF has used its know-how which has been built up over the past ten years to help the PEMPAL network expand and grow. It took on the contract as it had something to offer to the network.

99. Being a key player in a peer learning network is a natural extension of the CEF's formal training activities. The CEF addresses similar topics in its training courses, which has allowed it to organise joint CEF/PEMPAL events such as the TCOP event in Ljubljana in 2011. Peer learning is one of approaches to capacity building that CEF has been promoting since 2001 (in combination with training and technical assistance), and believes that the combination of the three can contribute to the efficient implementation of reforms in the region and elsewhere in the World. This is the strategy that the CEF has been promoting in ten years of operation; the CEF has contributed to the PEMPAL project with its experience in this area.

100. The synergies are also built by CEF courses responding to the needs of PEMPAL members on many occasions. The CEF has offered the CEF's programme to PEMPAL members, since 'PEMPAL faced some problems providing significant substance that would respond to members' needs' (CEF 2011, p14).

101. The CEF also emphasised the importance the organisation attaches to the PEMPAL contract. Joining efforts to efficiently run PEMPAL is a win-win for all stakeholders. The CEF has been able to improve its overall service offering on account of learning through its involvement with PEMPAL – for example on facilitation and Russian language skills. Exercises like the collection of success stories, which the CEF is currently undertaking for PEMPAL, helps it to understand its role better and bring it closer to its clientele. The opportunity to expand into Asia is also an important synergy for the Centre between its other work and PEMPAL activities: it offers the opportunity for widening the exchange of experience with countries of Central Asia, enabling countries, both in Southeastern Europe and Central Asia, to see beyond current problems. PEMPAL has also enabled it to develop its relationships with important stakeholders in PFM in the region, such as the World Bank, with whom it has been collaborating in the region already since its establishment in 2001.

102. The CEF has faced significant challenges in building up the Secretariat function, and has helped resolve PEMPAL challenges. Part of the challenges faced – and contributing to bad perceptions -- concern the pressure of having to meet multiple stakeholders' expectations; work towards moving targets (such as changes to event parameters that increase work load and cost); manage event budgets prudently in the face of pressure from organisers and participants; and the need to follow public procurement processes for the use of PEMPAL funds.

103. Also, the CEF has managed the funds for PEMPAL with good governance, accountability and transparency. The CEF consistently negotiates prices with providers of accommodation and transport related services, often bringing down bills significantly, and requests its partners in the host countries to do the same. It checks every item on the bills, and approves only eligible expenses, including those settled from time to time by the World Bank. Managing the budget is a challenging task when key decisions are not taken by the CEF.

104. The effective fulfilment of the Secretariat's tasks around events depends on timely objective setting and decision-making. If decisions are made in a timely manner – as required by the rules and procedures – and delays do not occur the Secretariat will have sufficient time to undertake research and scoping visits.

105. The CEF believes that the staffing arrangement is to the benefit of PEMPAL, which can plan activities irrespective of staffing. In the run up to a PEMPAL event the CEF staff is pulled from other CEF-related tasks: for the CEF PEMPAL activities take priority. This means that during events more

staff time is available for PEMPAL and less in quieter times. Should PEMPAL appoint full time Secretariat staff, it would also be paying for staff down time, which is currently not the case.

106. **The CEF is striving to improve communication with Central Asia:** The CEF has well-established links with the Balkans (it was started in 2001 to respond to Western Balkan countries' needs) and its staff members are fluent in two of three official languages, easing communication. In order to improve its engagement with Russian-speaking member countries, where communications so far depended on outsourced translation services, staff members are taking Russian language courses. It has also established a network of translators to be able to communicate efficiently with Russian-speaking members: the language barriers however remain a constraint as these processes of translation can take up valuable time in event preparation. Should it retain the Secretariat contract, the CEF sees value in appointing a Russian speaker to the team to further build these relationships as the appointed Community Facilitator is not a Russian-speaker as intended in the TOR for the position.

107. **CEF claims outlays are more than contract value:** According to the CEF on internal cost accounting the funding it receives from the PEMPAL contract does not cover its cost. Continuously growing expectations by stakeholders are not supported with corresponding budgets available for the Secretariat functions. The CEF invested a lot of efforts to accommodate as many expectations as possible within the allocated budget; however, this situation is not sustainable, since the CEF cannot allocate earmarked funds for other projects to PEMPAL

108. **CEF says arranging events in countries in the region has been a positive learning curve for the organisation:** each time events change countries it has to learn the procedures and requirements for that country for everything, from visas, flights, hotels, materials reproduction and venue arrangements. For this the Centre has relied in some cases on the hosting country finance ministry to identify venues and service providers and check prices. The CEF does not undertake prior scoping visits to host countries: it is seen as too expensive. For the Zagreb plenary event however, because of its size, a prior visit was done.

109. CEF staff noted that they had learnt that an event needed one CEF coordinator who was fully and singly responsible for the event: this avoided double instructions and/or gaps. The Minsk event was the responsibility of one coordinator alone and received very high satisfaction ratings from participants. The CEF uses a standard checklist that is adjusted in preparation for each event to make sure that all expectations known in advance are met. The division of tasks and responsibilities is done within the same checklist. Coordinators spend two to three months of full time work on each event. The event itself is supported by two CEF staff, the coordinator and one other, which may or may not be the PEMPAL team leader.

Conclusion: Secretariat Function

110. The 2008 evaluation was largely positive about the provision of secretariat functions by the CEF. On balance the evidence collected in the 2011 evaluation results in a more mixed assessment, although still predominantly positive. In conclusion, key findings for 2011 in respect of the Secretariat and Secretariat function are:

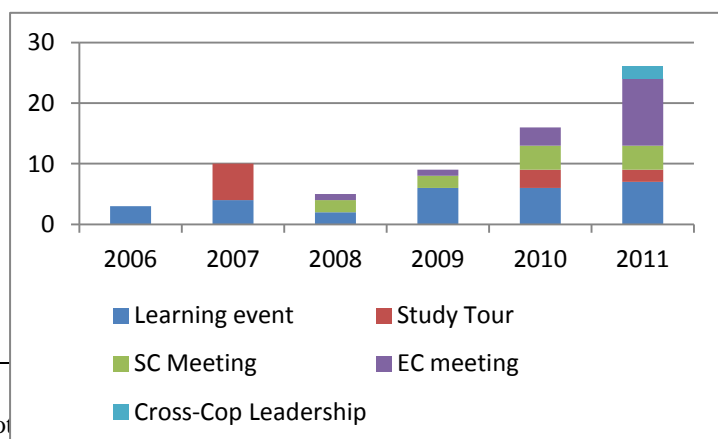
- **The required secretariat functions have been established at the CEF:** The CEF has established systems to manage PEMPAL information; has set up and maintains the PEMPAL

website; undertakes its responsibilities with regard to enabling PEMPAL activities to the high satisfaction of PEMPAL participants on average; manages PEMPAL money with accountability and transparency as evidenced by its reporting, has undertaken several initiatives to improve the functioning of PEMPAL, and does provide the human resources for CEF functions. Overall PEMPAL has indeed benefited from its association with CEF, through the CEFs standing in the region and its experience in organising events, among other.

- **PEMPAL information management systems appear to be embedded in CEF systems:** However, PEMPAL systems are embedded in CEF systems and have not been set up separately. This is because no funds were made available to start and maintain a separate system.
- **Most participants view the CEF’s support positively:** The CEF’s fulfilment of its responsibilities is still viewed predominantly positively by PEMPAL participants, as evidenced by event survey responses, evaluation survey responses and interview responses. The efficiency of event logistics and administration was highlighted.
- **However, some respondents have been less positive:** There was a higher proportion of more negative responses to the evaluation survey in 2011 compared to 2008, while some interview respondents raised reservations about some aspects of the CEF’s support. While the CEF is taking steps to bring itself closer to the Central Asian/Russian-speaking countries, early steps at the start of its relationship with PEMPAL to ensure full responsiveness to these countries would have supported PEMPAL better.
- **The CEF structure for PEMPAL support is no longer ideal:** With the increased volume of work over the last two years, the CEF model has come under strain. Over the period under review the number of events, including Steering and Executive Committee meetings, has been increasing significantly every year. In 2008 a total of 2 learning events and study tours⁹ were held, in 2009 ten, in 2010 nine (of which three were study tours) and 2011 nine (of which two were study tours). In 2011 one of the learning events was a big cross-COP plenary. In addition in this year two significant cross-COP leadership events were held, although the first was attached to the Zagreb Plenary.

Furthermore, whereas in 2009 two thirds of learning events, study tours and cross-cop meetings were held in Ljubljana, in 2010 only 1 of the 9 and in 2011 2 of the 11 events took place in Slovenia. The CEF itself acknowledged that organising an event in a third country requires significant additional work to organising events at the CEF itself in Slovenia.

Figure 11: PEMPAL events per year



In combination these factors meant that in 2011 the demands on the CEF Secretariat were much higher than in 2010 or 2009. The PEMPAL Secretariat model however was not adapted – in which Secretariat tasks are

⁹ Not

Is Meeting in Bucharest

undertaken by 4 staff members (one for each COP and a leader) who have other CEF responsibilities and spend 50% of their time on PEMPAL activities – in the light of the increased work load. Whereas this model did ensure efficiency in PEMPAL support previously, with the increased work load it affects the effectiveness and quality of support. If support for an event requires 2 to 3 months full time work for one person, the 9 learning events and study tours for 2011 translates into almost two full time positions, without taking into account other general Secretariat tasks.

A factor in the CEF maintaining the structure might be the lack of certainty over the PEMPAL contract over the medium term. Since late 2010 CEF support has been contracted through a series of smaller contracts, with the current contract expiring in December and a further contract expected to be concluded until May 2012.

In its comments on the draft report, the CEF expressed regret that the evaluator did not check whether it is willing to adjust the structure to growing needs and noted that such a response should be accompanied by a growing budget.

- **The CEF institutional learning about organising PEMPAL events is valuable and should be documented for PEMPAL, but its practices can improve:** The period under review has been marked by a shift in event hosting from the CEF itself, to PEMPAL countries. According to the CEF it has built its practices event by event, has established checklists and is backed by the framework provided by the various guidelines and rules and procedures. However, resource team, leadership group and host country responses have expressed that (i) the CEF does not make roles and responsibilities sufficiently clear up front; (ii) that event organisation has been left too late for some events; (iii) that it relies too heavily on host country partners to set up events. While the CEF cannot be solely blamed for starting event planning late – as it is a service provider but does not take key decisions – there would be benefit in documenting its procedures in order to institutionalise the CEFs and other key stakeholders' learning further.
- **Breakdown in the relationship between key other PEMPAL actors and the CEF emerging:** The CEF's management of stakeholder relationships can improve – in the final analysis it is a service provider to the PEMPAL network. While some of the issues raised by respondents are about how the CEF PEMPAL staff as individuals manage communication and respond to concerns about the CEF's services, in practice that becomes about the CEF as an institution. The evaluator acknowledges the issues raised by CEF in response, particularly that at times the demands on it is unreasonable, and that it often works to a moving target under pressure, and still achieves high satisfaction ratings: that is however, part and parcel of event management. It would seem however, if the interview responses and the CEF response is taken together, that some key actors in PEMPAL and the CEF have different expectations with regard to what would constitute a reasonable degree of service provider responsiveness/flexibility in fulfilment of a contract, contributing to weakening relationships.
- **The network – and its relationship with the CEF --- would also benefit from a clearer setting out of the Secretariat roles and responsibilities as against the responsibilities of the Community Facilitator and resource teams.** While the Secretariat TORs does set out a range of tasks for the Secretariat, it does not provide guidance on how CEF responsibilities within these tasks should be distinct from and complement the roles of other key actors, such as the resource teams, leadership groups, donors and the Community Facilitator. A clearer

stipulation could build agreement on what the CEF should undertake and ease the burden of multiple and diverse demands under which the CEF operates within the network.

3.1.6 Sub-section conclusion: Progress in achievement of the input objectives

111. The PEMPAL network and its three COPs have made progress in the achievement of all PEMPAL input objectives.

- Country and individual membership has increased significantly across all three COPs.
- Resources have increased.
- The Steering Committee is functioning more effectively.
- The IACOP leadership group is highly committed, steers the COPs activities and is involved in the agenda for every event and material development; the TCOP leadership is steady and steers the network, even if more reliant on the resource team; the BCOP leadership group has been reconstituted after a period of no activity in 2010, and meet regularly now.
- The Secretariat has made progress in putting in place more systems to underpin PEMPAL functions and still receives highly positive ratings from most participants.

112. These positive findings are qualified by the following:

- In the post 2008 phase the network has not focused sufficiently in improving the quality of individual membership, besides the IACOP.
- Resources for technical support are insufficient and there is uncertainty about post-June 2012 funding, even though positive signals have been received from current donors.
- There may be need to rethink how the Secretariat function is managed: the current model does not serve the increasing size, activity and complexity of the PEMPAL network sufficiently well.

3.2 Were the PEMPAL output objectives achieved?

113. The PEMPAL output objective is that *each COP should connect well and be productive and sustainable*. In the evaluation framework this translated into two main questions:

- Is a network in place? Does the PEMPAL network connect well, does information flow well in the network and do members collaborate?
- Does the network offer its members quality learning resources?

Here we first discuss how network members use PEMPAL learning resources and their perceptions on the quality of resources, followed by a discussion on whether the network connects well and members collaborate and close with a discussion on network sustainability, given findings. The 2011 evaluation framework results are provided against the selected indicators on page 37.

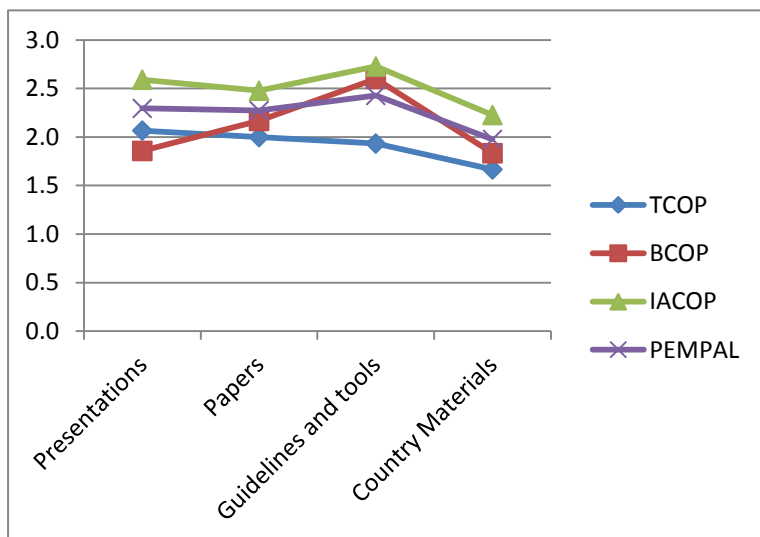
3.2.1 Does the network offer its members quality learning resources?

114. The use and perceptions on the quality of learning resources were measured in the 2011 evaluation survey through four questions, (i) a question on the frequency of use of different type of materials, (ii) a question on the perceived quality of different types of materials, (iii) a question on members' preferences for access to different types of materials going forward.

Level of use of resources

115. **2011 PEMPAL respondents reported a similar level of use of PEMPAL resources than the 2008 respondents.** However, the questions in 2011 are not directly comparable with the 2008 survey, as in 2008 resources were broken down into sub-groups to test which type of resources are the most sought after by COP (see footnote on page 37 for an explanation).

Figure 12: Average use by COP of different material types



116. IACOP respondents reported the highest use of materials across the board; across the COPs most use was made of guidelines and tools. On average IACOP respondents used PEMPAL materials (including presentations, papers, guidelines and tools and COP developed resources) 11.7 times a year, the BCOP 6.7 times a

Table 8: Evaluation framework: 2011 performance against the output objectives

OUTPUT OBJECTIVE AND ASSOCIATED INDICATORS					
The establishment of a network that connects well, is productive and is sustainable					
			BCOP	TCOP	IACOP
FOR EACH COP	A COP that connects, shares information and collaborates well formally and informally	No of formal network events / opportunities for professional learning on average per year	3 events in 2011 compared to average of 1.75 per year between 2008 to 2011 (Baseline 2007, 7) 80.9% (2007: 89 %)	3 in 2011 compared to average of 1.75 per year between 2008 to 2011 (Baseline 2007, 1) 79.4% (2006 77%)	5 in 2011 compared to average of 3.25 2008 to 2011 (Baseline 2007 3) 90.5% (2007: 85%)
		Average attendance of events by countries as a percentage of countries invited ¹⁰	30% 41% (2008)	17% 8% (2008)	26% 44% (2008)
		Percentage of participating countries and individual contacts attending events who have attended previous events	Density: 0.0016	Density: 0.0014	Density: 0.0267
		Network density and diameter	Diameter 2 (9 in 2008)	Diameter: 3 (5 in 2008)	Diameter: 5 (4 in 2008)
	A network with quality learning resources	<ol style="list-style-type: none"> Percentage of network contacts reporting that they use website and/or other learning resources more than 6 times a year Percentage of network contacts that rate network resources as of quality or high quality Percentage of event participants who rate inputs at events as satisfactory or highly satisfactory 	20% (14% in 2008) Note different method ¹¹ 83% (59% in 2008) 83% (72% in 2008)	50% (56% in 2008) Note different method 61% (75% in 2008) 72% (79% in 2008)	50% (55% in 2008) Note different method 91% (72% in 2008) 91% (77% in 2008)

¹⁰ Calculated in 2011 as attendance of PEMPAL countries at plenary events in 2011 (including Zagreb) as a percentage of the 21 PEMPAL countries.

¹¹ The 2008 survey asked respondents to indicate how many times they use any PEMPAL resources. The 2011 survey broke it down into four different types of resources. In order to provide a comparable figure, the evaluator converted each 2011 score to the mid-point of the range offered for each answer choice, and added these together to get a total number of times resources were used by respondent. Never was thus reflected as a '0', 1-3 times as 1.5, 4-6 times as 5, and more than six times as 7. While this is an approximation, it still provides an indicative comparison.

year and the TCOP 6.3 times a year. The graph alongside shows the average score by COP and PEMPAL as a whole for each type of material (where 1 = no use and 4 equals using materials more than 6 times). The IACOP and BCOP on average have used guidelines and tools the most; for the TCOP the highest usage is of the presentations from events.

117. **The survey did not find a significant difference in the use of PEMPAL materials by region or administrative tradition**, except for the use of country materials. Respondents in Central Asia average score on this question out of a possible 4 was 0.5 points lower for the use of country materials than other groupings (see Annex Data 11).

118. **All interview respondents reported use of PEMPAL learning resources**: All PEMPAL member interviewees were asked about their use of resources. Not one respondent said that they never or hardly ever use PEMPAL resources. PEMPAL materials are an important source to carry out their tasks.

119. Most reported using the website to retrieve presentations and other materials from events (which tallies with website and Wiki statistics, see below). The new virtual library was introduced during the evaluation, but an older menu-based resource site of country materials preceded it. When asked about the website ordinary members referred to the retrieval of event materials and checking on events as their main formal website activities. When prompted about country materials, some respondents said that they have accessed examples of legislation or budget documentation, while others mentioned language as a major barrier to using these materials, which tallies with the survey finding.

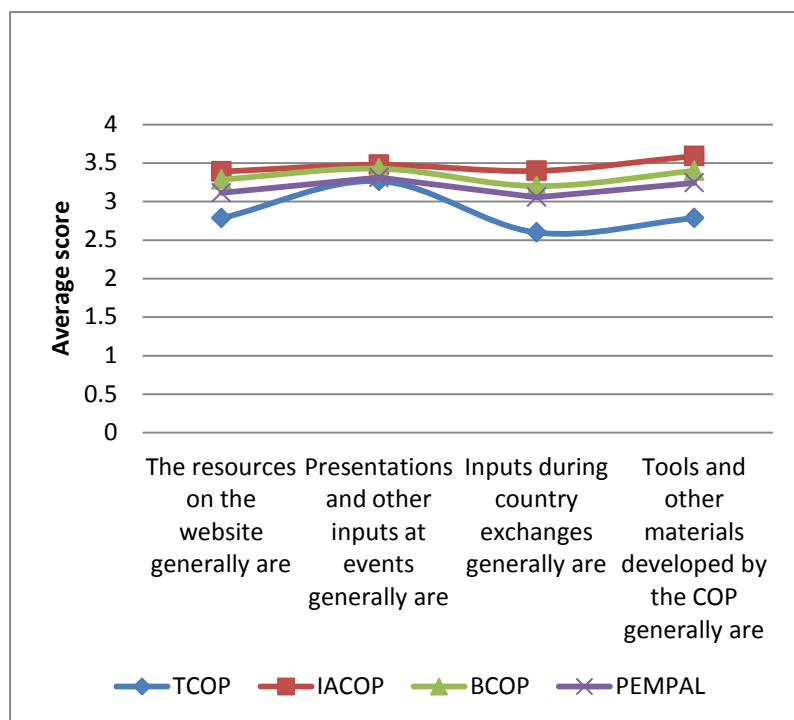
Assessment of resource quality

120. **Resource quality is assessed as higher in 2011 than 2008**: Across resources and across the network a higher proportion of respondents rated resources as quality or high quality in 2011 than in 2008 (also see Annex Data 12).

Table 9: Proportion rating resources as quality or high quality by type of resource

	2008	2011
The resources on the website	65%	80%
Presentations at events	79%	91%
Inputs during country exchanges	71%	74%
Tools and other materials	70%	88%

Figure 13: Average ratings by type of resource by COP



121. **TCOP respondents rated TCOP resources lower compared to IACOP and BCOP ratings for their respective resources:** The use of resources by COP corresponds with respondents' assessment of the quality of resources across the COPs. When averages are calculated by COP, the IACOP resources are rated by its respondents at 3.46; followed by BCOP respondents, the BCOP at 3.32 and the TCOP at 2.86. The graph alongside shows COP average score by type of material.

122. Across the resources and cross the COPs respondents from

former Soviet republics assessed the quality of resources slightly lower (by 0.4 points on a scale from 1 to 5) than respondents from countries that are not former Soviet republics.

Table 10: Average score in assessing resources by region and administrative tradition

	Central Asia	Not Central Asia	Total
Former USSR	3.0	2.7	2.8
Not Former USSR		3.2	3.2
Total	3.0	3.0	3.0

Website usage and satisfaction

123. **CEF survey shows frequent usage of the website and high satisfaction with the site:** Altogether 73% of PEMPAL members responding to a November 2010 survey conducted by the CEF indicated that they are satisfied with the site. Altogether 75% of respondents reported that they visit the website at least once a month, including the 30% of respondents who indicated they visit the site weekly (see Annex Data 14).

124. Not all evaluation survey and interview respondents were satisfied with the site: one respondent argued that the site is not organised well and that users have to scratch for information. The site is also not updated regularly enough: event information is only uploaded three weeks after an event.

125. **The PEMPAL site and the IACOP Wikispace both experienced significant traffic in the period under review.** The PEMPAL site statistics point to a significant increase year on year in the traffic from 2010 to 2011 (January to May time period, see Annex Data 13). In this period the site experienced 3 995 visits. Popular pages, besides the home page, are specific event pages and the publications page (which has only two records). The Wikispace, also in a five month period – albeit from May to October – experienced 4203 visits.

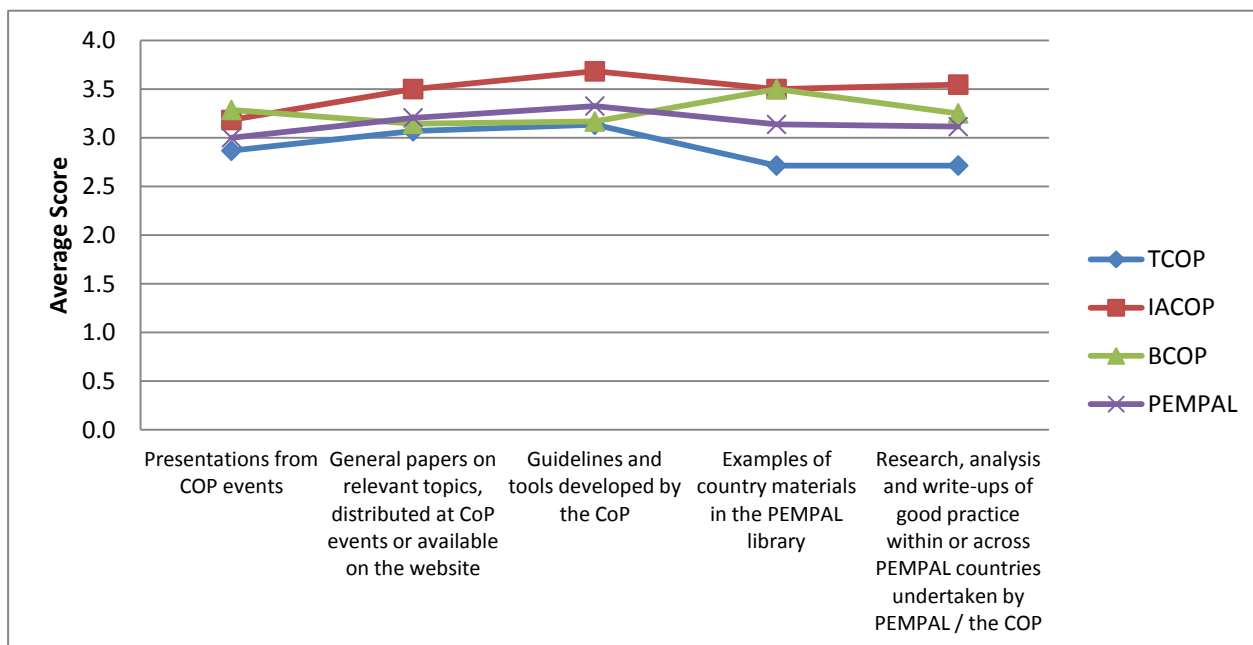
126. The two sites have similar information, but whereas the PEMPAL site is the official external PEMPAL record with formalised, reviewed and approved content, the IACOP Wikispace is an informal communication tool/medium among its members. Information is communally generated, edited and shared. Besides the entry page popular pages on this site are specific event pages relevant to the period of measuring, the people page and the content page on countries' legislative frameworks. A Wikispace for the BCOP was created by IACOP members during the evaluation. The TCOP Wikispace was launched in November 2011.

Forward demand for resources

127. **PEMPAL members show high interest in increasing and improving the resources available to the network.** On average by COP respondents indicated that they are likely or very likely to use all types of materials identified in the survey. The survey made reference to materials that are already available (presentations from COP events; general papers on relevant topics; guidelines and tools developed by the COP and country materials), as well as materials that are not currently produced (research, analysis and write up of good practice across the PEMPAL countries undertaken by PEMPAL or the COP). Highest interest was in tools and guidelines produced by the COPs, followed by general papers on relevant topics, examples of country materials and research, analysis and write ups of good practice within or across PEMPAL countries undertaken by PEMPAL or the COP.

128. The only exception is the TCOP in respect of three categories of materials, where its average score dropped slightly below 3 (likely to use in future) towards 2 (unlikely to use in future, see graph below).

Figure 14: Likelihood of COP members using resources in future, by COP and resource type



129. **Interview respondents confirmed high interest in the availability of resources:** The survey results were confirmed by the majority of interview respondents who highlighted the importance of being able to build on their participation in events by having resources that they can use. Several of

the examples in the next section on how COP members apply learning, highlight the role of good resources (see paragraph 217 onward below).

Interviews highlighted training as a service demand

130. **The evaluation survey did not test members' interest in training as a PEMPAL service.**

However, several respondents noted that training would be a welcome addition to the PEMPAL product offerings. The IACOP's training and certification programme it is developing already fits into this category.

Conclusion: Network learning resources and the flow of information

131. Over the period under review all three COPs deepened the pool of resources available to COP members, through the addition of presentations from events, papers and the development of IACOP outputs, namely the IA Manual and materials for its training and certification programme. The collection of country materials for the PEMPAL virtual library has further added to available PEMPAL resources.

132. While on average the use of resources have not increased significantly over the period, for some individuals the survey revealed high usage of resources up to at least twice a month. A smaller proportion of TCOP respondents used resources more than 6 times a year than IACOP or BCOP respondents. Similarly, respondents resident in PEMPAL countries in Central Asia used country resources less than countries outside of Central Asia. In terms of administrative heritage, respondents reported similar use of resources.

133. Website statistics for 2011 were higher for the first five months than 2010: approximately 26 visits a day occur. The IACOP Wikispace is also popular, with 28 visits per day occurring between May and October this year. On both sites popular pages include pages which could hold substantive information, namely publications on the PEMPAL site, and the country materials pages on the Wikispace. The social pages on Wikispace and event pages on both sites are also popular.

134. A higher proportion of PEMPAL respondents rated the quality of COP resources as high or very high in 2011 than 2008, with responses from the TCOP on average lagging responses from the BCOP and IACOP. Except for TCOP respondents, who gave the highest ratings on average to presentations at events, PEMPAL members rated the quality of tools and other resources developed by the COPs as higher than other types of resources.

135. Except for responses from TCOP members in some categories, on average all respondents thought it was likely or very highly that they will use all types of PEMPAL resources in future, including PEMPAL research and analysis of good practice in the region.

136. Given the high interest and appreciation of resources, PEMPAL could benefit from channelling more of its resources to resource development and distribution. This would operationalize further the necessity recognised by stakeholders from all groups that in order to be effective, relevant and sustainable PEMPAL should create value beyond just the holding of events.

3.2.2 Do the COPs connect well?

137. The evaluation uses two sets of data to underpin its findings in this section: (i) an analysis of data on the connections that occur between meetings between network members from different PEMPAL countries; and (ii) analysis of interview responses relevant to whether and how well PEMPAL members connect as a network. The section investigates whether the COPs connect well, whether information flows in the network and whether members collaborate and looks at the factors underlying success or challenges.

Assessment of formal connections

138. The framework uses three main indicators as a check on the degree to which formal connections are occurring: i) the average number of learning events per year by COP; (ii) the degree to which countries participate; and (iii) the degree to which the COPs have achieved consistent attendance at events. The premise is that if the COPs fare well against these three aspects, they are connecting well.

139. **COPs offer more learning opportunities in 2011:** Figure 11: PEMPAL events per year (see page 33 above) offers a graphic illustration of how the formal learning opportunities for COP members (countries and individuals) have grown recently.

- On average, between 2008 and 2011 the BCOP and TCOP have each conducted 1.5 learning events /study tours per year (excluding the Zagreb and Istanbul plenaries and three BCOP learning events in 2010 that were not full, separate PEMPAL events)¹². In the last year alone both these COPs have conducted two events.
- Excluding the plenaries and the three BCOP events in 2009, the IACOP has undertaken double the number of events compared to the other two COPs, both on average between 2008 and 2011 and in 2011, namely 3 events on average per year and 4 in 2011. The IACOP events on average are smaller events, however, on account of it meeting as sub-groups. However, if the three joint 2009 BCOP events are included, the BCOP's average number of events is 2.5, compared to 3 for the IACOP.
- While both the IACOP and TCOP had more events in 2011 than in 2007 (the baseline) the number of events per year for the BCOP has dropped from 2007 to 2011 (with the exception of 2009, if the three BCOP events are included). In 2007 the BCOP had 6 events, of which 3 were study tours. In 2011, after reconstituting an Executive Committee at the end of 2010, the BCOP has undertaken 2 events.

Table 11: Learning events (plenaries and study tours) by COP per year

	2006	2007	2008	2009	2010	2011	Total 2006 to 2011	Number of events 2008 to 2011	Average per year

¹² Note that three events listed in Attachment 1 of the 2010 Secretariat Report are not reflected on the PEMPAL website, while two events with the same titles and dates are on the CEF Website. It is therefore assumed that these were joint CEF/PEMPAL events and therefore they have been included here. The analysis is undertaken both including them, and excluding them.

BCOP		6	1	4 ¹³	3	2	16	10	2.5
IACOP	1	2		4	4	4	15	12	3
TCOP	1			2	2	2	7	6	1.5
Cross COPs	1	2	1			1	5	2	0.5
Total	3	10	2	10	9	9	43	30	7.5

140. **Participation lists points to high attendance of PEMPAL countries:** Preliminary findings of events over the last two years point to a high attendance of PEMPAL countries (90.4%), which points towards a high interest in the network by countries. Even if countries' attendance is supported by PEMPAL, the opportunity cost of days spent away from desks is significant.

141. **As discussed already, consistency of attendance is however still weak:** As discussed from paragraph 25, even when countries attend regularly, it is not necessarily the same individuals who attend. While for the TCOP and BCOP this impacts on the potential for a network to form enabling informal contact between members between events, for the IACOP with its progressive work programme, it also slows down the learning in the COP.

142. In conclusion, all three COPs were connecting well formally towards the end of the evaluation, with PEMPAL countries participating and the number of events growing year by year. The BCOP, which experienced a quiet period in 2009/2010, was revived at the end of 2010 and has held several events in 2011. However, high turnover in event participants even if the countries remain stable, present a challenge for all three COPs.

Assessment of Informal Connections

143. As for the 2008 evaluation, the 2011 evaluation uses network analysis tools to generate summary comparative statistics on the three COPs progress towards becoming functional 'year-round' networks within which people connect, share and learn as a community. The underlying premise of this is that whereas learning happens when country delegates attend events, PEMPAL's objective is also to create a community of practice in which members connect formally as a community, but also sustain a network of 'informal' connections outside of formal community events, and through which they can share information; provide advice and documents; and can help each other with challenges when they arise.

144. The evaluation make use of two basic network analysis concepts – number of connections, density and diameter – to describe the degree to which the COPs have become 'networks' in the true sense of the word (see box below for a brief discussion on the concepts).

Box 4: Key network analysis concepts

PEMPAL is a knowledge sharing, bounded, value creating network. As such it should connect in formal and informal ways. Social network analysis methodology provides two key concepts which can be used to measure the progress made in PEMPAL with regards to the informal contact between members. This informal contract is an important determinant of network strength and the likelihood of a network fulfilling its objectives.

¹³ This total includes the three events in 2009.

Network analysis requires that the members of a network is surveyed and reports on the contacts they have had (incoming or outgoing) over a period of time. This data is collated into a relational social matrix, showing contacts between members and analysed, using social networking software.

While different descriptive statistics can be drawn of a network thus captured, the evaluation uses three key concepts, namely:

Network connections, nodes and outsiders: connections occur between active network members who report being contact with other network members outside of their own country. The higher the number of connections, the bigger the connecting part of the network. The higher the proportion of ‘outsiders’ to the number of nodes (names in the network), the more weakly formed the network is. These statistics therefore measure the size and quality of the the reported network.

Network diameter measures the spread of a network. If a network is not connecting well the spread would be larger, because it would take more steps to connect from one extreme of the network to the next. Networks that function as a star (in other words with a central node that connects to all members) have the smallest diameter because in principle one end of the network can be reached from the other in two steps. Networks that function as a linear line have a high diameter, since the one end of the network can only be reached from the other through a series of step connecting through each member. If a network acquires more members but the diameter shrinks, it indicates that the network is connecting better than previously. If a network decreases membership but the diameter increases, this would be cause for concern.

Network density: Network density measures the density of connections. It assesses the connections that exist against the total number of possible connections, given the size of the network.

For purposes of measurement the COP networks have been made symmetrical, in other words it views a connection between members as a connection, without taking into account the directionality of the contact.

145. The table below provides a comparative view on the level of informal contact in the network. The information needs to be interpreted juxtaposed with the number of responses given the likely number of responses for the network that could have been expected, in other words, the degree to which the network extracted from survey respondents’ responses, is complete. We use as a proxy the proportion of members who have been to more than one of the 2011 events who have completed the survey. The IACOP network presented here, therefore, comprises the connections reported by 47% of network members (in this definition). While the estimated proportion of the network that has not been captured is not exactly the same by COP between 2008 and 2011, the proportions are broadly in the same band by COP (37 and 42% for the BCOP; 47 and 50% for the IACOP and 21 and 33% for the TCOP), enabling some comparison. *The results should however be seen as indicative of the direction of broad trends, rather than as an accurate description of the COP in 2011, or an accurate description of the size of the trend between 2008 and 2011.*

Table 12: Key results from network analysis, 2008 and 2011

	Year	Budget COP	Internal Audit COP	Treasury COP
Number of responses	2011	8 (of which 3 attended more than one event, out of 23: the network is 37% complete[42% in 2008])	20 (of whom 9 attended more than one event, out of 14 network is 47% complete [50% in 2008])	14 (3 of whom had attended more than one event out of 14, network is 21% complete [33% in 2008])

Basic description	2008	Number of nodes: 61 outsiders: 35 connections: 33	Number of nodes: 55 outsiders: 23 connections: 58	Number of nodes: 67 outsiders: 51 connections: 17
	2011	Number of nodes: 139 Outsiders: 122 Connections: 15	Number of nodes: 123 Outsiders: 28 Connections: 200	Number of nodes: 153 Outsiders: 132 Connections: 16
Density (where 1 would be perfect density)	2008	0.0164	0.0391	0.0077
	2011	0.0016	0.0267	0.0014
Diameter (number of steps to get a message across the network)	2008	9	4	5
	2011	2	5	3

146. Key points to note are:

- The statistics highlight how many non-member members the TCOP and BCOP have. The IACOP has fewer nodes and has fewer ‘outsiders’.
- While the BCOP responses were very low, this in itself supports the finding of a COP in which connectivity was lost in the ‘down’ period in 2009 and 2010. Its low diameter compared to 2008 (and the IACOP and TCOP in 2011) is a function of the decrease in network connections, from 33 to 15. In other words, while the network size has decreased, so has the network spread.
- The TCOP also appears to be more diffuse in 2011 than in 2008: the network has grown significantly in terms of number of nodes, but has remained stagnant in the number of connections. However, it has improved the connections between members so that even if the core of the network has not grown, it is less spread out.
- The IACOP has made significant progress. While the number of nodes has doubled, the number of connections has almost quadrupled, making the network much denser. At the same time its diameter has increased by only 1 point, from 4 to 5.

147. The network maps are provided in *Annex Data 15: Network analysis maps by COP*, with all ‘outsiders’ excluded. The higher density and ‘inclusiveness’ of the IACOP network is immediately visible. The TCOP map appears as a series of loose connections between individuals within the network, which has not yet come together to form a network. However, as is noted in the annex, the maps need to be interpreted with care as they are not complete. The TCOP map is estimated to be the most incomplete.

148. The analysis suggests that the COPs are not equally effective in translating network events into a functioning network that connects well and in which learning can be enabled. While the results of the network analysis should be interpreted with care, they point in the same direction as other findings in the evaluation. The IACOP has succeeded in building better year-round connections between members from the platform it had established by 2008. The period of very low activity for the BCOP appears to have come at the cost of the connectedness of the network. And while the TCOP’s results points towards a network that is less spread out and in which connectedness has

been maintained, it appears to have been less successful in building connectedness among members.

149. **One aspect of this success is having a strategy in place to maintain the discussion between events.** The IACOP designates individuals to ensure that the discussion continues through the Wikispace between events. The IACOP chair often takes a lead in this process, by putting up initial posts and uploading pictures and event summaries. Also, because the IACOP has specific PEMPAL-branded products that it is working on, this necessarily brings people together.

150. **PEMPAL members find both plenaries and COP-specific events and both learning events and country study visits valuable.** Interview respondents supported the holding of cross-COP plenaries, because they allow cross-discussion across the silos of PFM. They also supported COP plenary events because of the focus and depth of discussion; and they supported country exchanges, because of the rich opportunity for in-depth engagement and learning. It is common practice for the network now to organise events in participating countries; this allows for a full session to be dedicated to the system of that country, either with other countries learning from the country, or the country's own delegates given the opportunity of being advised by the visiting participants, or a combination of the two.

151. **Quality of presentations and translation important:** One issue raised by about one quarter of the respondents is the importance of quality translation, both of written materials and of presentations and discussions during events. While the difficulty of the task is acknowledged, some respondents reported that the quality of the simultaneous translation sometimes leaves participants with many unanswered questions. The quality of presentations was also raised: the role of the secretariat in guiding the presentations and working with presenters beforehand to improve presentations could be important. Respondents however felt that this is now less of a problem than in the early years.

152. **Importance of social activities:** across the leadership groups and ordinary member groups, country respondents frequently highlighted the importance of social activities. In network members' view the establishment of trust between individuals who participate regularly in PEMPAL events is essential to the success of COP-based learning. Respondents who had participated in early PEMPAL meetings remarked on how initially these meetings had been like other multi-country meetings where everyone presents on their reforms as successes, without due attention to problems. Over time, as individuals came to know and trust one another, the content of the discussion changed to the real problems they are facing and how they are solving them. The social / cultural events that have become part of PEMPAL meetings are important in building the necessary familiarity and trust between individuals.

3.2.3 Sustainability of PEMPAL and COPs

153. **Currently PEMPAL is sustained for a significant part as a donor programme:** the Steering Committee is chaired by a donor; programme funding is managed by a donor, albeit through a third party agent, the CEF; technical resources are provided by donors; a donor manages the CEF Secretariat contract and, importantly, donor funding sustains the network. The network has no legal standing in its own right.

154. **Over the period under review however, a shift has occurred with an increased role for member countries and country members.** This is true particularly in the IACOP, but also in the TCOP, where member countries drive the work agenda of the network through the Executive Committees. The BCOP lags this process, but is reported to have a more active Executive Committee this year than in previous years. The Chairs of the Executive Committees also sit on the Steering Committee and have voting rights.

155. A key question for the evaluation is the degree to which the network has made progress towards sustainability. This is not primarily a question about financial sustainability. Most stakeholders acknowledge that the network would probably always require some donor funding to sustain a meaningful event-driven work programme, even if membership fees are raised or other means of self-financing is explored. Rather, it is a question about whether the COPs – and PEMPAL – would continue to exist – and take over the leading and management roles played by donors currently, should the donors withdraw from these roles. In other words, during the period under review, how much progress has been made to the COPs becoming institutions in their own right, even if they have no legal standing? *Has the PEMPAL programme produced a sustainable network?*

156. Clearly, much of the three dimensions discussed thus far, form key pillars of an answer to these questions.

- Improved COP governance and the regular and meaningful participation of COP Chairs in Steering Committee decisions represent critical markers in the journey towards sustainability.
- Growth in the network's footprint across the region creates additional opportunities for sharing and learning. Also a higher number of countries in the network contribute to network stability when countries stop participating. However, these benefits depend somewhat on the additional participation being quality participation.
- Members' enthusiasm for and appreciation for PEMPAL learning and experience sharing (see section on inputs above, and on the strategic objective below) offers testimony of the value that members perceive the network adding, which is a prerequisite for a sustainable network.
- The network has built up some network institutional infrastructure and resources through the Secretariat, for example the contact base, document base, virtual library and rules and procedures, all of which underpins sustainability.
- Significantly, there is clear evidence of members connecting with one another beyond just the events, in all three networks but particularly in the IACOP.
- However, on the negative side, there is a question mark over whether the right balance has been struck between expanding the individual member contact base of the network, and focusing on improving the quality of participation by a consistent group of members. The findings on the Secretariat too, queried whether the current model of a part-time secretariat is appropriate for a network with an increasingly congested work agenda.
- Finally, even if the question is not whether PEMPAL and its COPs can be financially independent, the question on whether donor resources will be available over the medium term to allow a continued programme of work, is relevant.

157. **On balance however, the finding is that PEMPAL has become more institutionalised and therefore more sustainable over the period.** This is most true for the IACOP and the least true for the BCOP.

158. At the same time however, key issues impacting on the quality of connection and progress towards sustainability emerged from the interviews. Addressed here are (i) diversity and connectedness in the network; (ii) involving political principals in member countries; key factors in building connectedness.

Diversity and connectedness

159. One query is whether differences between countries are a substantial obstacle to the effectiveness of the COPs and PEMPAL. The PEMPAL network contains significant diversity: its member countries are from different regions and administrative traditions; they are at different levels of PFM reform implementation; and they have been participating in the COPs for a longer or shorter time. Its individual members are different language-speakers trying to communicate without the benefit of a shared language; often are from different levels of ministry of finance hierarchies and have been more or less exposed to PEMPAL learning.

160. Important sub-issues are (i) whether more advanced PFM countries benefit in the same way from PEMPAL implementation, how that affects who they delegate to participate and what that means for network objectives and effectiveness; (ii) language differences and barriers that slow down communication during events; (iv) the combination of officials from different levels of seniority in meetings and how that impacts sharing and learning; (v) whether the needs of less advanced countries are adequately catered for. One dimension of the issues is reflected in the discussion above on the Secretariat, which highlighted a concern by some members that the Secretariat is located too far away from the Central Asian countries. Survey data in several dimensions also point to the countries from Central Asia and/or the full group of former Soviet republic states often experiencing the network differently.

161. Currently in all three networks, all countries are invited to participate in all events, and if some differentiation is introduced, it is around themes and coupled to how countries engage with those themes. For example, in the IACOP countries that are part of the IA Manual group would be invited to attend IA Manual specific events. The resource teams do consider which specific members to invite – the IACOP more than others – but there is still some country discretion on who to send.

162. During the interviews respondents from all groups were asked whether the network would benefit from more differentiation, in order to address issues around language barriers, different levels of PFM advancement and seniority in government, different regions and administrative heritages. Specific issues raised include:

- **Ordinary members in countries that are less advanced in their reform agendas, or which fall between the most advanced and least advanced countries reported that mixing countries in events work well.** While they learn from the experiences of more advanced countries, they also benefit from sharing their experiences with less advanced countries, where relevant, and learn from the lessons that countries are learning around implementation, which is relevant for all reform programmes.

- **However, ordinary members from more advanced countries reported that they personally learnt both from advanced and less advanced countries, but that they saw little prospect of directing influencing their countries' reform paths in the near future.** More advanced countries tend to send more junior officials to events, as a reward for performance or because as individuals they would benefit, but these officials are not driving reform processes. Learning from PEMPAL in these cases would still be significant and impact on the individual's performance, but would not directly influence reform decisions.
- **Processes are slowed down when new members or new countries join:** Long-standing members of the IACOP expressed frustration at new PEMPAL countries and members wishing to revisit issues that have already been discussed and dealt with in prior events – something which is difficult to manage when the COP is engaged in a progressive work agenda, rather than topic-driven lone-standing events. Newcomers to events should be provided with tools to familiarise themselves with progress already achieved in the network.
- **The benefit of bringing together policy and mid-level people is the learning that occurs across these silos.** Important for policy people to be able to hear about practical operational problems, in order to improve the design of policy. At the same time it is instructive for more junior officials to be exposed to policy level discussions to locate their specific mandates better in a value chain and as part of their professional development.

163. On the whole responses indicated that there is significant benefit in sharing across the divides and that the network should not be broken up. In essence a COP is about social learning, in other words the learning that occurs through people “sharing information, tips and documents, learning from each other's experience, helping each other with challenges, creating knowledge together, keeping up with the field, stimulating change, and offering new types of professional development opportunities” (Wenger, Trayner et al. 2011, p7). In a COP therefore, members learn from each other. If the network is broken up the knowledge pool on which countries can draw will decrease, with a potential negative impact on learning.

164. The IACOP recognised the problem of a widening gap between countries in the network three years ago and adjusted its programme to keep the more advanced countries in the network, as their experience is valuable. The solution was to ensure that every event included something that would be of interest to participants from countries like Hungary, Romania and Croatia, which are much further along the path of establishing an internal audit function. For example, one event brought the Head of the Institute for Internal Auditors, which made the event attractive for more advanced countries. The connection to the OECD Sigma also assists in keeping more advanced countries as active participants in the COP: this means that the IACOP agenda also involves knowledge transfer from developed countries to COP countries.

165. In conclusion, while too much differentiation or breaking up the network would disallow benefits from cross-learning, impacting on the effectiveness of the COPs overall, it is important that the COP leadership and resource teams acknowledge that diversity can be counter-productive and needs to be managed. This may mean ensuring constant improvement in the quality of translations; ensuring that the Secretariat connects well with all member countries; and ensuring that network agendas cater for advanced and less advanced countries. In essence, PEMPAL strategic thinking at the network and COP level should take note of differences, but at the same time should not fall into a trap of polarised thinking: while there are advanced countries and countries that are just setting

out on reforms, more and less senior and experienced individuals, in reality countries and members are spread on a continuum. Some countries and/or individuals act as bridges that allow the networks to function as COPs.

Connecting the political level

166. **Several respondents raised the importance of gaining the support of political principals to ensure the impact, functionality, relevance and sustainability of the PEMPAL network.** The presence of political support at country level impacts at several levels: members reported that when there is good support from the political level, it becomes easier to ensure that an appropriate level of officials or specific individuals attend events. Political support also ensures a stronger connection between countries' policy priorities and the work agendas of the COPs.

167. Respondents from countries that have hosted events reported the difference it made to their participation in COP when political principals understood better the nature and objectives of the network and observed the level of participation on account of opening or participating in the event. More important however, is that reform success depends on political will; PEMPAL can play a role in involving the political level in the reform discourse in the region. In the Ukraine example discussed below (see paragraph 226) the finance minister attended two PEMPAL events, which built support for reform of internal audit, resulting in the central harmonisation unit being officially created in September this year.

168. The IACOP has acknowledged the importance of political support explicitly in its strategic thinking, and takes care to ensure the involvement of political principals of all participants, for example by communicating information on events and processes to them, or by routinely sending a thank you letter after events that highlights key outcomes.

169. At Steering Committee level too, members are thinking through mechanisms that will involve the political level effectively. The World Bank for example is exploring the option of having a side meeting during the World Bank Spring Meetings for PEMPAL member country finance ministers focused on the work agendas of the network, and to use this as a springboard for a more structured, routine engagement with ministers.

Who focuses on PEMPAL alone?

170. One of the recommendations of the 2008 evaluation was that there should be reliable and substantive technical support to the COPs. In the interim period PEMPAL has appointed a Community Facilitator into a technical support role for the whole of the network, and has for the IACOP and TCOP provided stable support teams.

171. **It was clear in the 2011 evaluation that these resource teams were essential to the consolidation of these two COPs.** Members emphasised that the support from the resource teams is critical: they provide the technical support required to make progress in COP debates. In the TCOP the leadership group steers the network focus and agenda content, but the real work to develop the content, ensure quality inputs at meetings, manage the meeting agenda and documenting meeting proceedings and outcomes falls to the resource teams. In the IACOP the main resource person is also deeply engaged with the process, but according to respondents, has been able to take on more of a

support role as the IACOP leadership is more active in undertaking the substantive technical management work.

172. Besides the substantive agenda development and knowledge management work undertaken by the COPs, the resource teams are also involved in the strategizing around building up the COPs as functional learning networks.

173. The resource teams for the three COPs comprise around 12 people in total, assigned to each COP (Aubrey, 2011). These teams are technical experts in the relevant thematic areas of each COP and are drawn largely from the World Bank, with input as needed from OECD/Sigma, GIZ and independent consultants or professionals in practice from countries with advanced systems. The Community Facilitator assists with content development and improve coordination between COPs and effectiveness of PEMPAL overall. Because of the gap in support for the BCOP, the Facilitator has also taken on supporting this COP more specifically. This full-time position is funded by SECO through the Multi-Donor Trust Fund, until June 2012.

174. **Community Facilitator's impact positive:** Donor, member and resource team respondents highlighted the positive contribution made by the Community Facilitator to PEMPAL's functioning. This is the most visible in the BCOP, where the Facilitator has played a key role in agenda development. It is also however visible for the network as a whole, where the Facilitator has taken on coordinating strategic planning across the COPs. The speed with which the Facilitator has become a key figure in the network, points towards the importance of having the position in place.

175. **Current structure for technical support will require strengthening in a next phase:** An important consideration for the evaluation however, is whether the current model in which the Secretariat, the resource teams and the COP Executive Committees are all part time and only the Community Facilitator full-time will optimally support a next phase of network development.

176. The issue is perhaps not as much human resources (more part time support can be contracted in); the issue rather is that for only one individual PEMPAL is a one and only focus. Much mention is made in this report of the relatively high functionality exhibited by the IACOP: one important factor in that success is the dedication and care for the COP displayed by the COP leader (see box below on possible reasons for the IACOP's relatively higher success), coupled with the willingness to put in significant time on a voluntary basis to nurture and grow the COP, working with the rest of the Executive Committee and the resource team. To the mind of the evaluator this should be seen as the exception that proves the rule: the focus and energy expended on the IACOP by the COP leader is necessary for COP development, but finding that in an Executive Committee chair should not be assumed to be the practice norm. It is not the case in either of the other two networks, which are more reliant on the resource teams. The experience in the BCOP, for example, points towards the difficulty of finding a chairperson with the interest and time to undertake the task.

177. **Technical support structure needs to balance dedicated and part time staff:** At the same time however, there is high value in having donor staff with broad and on-going exposure to public financial management issues in the region advising the COPs. Members highlighted the value of the World Bank (and in the IACOP OECD) support to the COPs, through the linkages it provides to ongoing research, operational work and knowledge creation around PFM.

Box 5: Why is the IACOP more advanced?

Not only does the IACOP connect better as a network than the other two COPs, respondents from this COP on average have given higher satisfaction ratings, participate more frequently, is more willing to pay membership fees and rate their learning higher than respondents from the other networks. In the interviews, members from the TCOP and BCOP referred to the IACOP as 'the front-runner', 'our role model' or an 'an example to follow'.

Here we isolate a few factors that were found to contribute to the success of this COP:

The IACOP has held more events more frequently than the other two COPs. It has opted for a smaller membership (it has the shorter contact list of the three COPs), and smaller participation per event.

Many respondents felt that the IACOP functions well because its focus area is narrower and more precisely defined in terms of good practice. It therefore lends itself to the kind of work that the IACOP is doing and the production of specific products, and could imaginably function as a professional association eventually rather than as a COP. While the contribution of specific value-add products that are PEMPAL branded to sustainability is acknowledged, members of other networks do not see how this experience can be replicated in the other COPs

The quality of leadership in the IACOP is seen as critical: the COP Executive Committee Chair takes a very active, innovative and development-oriented approach to the COP. His enthusiasm translates to the rest of the leadership group, which as a body has high ownership of the network. The IACOP's profile in the region has benefitted from this, creating positive incentives to serve on the committee.

A third factor is the quality of initial technical support – also highlighted in the 2008 evaluation. The core agenda-related technical support was provided by the World Bank, but this was supplemented with support from InWent for the development of the COP as a network, and for improving the way in which COP activities are run in order to enhance their effectiveness. The current in-kind support to technical content by the OECD/Sigma has also been a factor. The ongoing emphasis in COP plans on how to build itself as a sustainable institution, is a testimony to this early strategic thinking.

This thinking has translated into action around the common network concern – as can be seen from COP and Steering Committee minutes -- on the quality of membership and participation in events. Similarly, high attention is paid in this COP to the development of its profile, its future as an institution (the notion of a professional association was mentioned frequently) and ways and means to garner support from the political level for the network, but also for IA reforms in member countries.

A final factor is that the IACOP as a community has invested heavily in knowledge creation. In other words, its activities are not only about sharing what members already know, or being a forum where members can engage with experts and international good practice. It is heavily focused on translating this into explicit products (a manual, a training and certification programme) of use to member countries and which can be branded as PEMPAL products.

However, the TCOP support team emphasised that the success factors of the IACOP may not hold for the different contexts within which the other two COPs operate. The TCOP for example, takes a different approach: its workshops are themed and attended by a larger number of participants in each workshop and more variety in the types of specialists that it draws in across workshops, on account of a broader subject area. This broader scope is likely to make it more difficult to establish the kind of network results that are measured within the evaluation framework, but it is necessary to be relevant within the sub-sector it serves.

What is PEMPAL, what are the COPs?

178. **Greater coherence of vision required:** As already highlighted in the discussion on network governance above (see page 19), higher goal coherence between stakeholders would benefit the network as a whole, and even the individual COPs. For the founders of PEMPAL, the network was an experiment in peer learning: the three COPs were created and allowed to develop each in line with where key members wanted to take them. In this process lessons were learned about different goals and associated pathways. So far this open-ended approach has benefitted the network. However, the point is approaching where there would need to be greater coherence in terms of network goals,

the understanding of how it will achieve these goals and on what will be measured by whom for what purposes. If the network as a whole is clear about what its objectives are, what it means to be a COP in order to achieve these objectives, what the time horizon for returns on investment in the network is and what its medium to longer term development goals and path are, it would provide decision-makers in the network with a framework for decision-making on key trade-offs and would prevent narrow, specific agendas from driving strategic decisions in the network

3.2.4 Section Conclusion: does the network connect well?

179. **Since the 2008 evaluation, the PEMPAL network as a whole has strengthened:** the Steering Committee is more inclusive and effective, the network has more resources, events are being held more frequently and there are more countries participating more frequently and more individuals involved in the network. In the IACOP and TCOP this has translated to the COPs connecting better: the IACOP particularly has built up a strong network of people who engage one another in between events a process in which the creation of the Wikispace has played a part.

180. For the TCOP and BCOP however, high turnover in the individuals who participate in PEMPAL seems to have had a more negative effect than for the IACOP, which has attempted to manage this through how they engage countries when setting up events. In terms of evaluation data, this is visible in the high number of network 'outsiders' on the network analysis exercise, compared to the IACOP results, even when it is taken into account that the BCOP and IACOP contact maps are more incomplete.

181. While the high turnover in network participants is seen as a cause for concern, it is also necessary to emphasise that (i) this is always likely to be part of PEMPAL dynamics as there is staff turnover in countries and as countries rightly would want to send specialists to events, depending on the exact theme, and (ii) a more useful focus would be on what the size of the core – ie the group of members who are more engaged, attend events more frequently and who have built up relationships among themselves – is and whether this is growing, rather than just on the turnover, and (iii) one has to be realistic about how many such members there would be in a young network. If this measure is used, between survey, membership and interview data, both the IACOP and the TCOP have networks in place. Despite a period of inactivity, even the BCOP has a core of members who have been at events since 2006, and who considers their COP a network.

182. **On balance the finding is that PEMPAL has made progress towards sustainability over the evaluation period.** A key part of its sustainability, and simultaneously a threat, is the high diversity in the network. It is important that the COPs' and PEMPAL strategy actively engage the issues around diversity. Similarly, the network would be strengthened by more deliberate engagement of the political level.

183. **Progress towards the establishment of a sustainable network, however differs across the COPs.** The IACOP has successfully built on the platform in place in 2008 in most aspects measured and has made the most progress towards becoming an institution in its own right. The TCOP has offered its members more frequent learning opportunities, and from interview data, has a core of interested and engaged members in place, particularly in Central Asia. The BCOP is recovering from a period of inactivity and is currently lagging in terms of the degree to which it has established a functional learning network.

184. **PEMPAL's forward sustainability will be enhanced by further resourcing and strengthening of the technical support mechanisms for the COPs.** Over the evaluation period the resource teams have played an important role in network formation – this is likely to continue in the future. The teams however are not yet fully resourced: in the trade-off between number of events and the cost of the support for events within the available budget, PEMPAL would benefit from an increased budget to deepen the support for the network.

185. **If PEMPAL is to be sustainable as an institution in its own right, it would need more dedicated human resources.** In addition, if PEMPAL – and its constituting COPs -- is to become an institution in its own right, it would benefit from a larger core of support personnel who is concerned full time about PEMPAL's progress, the quality of learning that occurs in the network and the impact on countries and institutions in the region.

186. **Strategic decisions on network direction needs to be informed by a stronger shared vision on the nature, goals and working ways of PEMPAL.** The time is opportune for the network to undertake an inclusive and participatory strategic development process.

3.3 Was the PEMPAL strategic objective achieved? Do members learn from each other? To what end?

187. The evaluation framework places the strategic objective of PEMPAL at the level of members learning from each other. In this section of the report we present and discuss (i) the evidence on learning by individuals, and (ii) the application of the learning at country level to influence PFM reforms. A third related aspect of the discussion is about the relevance of the PEMPAL network. Key questions examined are:

- What scope of learning has taken place, what forms has it taken and how effective has it been?
- What evidence is there of PEMPAL activities contributing to changed PFM practices at country level?

188. The 2011 Evaluation framework results at the strategic objective level are provided in Table 14: *Achievement of the network strategic objective*. They show that PEMPAL has maintained its influence on countries' reform paths, even if it has been less successful in terms of individual participants who are able to use PEMPAL learning to influence reforms. As is argued in this report, (i) that is a function of who participates in network events, and (ii) not being able to influence reforms now, should not detract from the quality of learning that occurs.

3.3.1 Where does PEMPAL learning impact?

189. **A smaller proportion of survey respondents in 2011 said that they had already used knowledge gained through PEMPAL to design, recommend or implement PFM reforms in their countries than in 2008.** Across PEMPAL, 31% of respondents reported they have used the network, including 13% of TCOP respondents (compared to 56% in 2008), 45% of IACOP respondents (compared to 78%) and 25% of BCOP respondents (compared to 31%). As in 2008, no respondents reported that they are unlikely to use PEMPAL knowledge in this way in the future.

Table 13: Have your or will you use PEMPAL learning to design, recommend or implement PFM reforms?

	Percentage point change in 'yes' answers	Year	Yes	No, but I am likely to in future
PEMPAL	-24	2008	55%	45%
		2011	31%	69%
TCOP	-42	2008	56%	44%
		2011	13%	87%
IACOP	-32	2008	78%	22%
		2011	45%	55%
BCOP	-6	2008	31%	69%
		2011	25%	75%

190. While the better performance by the BCOP may seem incongruent with other survey and interview findings which show the BCOP lagging the other COPs, they are consistent with the results reported in Figure 3: *Participation and repeat participation in PEMPAL* (see page 12) which showed higher repeat participation by the BCOP than in the TCOP or IACOP.

191. Based on interview evidence, the decrease in the proportion of respondents who have been able to use PEMPAL learning to impact PFM reform is seen as function of (i) not all members being in a position to drive reforms, even if they learn as individuals and (ii) the high proportion of participants in PEMPAL for whom it is a once-off event and (iii) gaps between where countries are and the content of PEMPAL work.

Table 14: Achievement of network strategic objective 2011

NETWORK STRATEGIC OBJECTIVE AND INDICATORS				
PEMPAL COP members learning from each other				
Objectives	Associated indicators and desired direction of change where relevant			
Time period that applies is since the last evaluation, unless specified otherwise				
		BCOP	TCOP	IACOP
COP members learning from each other	<ol style="list-style-type: none"> No of COP participating countries and percentage of individual contacts reporting using COP experiences in designing and recommending or implementing PFM improvements in their own organisations No of contributions from COP individual contacts to PEMPAL website, COP events and learning resources and no of technical assistance missions to other participating countries Development (for Internal Auditors and Treasury COPs) and percentage of a sample of countries using developed COP or existing benchmarking tools 	25% (individual, 31% in 2008) 6 countries (compared to 3 in 2008) No negative survey responses	13% (individual, 56% in 2008) 6 countries (4 in 2008) No negative survey responses	45% (individual, 78% in 2008) 7 countries (7 in 2008) No negative survey responses
		To be completed 7 (2007)	To be completed	To be completed 11 (2007)
		Future utilisation of comparative PEFA study	Future utilisation of comparative PEFA study Benchmarking of treasury function through comparable statistics	IA Manual and Training and Certification Programme Future utilisation of comparative PEFA study

192. **PEMPAL learning applied by a higher proportion of survey respondents from former Soviet republics that are outside of the Central Asia region:** A comparison of responses by sub-region and administrative tradition, shows that the proportion of respondents from countries outside Central Asia but from the former USSR who have been able to apply PEMPAL learning is higher than for any other combination of respondents, namely i) respondents from former Soviet republics in Central Asia and (ii) respondents outside of Central Asia from countries that are not former Soviet republics. On the other hand, the proportion of respondents from the latter group who have been able to apply PEMPAL learning, is the lowest.

Table 15: Percentage of respondents reporting they have already learnt from PEMPAL by sub-region and administrative tradition

	Central Asia	Not Central Asia	Total
Former USSR	29%	43%	38%
Not Former USSR	-	25%	25%
Total	29%	32%	31%

193. This is congruent with the interview findings, except for Central Asia lagging somewhat: countries who reported being able to apply PEMPAL learning, included Ukraine, Moldova and Georgia. However, all interview respondents from Central Asian countries were clear that the learning from PEMPAL influence how they think about reforms. Country respondents who reported that whereas individuals who attend PEMPAL events benefit, but that PEMPAL is unlikely to directly influence reforms were all from non-former Soviet republics.

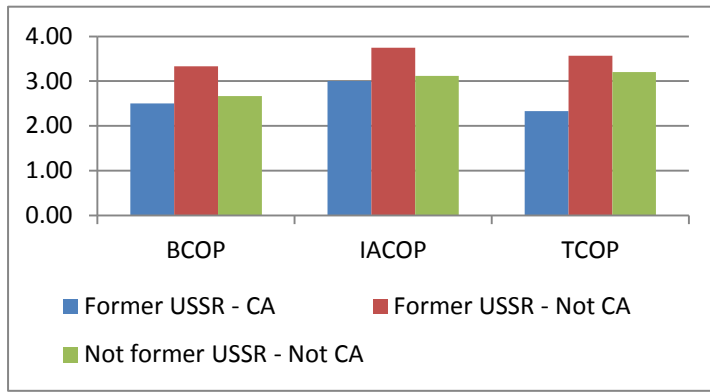
3.3.2 Relevance of COPs to members

194. **Most TCOP respondents find COP highly relevant and relevant:** The survey also probed how relevant survey respondents thought PEMPAL was to their work. The TCOP had the highest proportion of respondents who thought the COP’s work was relevant to their work (99%), but also the only respondents who rated the COP not relevant (see Annex Data 16). Altogether 86% of IACOP respondents replied that PEMPAL was relevant or highly relevant to their work, and 76% of BCOP respondents.

195. **PEMPAL relevant to all respondents; the COPs on average most relevant to respondents from former Soviet republics outside of Central Asia, least relevant to Central Asian respondents.** When the average responses are calculated by COP¹⁴, region and administrative tradition, it shows that the highest average score was achieved in the IACOP, of former USSR republics outside of the Central Asia region. Across the COPs, this is the regional and administrative tradition combination that scored COP relevance the highest. At the same time, respondents from the former USSR republics located in Central Asia, found PEMPAL least relevant on average. It should be noted however, that the average scores for all groupings are above 2, which equals ‘somewhat relevant’.

Figure 15: Average response: relevance to work by COP, region and administrative tradition

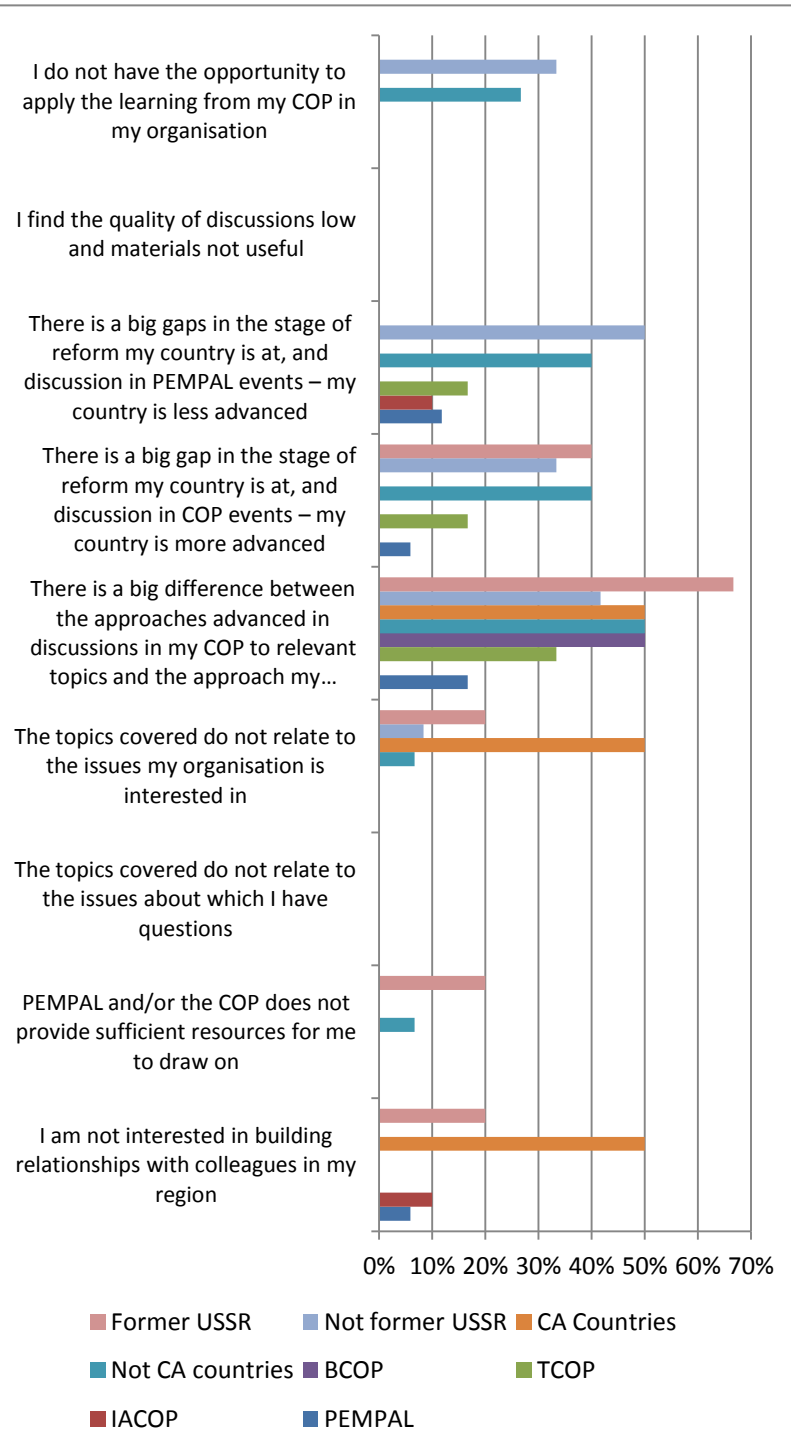
¹⁴ Where 1 would indicate not relevant, 2 somewhat relevant, 3 relevant and 4 highly relevant.



196. The survey probed reasons for PEMPAL being perceived as not relevant. It should be noted that the sample size on this question is low (17 responses), since in the initial round of responses, respondents were not asked to complete it unless they indicated that PEMPAL is not relevant to them. This was changed in subsequent rounds as in two cases,

respondents did not negotiate the page change in the survey associated with the skipped question, and therefore did not complete their survey. Subsequent respondents were asked to answer the question irrespective of whether they indicated that PEMPAL was relevant or not.

197. **Content gaps between countries' approach / level of advancement and PEMPAL**



discussions often reason for perceived irrelevance. The graph below shows the percentage of respondents by grouping who selected 2 and above on a scale from 1 to 5, where 1 indicated strong disagreement and 5 strong agreement in answer to each of the statements as to why their COP is not relevant to them. Notable is the clustering of 'hits' around the difference in approach and gap between countries level of technical advancement and the discussion in the COP.

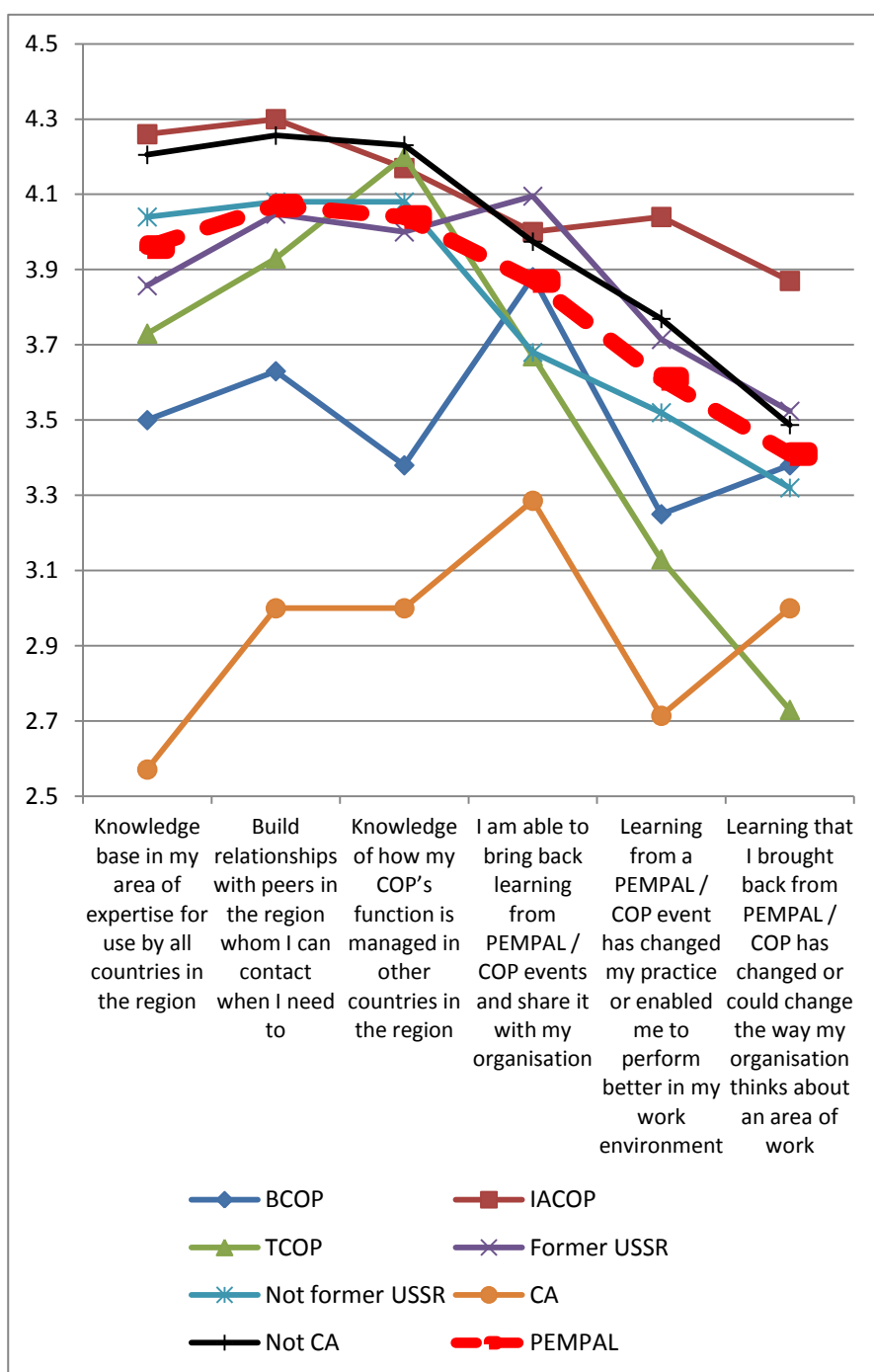
Figure 16: Reasons by COP, region and administrative tradition for respondents noting some lack of relevance

198. The most significant proportion of members who rated a reason is the over 60% of respondents to this question from former USSR republics who selected 'a big difference between the approaches

advanced in discussions in my COP and the approach in my country'. Clustering around 'my country is more advanced' and 'my country is less advanced' is about equal.

199. **Respondents linked COP relevance to their own learning rather than affecting how organisations think.** The survey also probed why respondents considered PEMPAL to be relevant to their work. The graph below, which shows the average score by participants to the phrases (if 1=strong disagreement and 5=strong agreement) shows that respondents judged all the provided reasons to contribute to COP relevance. Average scores across different groupings for all reasons are above 2.5.

Figure 17: Reasons for PEMPAL's relevance to respondents, average score by group



200. It also shows that on average respondents agreed more with statements concerning PEMPAL's relevance to them as individuals, rather than with statements indicating that their learning impacts on their practice or on how the organisation thinks (see PEMPAL line on the graph alongside).

201. **However, the small difference in average scores between individual and organisational learning should be seen as an achievement.** Given that not all participants drive reforms, and that there are gaps between the content of PEMPAL learning events and countries' approaches and levels of advancement, and that it is difficult to translate individual learning into organisational change in any event, the high score given on average to organisational impact as a driver of relevance (3.41, indicating moderate

agreement), is more an indicator of success, than the lower score compared to individual learning is an indicator of failure. The difference in average score is about one fifth the value of the highest score.

202. **Relationships with peers rated highly:** The highest or second highest score for all groupings is for the ability to contact peers in the region when they need to.

203. IACOP respondents indicated the strongest agreement across the reasons, and respondents from Central Asia the lowest.

204. The TCOP scores shows the largest variation on average across respondents, with respondents emphasising learning about how the function is managed across the region as a reason for the COPs relevance much higher than changing the way in which their organisations think. Respondents from countries that are not former USSR republics followed a similar pattern.

205. For respondents from Central Asia, the BCOP, and from the former USSR the ability to bring back learning and share it with their organisations rated on average the highest. For Central Asia respondents learning about other countries, being able to build relationships and being able to change the way their organisation thinks were important reasons for PEMPAL relevance, compared to other reasons besides being able to bring back and share learning.

3.3.3 Mechanisms of learning

206. Interview responses were consistent with the survey data. Interview respondents set out the ways in which their participation in PEMPAL have benefited them and their countries:

- **Learning about other countries' reform paths is valuable.** Respondents reconfirmed the high value of the exposure to how other countries are implementing similar reforms.
- **The important learning is not about the theory of PFM or about approaches in the abstract, but about the operational practices of other countries.** Most country respondents reported that they learn not primarily from the design or theory of what countries are doing (this could be learnt from other sources), but from the sharing of practical experience in implementing reforms or managing common PFM functions. While this learning is about what countries do that works well, it is also about their mistakes. Respondents reported that the elaboration of documents on intended reforms is relatively easy: it is the implementation that is the hard part. PEMPAL offers the opportunity to ask questions like how big is your unit; where is it placed; how do you capacitate ministries; how do you ensure that reporting is effective.
- **PEMPAL a forum for advice.** In the IACOP for example the hosting country is allocated a session on the event agenda, during which it presents its internal audit system. While this offers an opportunity to show case progress, it is also a forum in which other participating countries, the resource team and attending experts discusses the country's system and offers advice. Host country respondents have highlighted this practice is extremely valuable. For Moldova for example, the opportunity for reflection on its plans was highly useful and it has adjusted its strategies taking in to account the discussion outcomes.
- **Country visits and bilateral exchanges offer opportunities to engage in depth:** The learning that occurs during in-depth country sessions is not restricted to the country itself: the space to interrogate country systems and the opportunity to communicate on the detail of countries' reforms is deemed valuable by respondents. The value in bilateral exchanges lies

in having the space to ask specific questions that can be examined in great detail: in plenary type events there is limited space for this engagement.

- **Learning about more developed countries' systems is also valuable:** Members reported finding value in being exposed through inputs at events or study tours, to systems in developed countries. This gives them a yardstick against which to assess the advice they are getting and their own progress, as much as the learning about their peers in the region.
- **Network members reported finding as much value in building up networks of contacts, as learning about other countries' experiences.** These networks are with colleagues in region countries, but also the events allow them to meet experts from organisations like the World Bank and IMF, and in the case of the IACOP, from the OECD and the Institute for Internal Auditors. For many officials PEMPAL is the main, if not only, opportunity to build such networks of professional relationships. These relationships are valuable when faced with a problem or undertaking reforms.
- **PEMPAL offers a space for reflection.** Numerous respondents spoke about their work burden and how in their daily tasks, all time is taken by fulfilling daily tasks. Attending a PEMPAL event provides an opportunity for reflection, for connecting with people and talking about the underlying systems within which they work.
- **Country participants take what they need for adaptation in their own countries:** Country respondents highlighted that while the context of other countries is often different from other countries in the network, with different sizes, reform paths, administrative traditions, cultures and political economies, they are able to select aspects of another countries' experience and take that back for adaptation in their own country. One respondent from a more advanced country said that even if PEMPAL discussions might not influence their reforms in a major way, in every event there is at least one discussion or one insight that is valuable and which they would be able to adapt and apply.
- **Comparative statistics useful:** Participants have reported finding value in the comparative statistics prepared in the TCOP from a survey prior to the Chisinau meeting: this enabled them to see where they are in respect of reforms relative to other countries in the region. The World Bank is currently sponsoring a comparative study of available PEFA and other assessments in the Europe and Central Asia region, which PEMPAL hopes to use to inform COP work programmes and which would be a highly useful addition to the network's knowledge resources.
- **PEMPAL empowers participants to engage on PFM reforms.** In PEMPAL countries the reforms required are major and officials are faced with enormous challenges for which they do not always have the knowledge. While they can draw on consultants, consultants often present the models they are familiar with. Country participants feel themselves empowered through PEMPAL and their knowledge of what happens in the region to engage in a conversation with consultants. PEMPAL assists in building participants' confidence to engage internal and external stakeholders on reforms and argue for what they believe is the correct route to improved systems.

207. **The frankness of PEMPAL exchanges unlocks value for participants:** Country and resource team respondents placed emphasis on how the PEMPAL environment encourage frank exchanges on the back of the growing trust between a core of regular participants. This familiarity and trust sets the tone for meetings, making it easier for newcomers to follow the example.

208. **Learning between events is sustained by on-line resources:** Most country respondents reported that they actively use the website to access materials. Having presentations available on line for reference when needed, is very valuable. The IACOP Wikispace is also used by participants to contact colleagues in other countries when a finance ministry is faced with a particular problem. Moldova for example, reported accessing the Wikispace to look up documentation and the contact detail of colleagues in Kosovo for a query on decentralisation of financial management systems.

209. **The quality of translation and simultaneous interpretation critical to ensuring effective learning.** While the CEF reported that they work with a constant pool of interpreters who are familiar with public finance terms and who over time have built up experience in PEMPAL and COP discussions, the quality of interpretation remains an issue for Russian-speaking participants. While no interview respondents actively said they thought the interpretation was of a high standard, many reported that the interpretation sometimes was disappointing. At the end of a presentation Russian speakers are left with many questions on issues that do not make sense: this influences their absorption of event discussions and ability to participate. Russian speaking respondents also expressed the desire for more events to be in Russian, with interpretation occurring the other way.

3.3.4 Views of senior officials

210. **All senior officials and deputy ministers interviewed were positive about the value of PEMPAL to their country and in the region.** The key to this value is the opportunity to learn from other countries that are tackling or have tackled similar reforms and are facing similar challenges. This not only has a design aspect, but is also preventative: countries learn about the mistakes made by other countries and are able to avoid them. A key value lies in not needing to 'reinvent the wheel' on major reforms and system improvements.

211. The senior official from Croatia however did point out that because Croatia is more advanced in its PFM system the scope for PEMPAL impacting on its current reform programme is limited. The scope is also limited because it is not necessarily the drivers of reforms who attend PEMPAL events from Croatia, but rather less senior staff who benefits from their participation as individuals, but who has only limited exposure to units who do direct reforms.

212. **The opportunity to host a PEMPAL event carries high value:** The Deputy Minister of Finance from Kazakhstan put high value on the opportunity to host a TCOP event. Not only did it provide the finance ministry with the opportunity to view the development of its systems through the lens of other countries' experiences, it also provided it with an opportunity to share its progress and experiences. As a result of the workshop representatives from the Kyrgyz Republic and Tajikistan have expressed an interest to access training offered by Kazakhstan, which would not have been possible without the PEMPAL event exposure. The Ukraine confirmed ordinary participants' experience of high value in engaging in great detail on countries' systems in country-specific sessions.

213. **Value lies not only in the influence on reforms, but also in providing individuals with a forum for participation.** Other officials too emphasised that the value of PEMPAL is not only about informing country reforms, it is also simply about people participating. PEMPAL over time builds the professional competence of practitioners through training and creating a dialogue platform for sharing experiences. It boosts morale of employees and stimulates their engagement with the work

that they do. Simple contact between peers results in a network of which the value is at least partly in the future.

214. **Topics covered by PEMPAL are highly relevant to countries reform paths.** Senior officials found high relevance in the PEMPAL COP focus areas: the implementation of integrated financial management systems is a common challenge; designing and implementing functional programme budgeting systems is a current topic for all budget offices; and the shift to risk-based internal audit of financial management systems is also a common challenge. The work of the IACOP in providing guidance on the regularity framework, implementation modalities and preparation of internal auditors across the system is important and highly relevant.

215. **However, PEMPAL coverage should be extended to finance ministry-wide engagement.** Some senior officials felt that PEMPAL's value would be enhanced if it operates as a network of finance ministries, within which COPs operates. As the PFM system operates as an integrated whole, other PFM sub-sectors would benefit equally from the opportunity to learn from other countries in the region and develop networks. PEMPAL could then be used as a mechanism to stimulate discussion between PFM sub-sectors at the country level, which would be highly helpful to countries to lift their practice across the whole system.

216. **Engagement with countries outside of the region would also be valuable.** Two of the senior officials interviewed highlighted the need for the network to also expose its members to systems in developed countries. The longer periods of reform and longer experience of these countries would provide valuable perspectives to PEMPAL countries.

3.3.5 Illustrative examples of PEMPAL impact

217. As highlighted in the evaluation framework, there are many illustrative examples of PEMPAL affecting countries' reform paths, despite the declining proportion of individuals who report that they have used PEMPAL learning to design or implement reforms.

218. All member country respondents interviewed were able to illustrate ways in which they share learning from PEMPAL with their organisations or colleagues. This occurs both formally (through reports or a presentation to senior management) or informally, by sharing materials with colleagues and discussing the event and its content.

219. Examples of applied learning was collected during the evaluation through the survey, by asking interview respondents to name specific examples and by going through the comments elicited from participants in the post-event surveys. Examples of learning include:

220. **The work undertaken in the TCOP on integrated financial management systems and associated topics have impacted on a number of countries' IFMS and accounting reform programmes.**

- Georgia adjusted its approach to developing an IFMIS. Originally the country was planning to purchase standard packages, but after learning from the experience of other countries on the long-term value of developing systems in-house and tailored to the particular needs and pace of reform of Georgia, the decision was changed. The experience points to this route being better in the long-term, even if it presents significant challenges up front.

- PEMPAL was an important influence in establishing an IFMS in Armenia: while it was not the primary driver behind the decision to shift to electronic financial control and accounting, being able to engage regional countries on their experience helped make it a reform priority.
- Tajikistan took up recommendations from the 2010 TCOP meeting in Dushanbe to improve its chart of accounts.
- The Kyrgyz Republic took examples and learning from the 2010 Dushanbe event to pilot the integration of budget classification with the chart of accounts.
- Moldova used conclusions from the hosted workshop to design its own future IFMS and other related reforms. It also used the outcomes of the Dushanbe workshop to develop its budget classifications and chart of accounts.
- The Moldovan specialists who attended the Ljubljana cash management workshop, used the knowledge acquired there in related reform.

221. Many countries reported ways in which their membership of the IACOP have supported and speeded up their progress from an inspectorate system to risk-based internal audit.

Particularly countries that are looking at accession to the EU in the long-term, for which an internal audit system is a requirement, reported high value in contact with their peers who are undertaking similar reforms.

- Albania's adoption of a training strategy for Internal Auditors will draw significantly on the IACOP Training and Certification Model discussed during IA COP workshops. The country will use this exposure as a base for developing its new training strategy.
- Ukraine learnt from the Croatian experience on the functions and set-up of the internal harmonisation unit; it will look towards applying the lessons and replicating relevant aspects as it builds up its capacity. The elaboration of a training strategy for implementation in 2011 also benefitted from exposure in the IACOP to the strategies of other countries.
- When Moldova decided to implement risk-based internal auditing, it had no experience and knowledge to draw on. While international experts provide advice, there are many of them and harmonising their advice and getting the sequence right was important. PEMPAL provided the obvious first stop to ask practitioners what to do. Moldova then hosted an IACOP event, during which the Moldova case was studied. The advice provided by participating countries was critical for developing a strategy on implementing internal audit.

222. Countries reported incorporating learning from BCOP events on programme budgeting into their approaches. Particular examples are one respondent (country not identified) which reported that his/her country is in the process of implementing programme budgeting and that through PEMPAL he/she realised the importance of aligning organisational structures with budget programmes in successful implementation of the approach. Another respondent reported that learning from PEMPAL was translated directly into improving the format of the 2012 budget.

223. Learning on legal, regulatory frameworks and guidelines very replicable: Several examples relate to countries using learning and documentation from other countries to modernise or strengthen existing legal and regulatory frameworks. Most examples are from the IACOP. For example:

- Ukraine has drawn on the documentation of Croatia, Moldova, Russia, Albania to develop its guiding documentation for internal control and audit.

- Belarus has drawn on the capital budgeting event in Minsk to prepare proposals for improvement of the national PFM framework legislation.
- Croatia drew on examples from the Slovenia internal audit manual to develop its system.
- The design and implementation of internal audit in Serbia was reported to draw on PEMPAL exposure to other countries in the network.
- Bosnia and Herzegovina reported that their internal audit framework drew on documentation made available through PEMPAL from Croatia, Montenegro, Serbia and Kosovo.
- Albania adopted a new Training Strategy for Internal Auditors. The Training and Certification Model discussed during IA COP workshops was used as a base for developing the new training strategy.

224. **The development or translation of documentation through PEMPAL is valuable for Russian-speaking countries.** Several respondents referred to Kazakhstan's translation of the International Public Sector Accounting Standards into Russian speeding up their reform programmes. Similarly, for the Kazakhstan TCOP event, the World Bank review of IFMSs was distributed in Russian, providing Russian-speaking countries with a valuable resource.

225. **Countries have avoided mistakes in their reform programmes, through hearing of challenges faced by other countries.**

- Ukraine learnt about the Bulgarian experience of taking a 'big bang' rather than incremental approach to switching from internal inspectorates to internal audit units. As all inspectorates in Bulgaria were abolished before internal audit was functional, Bulgaria saw an increase in fraud. Ukraine learnt from this and decided to take a gradual approach over 5 to 10 years to phase out inspectorates and phase in internal audit, as capacity in the system develops.
- Moldova accessed in depth engagement with PEMPAL countries through hosting an IACOP event. This enabled Moldova to put in place from the start mechanisms to mitigate risks, like addressing issues around salary levels and putting in place steps to mitigating leakage to private sector of trained personnel.
- Several countries that participated in TCOP events have related how learning about good and not so good practices in the region in establishing integrated financial management systems have helped them avoid costly mistakes.

226. **High level participation in PEMPAL events help speed up reforms:** Ukraine reported that the participation of the minister in the Yalta event and in Zagreb resulted in high support for internal audit reforms, particularly the establishment of a main control and advisory body. The decision to establish this body went through in September 2011, helped by exposing decision-makers to other countries' learning from having functional internal audit systems in place.

227. **Learning can be about specific mechanisms within systems.**

- Albania reported that they were able to learn from Moldova on cash balancing procedures between the Treasury and the Central Bank during the Moldova study tour that attached to the Chisinau meeting in May 2010. They have taken Moldova's approach and have adapted it successfully in the Albania context, solving a long-standing coordination problem.
- Tajikistan replicated the procedures for payment issuance documentation of Russia in its internal control environment.

- Bosnia and Herzegovina reported using Slovenia's economic classification to improve its budget classifications. It also learnt from Serbia's procedures for the EU IPA¹⁵ funds, which were shared with them.

228. **Exposure to the systems of advanced countries outside the region provides additional examples and can assist countries to make better decisions about the advice they are receiving from partners.**

- Serbia found the presentation of the Dutch example where internal audit is run from a central unit for all government departments very useful. It is concerned about its capacity to build up the function in all ministries and about providing the function efficiently, and was not aware of how it could work as a centralised function. Given its size though, it might consider a hybrid of centralised and decentralised internal audit.
- Macedonia and Montenegro found great value in the discussion of Turkey's capital budgeting approach at the Minsk event, including the necessity of and means to track spending and progress on big investment projects. Montenegro would look towards replicating the system, but adjusted for a country of Montenegro's size.

229. **In conclusion, data collected on country-level application of PEMPAL learning is encouraging in respect of network influence on country practices.** The evaluator has been able to collect specific examples of where PEMPAL activities and learning influenced country systems in 13 to 15 countries of the 21 PEMPAL countries. This is from a sample of 25 PEMPAL participants and senior officials interviewed, where respondents were not all senior officials or long-standing PEMPAL participants. The survey collected information from only a further 33 survey respondents. The evaluation research covered in one or another way 18 countries in the network.

3.3.6 Conclusion: Do PEMPAL members learn from each other?

230. The evaluation set out to probe whether and at what level learning occurs in the COPs. The research – drawing on the discussion by Wenger, Trayner et al (2011) -- tried to ascertain what learning value the COPs create, and for whom. The intention was to look at both short term and long term value. Drawing on the data presented above, the findings are as follows:

- The *first line beneficiaries of the COPs programmes of work are the individual participants themselves. This should be seen as desirable*: if the individuals in the network find no value in it, the network would not survive. The evidence from the surveys and interviews is that PEMPAL and its COPs offer opportunities to members for learning, professional advancement, networking and confidence-building.
- At the most elemental level of learning, *all three COPs offer activities and interaction that allow members to learn just by participating*, namely through advice on difficult issues, through useful formal presentations and informal discussions, through tips on what can go wrong and through their engagement with systems other than their own.
- At the second level, all three COPs have also made progress in building up knowledge capital within the community: this refers to building a common understanding of what the key problems are that countries face in the community's domain, and good practice in addressing the problems. *The most useful knowledge capital the COPs create is around the*

¹⁵ Instrument for Preparation for Accession

practice of PFM reform and management in the region: whereas participants can source approaches and theories elsewhere, building up a knowledge base in a COP on what works in practice is unique to PEMPAL-type engagement.

- The COPs however, also offer other forms of knowledge capital. *Important among these are access to learning resources*. For example, members of the IACOP have access to learning resources developed by the COP itself; members of the TCOP have access to key documents in their domain, such as the IPSAS and the World Bank study on IFMS systems; members of the BCOP were given access to Turkey's approach and software to managing large infrastructure projects. The PEMPAL network fulfils an important role in exposing members to the PFM reform discourse and learning resources in an environment of collective trust.
- There is also evidence that the *COPs have built up reputational capital*: the work of the IACOP for example, has contributed to stakeholders recognising the strategic importance of the domain. The COPs have huge potential to provide a collective voice for their members within their home environments. The recognition of professional identity and status that results from an effective COP can create an environment within which the interests of a practice area can be furthered and better human resources recruited.
- This has been achieved through the development of "a learning partnership that creates identity around a common agenda or area for learning" (Wenger et al, p12). In both the TCOP and IACOP there is a sense of collective trust among the group of core members, coupled with a commitment to further their learning project. While the BCOP lags somewhat, there is a group of members who have been involved since the founding event in Vilnius for whom the COP does function as a learning partnership.
- At the third level, the *COPs activities have resulted in changes in the practice of countries*, as is illustrated by the previous section. Members in many cases have been able to translate their individual exposure to communal learning into changes in their country's practices. These range from specific narrow adjustments in a country's practice, to major adjustments in reform programmes. The latter arguably already operate at the fourth and fifth level of the Wenger et al framework, namely when the changes in practice lead to better performance and learning from the community fundamentally alters how a finance ministry thinks about an area of practice. Examples here are Georgia's adjustments to their IFMIS programme, Ukraine's adjustment to its plans for implementing internal audit reforms and one country's adjustment to programme budgeting reforms to incorporate organisational change.

231. **The finding is therefore that PEMPAL has successfully created COPs within which members learn from each other.** While the first level beneficiaries are the participating individuals, in many cases this learning impacts on countries' practices.

232. **It is important that (i) the value of learning and professional development at the level of the individual is recognised within the PEMPAL Steering Committee and (ii) funders' expectations should not exclusively or primarily be about PEMPAL's immediate influence on PFM practices at the country level.** The current PEMPAL objective framework correctly recognises that the strategic objective is that participants – and countries – learn from one another. However, in measuring whether this learning has taken place, the framework emphasises almost exclusively changes at the level of country practices as evidence of learning. This ignores the earlier learning cycles (learning by the individual and the creation of communal knowledge capital including learning resources and

building of professional profile), and prioritises what could be limited short-term effects over more substantial long-term benefits.

Section V: Conclusion and Recommendations

233. The executive summary provides a systematic overview of the findings in each of the sections above. The conclusion will therefore focus on highlighting a few cross-cutting findings, and discussing recommendations arising from the evaluation.

4.1 Concluding remarks

234. **Network has grown in size and is more institutionalised:** The first clear cross-cutting finding is that the network has both grown in size and deepened its functionality over the period under review. More countries are involved; more individuals have been exposed to PEMPAL activities and the network has access to more resources. At the same time, there has been progress in institutionalising the network: the Executive Committees are more involved, the Steering Committee is more effective, and the institutional infrastructure for the network has been strengthened.

235. **Important to highlight the degree to which countries drive network agendas:** Some respondents expressed concerns that PEMPAL is not only donor managed, but donor driven. This would undermine countries' ownership of the network and their trust in it serving their interests. Given remarks of this nature by respondents, the evaluation systematically checked with leadership group respondents, members, senior officials and resource teams what their perceptions are in this regard. The consistent response has been that the Executive Committees of the COPs are consistently active in establishing the work agendas of the COPs, even if not consistently in the execution of agendas, and there is high awareness of how individual members can influence the direction of the network. It would seem that the coincidence of donor interests and the agendas of the COPs does not stem from donors driving the COP agendas at PEMPAL level, but rather from donors' influence on countries' agendas at the country level.

236. **Individuals and countries learn from each other:** Learning occurs in all three COPs at the level of the individual; in most PEMPAL countries the activities of one or more of the COPs have resulted in changes in country practices.

237. **IACOP has performed better in terms of PEMPAL objectives:** Secondly, the IACOP has almost consistently returned better performance against network input, output and strategic objective criteria. The table below summarises key comparative findings from survey and other data about the COPs. While interview respondents held the view that the TCOP is the second strongest performing network, other data points to its members being the least satisfied with COP performance, even if still for the most part satisfied.

Table 16: Summary of comparative performance between the COPs

IACOP:	More respondents to survey; smaller contact list footprint; more events on average, although lower invites per event; higher sense of ownership and belonging by members; more successful in translating desire to participate into actual participation; higher rating of
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	Executive Committee performance; most prepared to pay membership fees; less satisfied with the Secretariat performance; uses materials more frequently; members rate quality of materials the highest; tools and other materials developed by the COP rated higher than other types of resources, and used more frequently; density of informal network contacts increased; members agree most strongly on average with relevance of learning in the COP, particularly for reasons concerning country-level impact; have made the most progress in building explicit COP-branded knowledge capital.
TCOP	Second most respondents to the survey; equal number of events than BCOP per year, but least over full existence of PEMPAL; highest number of contacts on list, but returned the least dense network map, even if map most incomplete; members least willing to contribute to the management and outputs of the COP; lowest rating for Executive Committee performance of the three COPs; uses PEMPAL materials the least; lowest ratings on quality of materials, although rating still positive; but highest rating for presentations at events, also most used; yet higher proportion of respondents found PEMPAL relevant and highly relevant to their work than other COPs, but relevance linked to first level type of learning, ie the acquisition of information and contacts.
BCOP	Very low response to the survey; equal events to the TCOP on average, but no events in 2009 and lower number of COP contacts on list; network membership analysis show better overlap than for IACOP and TCOP, but this is on account of approach to 2011 invites; members are the least willing to pay membership fees; middle rating on Executive Committee performance; use of materials and satisfaction with materials; members use presentations and guidelines and tools about equally; members find network least relevant to their work; on average members find PEMPAL more relevant because it allows them to build contacts and they can take learning back to their organisations, least relevant because it changes their or their organisations' practice.

238. Compared to the TCOP the IACOP has opted for a smaller individual membership footprint and smaller, more frequent events. Within the smaller footprint it has been more focused on building quality participation. More of the IACOP's work programme is focused on level two learning (generating knowledge capital unique to the network) and with its training and certification programme, it is intending to increase its impact at the level of changing countries' practice. The IACOP Executive Committee and Members are more active in the network, allowing the resource team to play more of an advisory role. Box 5: on page 52 provides a comparative analysis of the IACOPs functioning.

239. **Different country groupings cluster in different COPs; get different value from PEMPAL:** Thirdly, across the COPs, available evidence points to PEMPAL being more successful to date in its engagement with countries outside of Central Asia, but with a former Soviet administrative tradition. These countries have been very able to apply PEMPAL learning to change country practices; they report a solid sense of belonging to the network and of ownership; they are more prepared to pay membership fees. They have also reported high application of PEMPAL learning to change country approaches and practices.

240. On the other hand Central Asian countries are not well represented in the BCOP and IACOP Executive Committees. Respondents from this region were less prepared to pay membership fees; less satisfied with the CEF; reported lower use of country materials; and lower use of PEMPAL learning at country level. Respondents scored the relevance of COP to their work lower than respondents outside of the region and also returned lower scores on country-level impacts as a reason for PEMPAL relevance. However, respondents did emphasise their ability to bring back learning and share it with the organisation. Interview respondents from Central Asia – both country

members and senior officials -- however were highly positive about PEMPAL and its impact on countries' practices. The gap between the potential seen by interview respondents, and the survey returns relative to other groupings, would seem to indicate a high potential for improving network effectiveness at the country-level in this region. Currently the TCOP is active in this region, with countries' active participation in the Executive Committee and events.

241. A third group of countries are the non-Soviet countries. While respondents from these countries have a high sense of belonging to and ownership of the network and rate network resources highly, they have lower application of PEMPAL learning to influence reforms compared to the former Soviet republics outside of Central Asia. The relevance of the network for these respondents lies in building relationships and learning about other countries' practices. While it would be important to keep these countries in the network for cross-learning purposes, the potential for PEMPAL to impact at the country level in this group of countries is likely to decrease over time, particularly as countries which currently act as a bridge between least and most advanced countries -- like Moldova -- advance along their reform paths. However, the impact of PEMPAL at the level of the individuals who participate, is likely to remain significant and not without value.

242. **Besides for the IACOP, PEMPAL has extended the quantity of Individuals who participate without commensurate growth in the core of quality members:** Many interview respondents put high emphasis on the need for PEMPAL to be more than just a mechanism for bringing people to events. The desire is to build a learning network in which members and countries are engaged to create value through peer learning. A learning network however requires committed members who build their relationship over time and consistently contribute to learning.

243. In PEMPAL evidence points to individual participants in events being enthusiastic about the network and willing to contribute even if they have only attended one event. However, over the period under review the network has expanded the number of individual participants on its contact lists, without in the TCOP and BCOP necessarily expanding the core of members who make it a COP by forging a network, rather than just a series of groups of (different) individuals who meet to discuss topics of mutual interest.

244. While in the early phases of PEMPAL there was high value in drawing in as many participants as possible to raise awareness and grow the pool from which core members can be sourced, in the later part of the period it would have benefitted from more focus on increasing the quality of membership and participation, rather than the quantity.

245. **Resources have been used predominantly for events, insufficiently for building knowledge resources:** The Wenger et al (2011) model for describing and targeting learning in COPs speaks about four cycles of learning. In the first cycle it is about activities that provide network members with opportunities to receive information, exchange documentation and build up a network of contacts. At the second level it is about building knowledge capital, the third level is about using the information received and knowledge capital to change practices and the fourth about learning from the network affecting the way that the organisation to which the individual member belongs, thinks about a function. This schema is used in this report to unpack the scope of learning that occurs through the activities of PEMPAL.

246. The contribution of the Russian Federation in early 2010 resulted in a step-up in PEMPAL activities. Besides the IACOP, who have used the resources for a progressive programme of work to

develop knowledge products of benefit to its member countries, the COPs have for the most part used the resources to stage a series of events that operated at the level of the first cycle of learning. For all COPs there is evidence that the learning did spill over into the other levels. However, it is only the IACOP that deliberately in its strategy targets the other levels.

247. While there are differences in the scope for different COPs to develop resources, mechanisms to change individuals' practices and provide more explicit guidance to countries, on balance it would seem that in the TCOP and BCOP more of the additional available resources could have been used to also create PEMPAL-branded knowledge products.

248. **Learning in PEMPAL is at the level of the individual first, then at country level:** The PEMPAL objective framework is built around an expectation that learning in the network will lead to changed PFM practices. This is not surprising: after all it is a donor-initiated network and donors invest in PFM systems in partner countries in order for these systems to improve. This focus however is primarily on the direct link from PEMPAL activities to changed PFM practices, in the short to medium term. It pays insufficient attention to the indirect – if more diffuse -- ways in which PEMPAL could contribute to improved PFM practice over the longer term, for example by contributing to the professional development of its participants and thus to a group of competent, committed, empowered and connected professionals in ministries of finance. Many respondents referred to the participants in PEMPAL frequently not being at the right level to drive reforms: this should not be seen as negative. Rather, developing and connecting these individuals is just another way in which the network contributes to changed PFM systems. It would seem to the evaluator that if this aspect of PEMPAL's value creation is recognised more explicitly by stakeholders, it would enable it to be explicit about the value that the network continues to create even in its member countries that are more advanced.

249. **If PEMPAL is about peer to peer learning, diversity should be embraced:** Many respondents alluded to the value that is created in PEMPAL through bringing together countries at different levels of advancement and from different administrative traditions, as well as individual participants from different levels of seniority. If PEMPAL is perceived to be only about impacting on the reforms of member countries, the value from the network for more advanced countries however diminishes. The query then becomes how much effort PEMPAL should put into keeping more advanced countries in the network. In the view of the evaluator, the loss of regular participation from these countries run the risk of changing the network from a COP in which the value is created through peer to peer learning, to a forum in which technical experts will play a larger role in resolving problems faced by countries, in the absence of peers who can provide the advice.

4.2 Recommendations

250. **Joint, negotiated, internalised and operationalised vision of PEMPAL for all stakeholders important.** There would high value for the network in (i) putting in the time to develop a shared understanding among members of the Steering Committee, the leadership groups and the Secretariat and resource teams of network purpose and goals; (ii) making distinctions between different objective and performance measurement frameworks (ie long-term for the network as a whole; short to medium term for each COP; operational for each event and other operations) and allocating the development and maintenance of performance assessment frameworks and reporting

responsibilities clearly. The Steering Committee for example, would benefit from a small set of indicators to monitor consistently, which would not be the same indicators as are monitored by the Executive Committees, the resource teams, COP coordinators, the Secretariat or the manager of the Secretariat contract.

251. **Network donors should decide on the nature of their engagement with the network in the long-term:** PEMPAL started as an experiment by predominantly the World Bank, even if in partnership with other donors. While the agendas of the COPs are driven by the COPs themselves, there is still a strong sense at Steering Committee level that the direction of the network overall is driven by funders' vision for it. At present that still serves PEMPAL, as the energy and interest of the funders who are involved benefits network formation, and their expertise network content. However, the time seems right for funders to consider whether they see their involvement in the long term remaining at such a level, or whether the intention is to over time establish a network that may require donor funding, but which is run by the countries that comprise it. If the latter is the intention, it would influence a number of key decisions for the next phase, such as whether additional COPs should be added, developing sustainable technical capacity for the network and where to place what type of secretariat function.

252. **A next step in network formation should involve upward expansion:** The PEMPAL COPs have demonstrated the value of peer to peer learning in PFM, from capacitating individuals to assisting countries in making decisions on PFM reforms. The selection of PFM sub-sectors for PEMPAL activity however, could easily have been different, for example a COP for revenue policy and administration; macro-fiscal and debt management; or external audit to name a few.

253. Furthermore, the current model of PEMPAL builds networks between specialists at the PFM sub-sector level without involving in a systematic way senior management and the political leadership.

254. It makes sense for PEMPAL to invest in a next phase in extending its peer-to-peer networking model upwards, rather than sideways. In other words, a next step for the network should be about becoming a network between ministries of finance in the region, operating through sub-sector COPs. This however is likely to take energy and resources over a next phase. In the view of the evaluator this would be a better next step for the sustainability of the network, rather than adding one or other additional COP. It not only make sense for the long-term sustainability of the network, but also for improving capacity for PFM reform at the country level.

255. The decision on when and what COP should be added can then be driven through a legitimate forum of country interests, rather than by the interests of funders in developing specific PFM sub-sectors in the region.

256. **PEMPAL as a network should develop an objective framework that incorporates the value of building the professional competency of individuals involved in PFM in the region:** If the benefits to the region of more connected, empowered and capacitated individuals in current or future key positions are made explicit and targeted in PEMPAL's objectives, it would enable the network to illustrate the value of its operations to funders more comprehensively, while providing the platform on which more advanced countries can participate and bring their expertise.

257. **In a next phase of PEMPAL, the focus should be on consolidating and improving the quality of COP participation:** The TCOP and BCOP Executive Committees and resource teams should focus more in a next phase on strategies to accelerate and deepen COP formation, not only on the substance of what is discussed in events. This would include expanding the core of members who participate regularly, actively build their capacity and contribute.

258. **All three COPs should seek means to develop COP knowledge products:** The value of turning the implicit knowledge capital that builds up in the COPs into explicit knowledge products that are available as legitimate reference points for members to further the COP's domain within countries, is well illustrated by the work of the IACOP. Even if their domains are different, the TCOP and BCOP could benefit from exploring how they would be able to use this mechanism to bridge more systematically from 'cycle 1' learning to 'cycle 3 and 4' learning. The current project to use a comparative study of member countries' performance against the PEFA framework, is a right step in this direction.

259. **Care should be taken to not fragment the COPs:** PEMPAL is enriched by the diversity of its membership. While this creates difficulties across language barriers and cultural differences, the network should look towards addressing these issues through COP-appropriate mechanisms rather than by higher level mechanisms (such as the creation of a dual secretariat) which risks fragmenting the COPs by introducing a parallel primary layer of more homogenous country groups, but without the cross-fertilisation made possible in the current structure which emphasises binding individuals into a network based on a common COP domain.

260. **The technical support function should be better resourced:** A key trade-off in the network is between holding events for a target number of participants, and providing the technical support that contributes to the quality of these events. While PEMPAL during the period under review has made considerable progress in resourcing a constant technical support function, the evaluation finding is that (i) this function is still under-resourced compared to the demand on it and (ii) it requires continued and possibly more dedicated capacity.

261. **The content of and modalities for the secretariat function requires review:** The current modality of contracting part time staff in a third party agent to provide services when required no longer serves the interests of PEMPAL, unless in a next phase limited resource availability results in a reduction of PEMPAL activities and network governance overall is likely to remain anchored in a donor-chaired steering committee for some time into the future. The current modality is no longer ideal because (i) it does not cope with the demand on it at current network levels of activity and (ii) it is not sufficiently forward thinking.

- In other similar networks – such as the OECD Working Party of Senior Budget Officials, the CABRI network of African budget officials, the African Tax Administration Forum and the various INTOSAI networks – a technically capacitated and permanent Secretariat is the engine that drives network formation and content, under the guidance of various forms of governance structures which are member country based. It would serve the PEMPAL network to design the Secretariat function modality for the next phase with the long-term future in mind. Should stakeholders see PEMPAL developing in future into an independent, country-owned institution, using resources over the medium term to start building an independent and discrete secretariat function, perhaps hosted by a member country, would be beneficial to the network. While in the next phase network resources may not yet allow

the establishment of such a secretariat, it would be beneficial if resources for a secretariat are spent in way that contributes to it evolving over time into a full secretariat.

262. In the short term it is important that the current Secretariat documents its learning under the PEMPAL contract, in order to enhance its own ability to provide services, but also to capture procedures that work for the benefit of PEMPAL.

263. **Overall the network would benefit from a clearer assignment of roles and responsibilities between the Steering Committee, Executive Committees, resource teams, hosting countries, the Secretariat and the Community Facilitator.** Some of the dissatisfaction with the services provided by the Secretariat stem from other stakeholders' (unfulfilled) expectations of what the services would entail, from lack of clarity on who does what and how in the run-up to events; and from a break down in relationships due to battles over turf. Overall the network would benefit from setting out clearly, in a working document, what different roles and responsibilities are overall, and for each event drawing up a memorandum of understanding that details how the hosting of that event might differ from the norm.

Annex 1 Terms of Reference

1. Background

PEMPAL, the Public Expenditure Management Peer-Assisted Learning network, represents a multilateral effort to develop capacity and share experiences in improving public finance management practices among countries in Central Asia and Central and Eastern Europe. PEMPAL is organized around three Communities of Practice (COPs), for budgeting, treasury, and internal audit, bringing together a number of high-level practitioners. They meet regularly to share experiences among themselves and seek practical solutions for the most pressing issues related to reform implementation. The initiative, initially conceptualized in 2005 by the World Bank and the United Kingdom's Department for International Development, responds to a concern that many governments are not spending their resources as effectively and transparently as they might and that institutional controls on public expenditures have room for improvement. PEMPAL is thus designed to sustain the enhancement of domestic capacity in public expenditure and financial management, and to strengthen institutions and policies across the ECA countries.

PEMPAL has several innovative features as well as some interesting challenges. For example, rather than focusing on capacity building within single countries and bilateral relations between donors and governments, PEMPAL represents a regional approach involving more than 20 countries in a shared effort to improve the management of public finances. Likewise, rather than emphasizing a traditional model that relies on technical assistance provided by expatriate consultants, PEMPAL's success depends on demand-driven "communities of practice" in which officials from different countries but with similar responsibilities develop much of their own agenda and decide how best to share experiences among themselves using networking, electronic learning, and face-to-face meetings.

The diversity in PEMPAL's membership is one of the key challenges to success. The participants do not share a common language, and relations between some countries have not always been benign. To be effective, participation of high-level officials in the communities of practice is desirable but is often difficult to ensure.

The network has entered an active phase of development in 2008, when the stable donor funding for a 3-year period (2008-2010) was confirmed and a regular secretariat was established at the Center of Excellence in Finance (CEF) in Slovenia. The funding to develop secretariat capacity at the CEF was provided by the World Bank through a Development Grant Facility (DGF). Another important source of funding for the program is a multi-donor trust fund (MDTF) administered by the World Bank. The donors involved in the MDTF from the early years of the program are the UK Department for International Development (DFID) and the Swiss State Secretariat for Economic Affairs (SECO). In 2010, the Ministry of Finance of the Russian Federation has joined the donors supporting PEMPAL by providing a major contribution to PEMPAL MDTF the closing date of which was extended till June 2012. Several other donors have been involved in supporting PEMPAL

through direct funding of the CEF and in-kind contributions in various forms, including InWent, OECD, SIGMA, GTZ, US Treasury.

The current phase of the program is now planned to finish in June 2012 with the closure of PEMPAL MDTF. The Steering Committee is preparing to launch the discussions on the options for continuation of PEMPAL operations beyond that date. Several donors have indicated an interest to continue to be involved in supporting the program. However, the scope of prospective donor assistance, the instruments to be used and modalities of support still need to be determined.

The second evaluation of PEMPAL program is being undertaken to inform the forthcoming Steering Committee discussions on the future of PEMPAL. The evaluation is also required to report back to the DGF secretariat on the outcomes achieved through the DGF grant provided in 2008-2010 to PEMPAL secretariat. This second evaluation is expected to use the evaluation framework developed in 2008 as part of the initial program evaluation the results of which are included in the final evaluation report from March 2009 produced by Mokoro, UK.

2. Objectives and Scope of Work

The purpose of the assignment is to evaluate the progress made in achieving PEMPAL objectives over the period since the February 2008 network plenary meeting in Istanbul. In line with the methodology developed as part of the 2008 baseline evaluation, the evaluation should use the framework based on hierarchy of program objectives and produce analysis at the levels of inputs, outputs and outcomes, as described below.

Analysis of progress in achieving input objectives. At the bottom tier of the value chain the objectives detail a set of arrangements which are essential inputs towards a productive, sustainable and well-functioning network. At the input level of analysis the evaluation is expected to assess

- Whether the secretariat and steering committee are effective
- Whether the network has sufficient resources
- Whether each COP has a committed membership who has ownership of the network
- Whether the network has good governance

As part of the input level analysis, and with the purpose of satisfying the DGF reporting requirements, the evaluation should pay particular attention to the analysis of the progress achieved in building secretariat capacity at the CEF and the contribution of the DGF grant to that process.

Analysis of progress in achieving output objectives. As a knowledge and peer learning network, for PEMPAL the output objective has been broken down in two key dimensions the progress in which is expected to contribute towards the network being judged as functioning well, being sustainable and being productive. At the level of outputs, the evaluation is expected to assess

- Whether PEMPAL has become a network that connects well, in which information flows well and in which members collaborate;
- Whether the network is offering to its members quality learning resources

Analysis of progress in achieving network outcome objective. In the context of the evaluation framework produced in 2008, the strategic outcome network objective has been defined as PEMPAL members learning from each other and building their capacity to improve their PFM systems. At the level of the network outcome analysis, the evaluation is therefore expected to assess the scope, forms and effectiveness of learning that has taken place between the members with the network support during the evaluation period. This is expected to involve examples of the cases when information obtained through the learning facilitated by PEMPAL was used for designing or implementing PFM improvements in member countries.

Across the three levels of analysis, the evaluation should also assess: (a) the strengths and weaknesses of the three communities of practice in comparative perspective (with an eye to whether some COPs are more successful and functioning more effectively than others); (b) opportunities for their enhancement; (c) their contributions to peer-assisted learning.

The evaluation is expected to analyze the progress in implementation of the recommendations provided in the 2009 evaluation report and develop recommendations for the next stage of the network development.

The evaluation is also expected to meet the donors' needs, especially with respect to information they might require to judge whether their continued support for PEMPAL is merited.

3. Activities

This will be a repeater evaluation and it is expected to follow the methodology developed during the 2008 baseline evaluation exercise.

The evaluation should take as a starting point the analysis of the program data available at PEMPAL website and in secretariat archives, including secretariat annual reports, membership and attendance records, COP activity plans, agendas, reports and evaluations from PEMPAL events. The evaluation is expected to make an extensive use of the results of the recent member survey undertaken after the January 2011 network plenary meeting in Zagreb.

Based on the initial analysis of the readily available program information, the evaluator is expected to identify information gaps and propose a plan of activities for collection of additional qualitative and quantitative data required to complete the evaluation. The principal means of such additional data collection are expected to be electronic or written surveys of the participants as well as face-to-face or phone interviews. Resource teams and donors are also expected to be surveyed, as well as officials in the member countries not directly involved in PEMPAL activities (e.g., superiors of PEMPAL participants). The evaluator will also be provided an opportunity to attend selected PEMPAL events.

4. Deliverables and Timeline

The main deliverable for the assignment is the final evaluation report summarizing the methodology approach, the analysis undertaken to cover the scope of work described in section 3, the evaluation findings and recommendations for the future.

An initial report (analyzing the data available through secretariat archives and a plan of activities for additional data collection) should be ready by August 1st, a preliminary draft of the report by November 1, 2011, and a final report by December 15th, 2011.

The evaluator will report to the PEMPAL Steering Committee and will liaise with the World Bank TTL Elena Nikulina on a regular basis as the main point of contact.

The evaluation will require 60 days of individual consultancy input.

Annex 2 Bibliography and List of Respondents

Bibliography

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Wenger, E., B. Trayner, et al. (2011). Promoting and assess value creation in networks and communities: a conceptual framework, Ruud de Moor Centrum, Open Universiteit, the Netherlands.

List of respondents

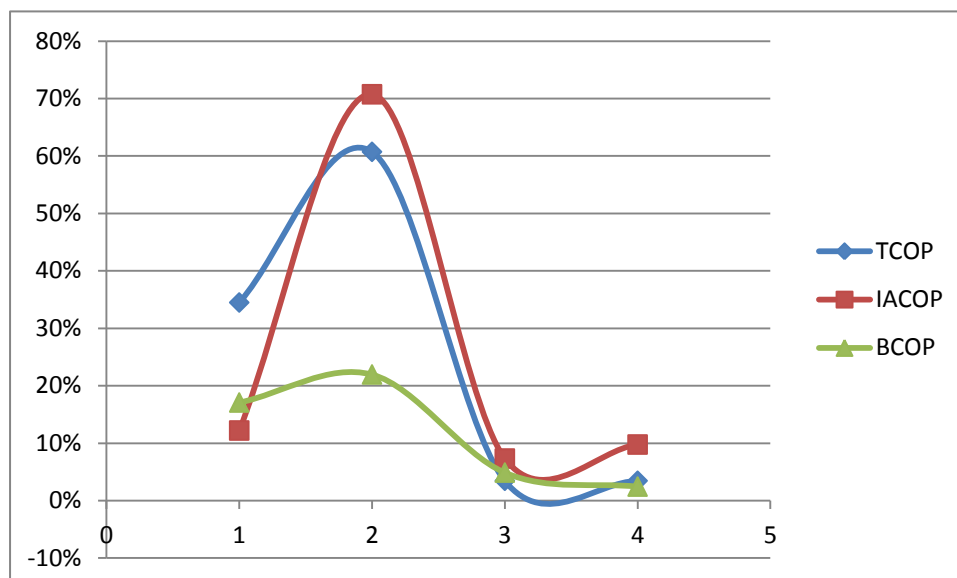
Vugar Abdullayev	Azerbaijan, member of TCOP leadership
Deanna Aubrey	Community Facilitator
Dervish Bytyqi	Kosovo, IACOP
Elena Chechulina	Ukraine, Senior Official
Sergii Chornutskyi	Ukraine, IACOP
Anila Cili	Albania, TCOP Chair
Aurelia Coman	Romania, IACOP
Bojana Crnadak	CEF
Nargiza Dzhumaeva	Kyrgyz Republic
Slobodan Gavrović	Serbia, IACOP
Diana Grosu Axenti	Moldova, IACOP
Judith Hoffman	GiZ
Ivana Jakir	Croatia, Senior Official
Mr Janjughazyan	Armenia, Deputy Minister of Finance
Mladenka Karacic	Croatia, TCOP
Vladislav Karadžić	BCOP leadership, Montenegro
Ismatullo Khakimov	Tajikistan, First Deputy Head of State Treasury, TCOP leadership
Tanja Kostovska	Macedonia, BCOP
Marius Koen	World Bank, IACOP

Senka Maver	CEF
Tomislav Micetic	Croatia, IACOP Chair
Elena Nikulina	World Bank
Zamira Omorova	Kyrgyz Republic, Senior official
Dragica Radojčević	Croatia, BCOP
Svetlana Radovanović	Serbia, BCOP
Christina Scerbina	Moldova, IACOP leadership
Mr B Sholpankulov	Kazakhstan, Deputy Minister of Finance
Senka Sogorovic	Croatia, IACOP and BCOP
Salome Steib	State Secretariat for Economic Affairs (SECO), Switzerland
Nino Tchelishvili	Georgia, TCOP
Arman Vatyan	IACOP Support Team
Joop Vrolijk	OECD

Annex 3: Additional data

Annex Data 1 Distribution of participation in PEMPAL by COP

See paragraph 26 in main text.



1 = never; 2 = 1 - 3 times; 3 = 4 – 6 times; 4 = 6 and more times.

Annex Data 2 Distribution of CEF Contact list between countries by type

See main text paragraph 20.

Member distribution			
	Former USSR	Not former USSR	Grand Total
CA	28%		28%
Not CA	22%	50%	72%
Grand Total	50%	50%	100%
Country distribution			
	Former USSR	Not former USSR	Grand Total
CA	27%	0%	27%
Not CA	18%	55%	73%
Grand Total	45%	55%	100%

Annex Data 3 Spread of country contacts by COP and country

See main text paragraph 24.

	BCOP	IACOP	TCOP
Share in total contacts	34%	30%	36%
Contribution of Croatia and Ukraine		9%	

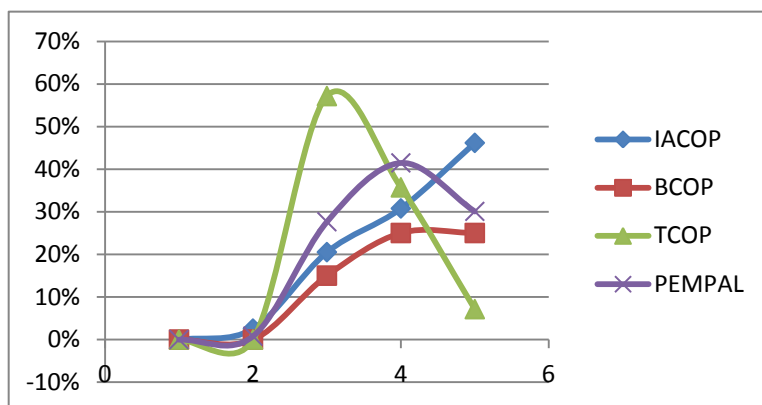
Contribution of Kazakhstan, Moldova and the Kyrgyz Republic			9%
Contribution of Belarus, Bosnia and Herzegovina, Georgia and Moldova	12%		

Annex Data 4 Respondents' sense of belonging to a network, influencing priority setting and driving the network

See paragraph 35 in main text.

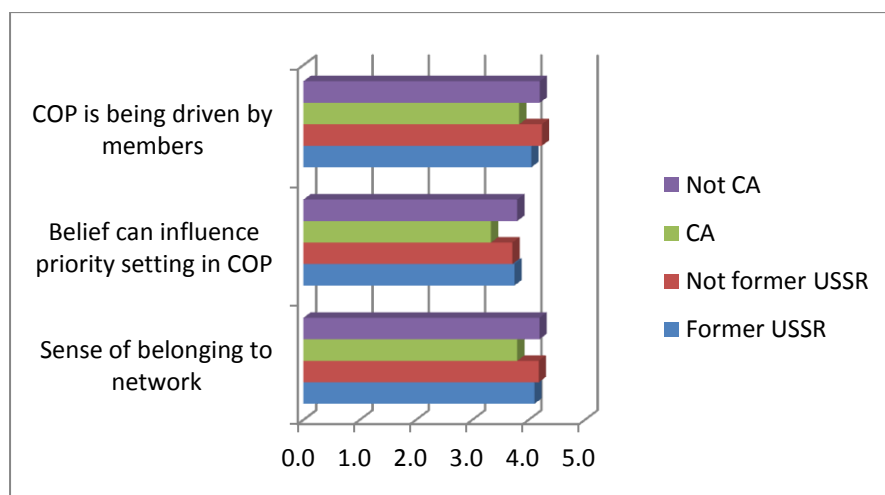
	Not true at all		Slightly untrue		Slightly true		TRUE		Very True	
	2008	2011	2008	2011	2008	2011	2008	2011	2008	2011
I have a sense of belonging to a network	0%	0%	7%	0%	22%	24%	48%	37%	22%	39%
I believe I can influence priority setting in the COP	0%	0%	18%	2%	39%	44%	30%	32%	12%	22%
The COP is being driven by its members	3%	0%	13%	0%	31%	15%	53%	56%	0%	29%
Average	1%	0%	13%	1%	31%	28%	44%	41%	11%	30%

Annex Data 5 Sense of belonging by COP (evaluation survey results)



Where 1 = not true, 2 slightly untrue, 3 slight true, 4 true and 5 very true. Note the rising line for the IACOP.

Annex Data 6 : Sense of belonging by region and administrative tradition



Where 1 = not true, 2 slightly untrue, 3 slight true, 4 true and 5 very true.

Annex Data 7 : Members' assessment of executive committees' performance 2008 and 2011 by COP

	Below Average		Average		Highly		Very Highly		Highly and very highly	
	2008	2011	2008	2011	2008	2011	2008	2011	2008	2011
TCOP	0%	0%	33%	33%	67%	44%	0%	22%	67%	67%
IACOP	0%	0%	27%	6%	55%	24%	18%	65%	73%	88%
BCOP	0%	0%	92%	0%	8%	100%	0%	0%	8%	100%
PEMPAL	0%	0%	56%	9%	44%	28%	9%	28%	53%	57%

Annex Data 8 Willingness to pay fees by region and administrative heritage

See main text paragraph 68 and 69.

	Central Asia		Not Central Asia		Total
	Former USSR	Not Former USSR	Former USSR	Not Former USSR	
Did not answer	1	-	2	5	8
Not willing to pay	4	-	7	11	22
Willing to pay	2		5	9	16
<i>Of which will pay</i>					
<USD50	1	-	1	7	9
<USD150	0	-	3	2	5
<USD450	1	-	0	0	1
>USD450	0	-	1	0	1

Annex Data 9 Willingness to pay fees by COP

See main text paragraph 70

	TCOP	IACOP	BCOP
Did not answer	5	2	1
Not willing to pay	8	8	6
Willing to pay	2	13	1
<i>Of which will pay</i>			
<USD50	0	8	1
<USD150	2	3	0
<USD450	0	1	0
>USD450	0	1	0

Annex Data 10 Participant ratings of event organisation and administration

See paragraph 83 in the main text.

SCORE (1 = negative; 5 = positive)		1	2	3	4	5
IACOP	Organisation	0%	6%	6%	18%	71%
	Administration	0%	6%	0%	6%	88%
TCOP	Organisation	0%	0%	12%	12%	76%
	Administration	0%	0%	8%	20%	72%
BCOP	Organisation	0%	0%	0%	0%	100%
	Administration	0%	0%	0%	0%	100%
Zagreb	Organisation	7%	2%	11%	25%	55%
	Administration	3%	5%	10%	26%	57%
Bern	Organisation	0%	6%	11%	39%	44%
	Administration	0%	7%	7%	13%	73%
Across events	Organisation	4%	3%	10%	21%	62%
	Administration	2%	4%	7%	19%	69%

Annex Data 10a: Analysis of interview respondents' responses in respect of the Secretariat and Secretariat function

All interview respondents	
Total no of respondents	32
Not asked about Secretariat and Secretariat function and no opinion expressed	15
Not asked about Secretariat but opinion expressed	2
Asked about Secretariat and opinion expressed	13
Members of the CEF	2
Respondents who expressed an opinion on the Current Secretariat and Secretariat function	
Total no of sub-sample	15
Only positive about Secretariat	5
Positive about Secretariat, but expressed reservations	7
Predominantly expressed reservations about Current Secretariat	3
Of those who expressed reservations	
Support to Central Asian countries/former Soviet Republics	5
Secretariat should move to PEMPAL country	3
Issues around event support	4
Host country issues	3
Ability to provide technical support	7

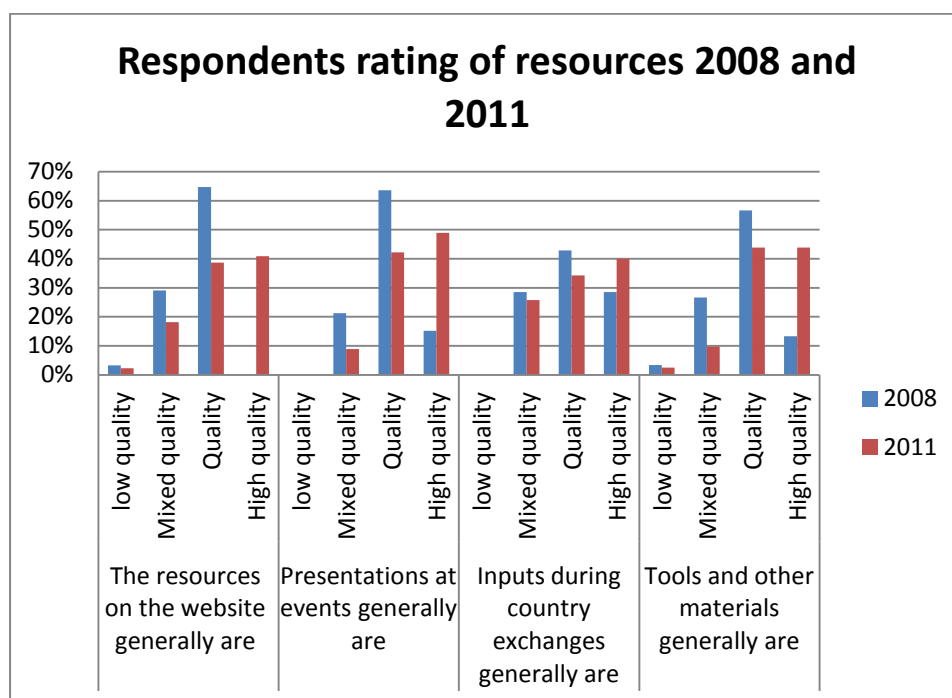
Annex Data 11 Use of data by region and administrative tradition

See paragraph 115 in main text.

	Average Score			
	Presentations	Papers	Guidelines and Tools	Country Materials
FORMER USSR	2.1	2.1	2.3	1.9
<i>In Central Asia</i>	<i>2.0</i>	<i>1.9</i>	<i>2.3</i>	<i>1.4</i>
<i>Not in Central Asia</i>	<i>2.2</i>	<i>2.3</i>	<i>2.4</i>	<i>2.1</i>
NOT FORMER USSR	2.2	2.2	2.1	1.8
NOT IN CENTRAL ASIA	2.2	2.2	2.2	1.9
<i>Former USSR</i>	<i>2.2</i>	<i>2.3</i>	<i>2.4</i>	<i>2.1</i>
<i>Not former USSR</i>	<i>2.2</i>	<i>2.2</i>	<i>2.1</i>	<i>1.8</i>
IN CENTRAL ASIA	2.0	1.9	2.3	1.4

Annex Data 12 Respondents' rating of resources, 2008 and 2011

See main text paragraph 120



Annex Data 13 PEMPAL website statistics comparison year on year

See main text paragraph 133.

	January 1 - May 24, 2010	January 1 - May 24, 2011
Visits	1,571 (42% repeated once)	3,995 visits (54% repeated once)
Page views	7,607 (45% bounce rate)	15,036 (49% bounce rate)
Content: most visited	PEM PAL entry site, Chisinau May 2010 event, Publications	PEM PAL entry site, Plenary meeting, Publications
Average page views	4.84	3.76
Traffic source	Direct: 26%, Referring site: 37%, Search engine: 37%	Direct: 25%; Referring site: 35%; Search engine: 40%

(Source: First quarter, 2011 report to Steering Committee).

Annex Data 14 Results from the PEMPAL survey on its website (November 2010)

See main text paragraph 123.

In order to analyze the PEMPAL members' views on the functionality of the PEMPAL site the PEMPAL Secretariat performed a short web-based exit survey in September 2010. The survey was sent to 264 PEMPAL members out of whom 65 responded. These were the findings of the survey:

- (i) Overall, the PEMPAL members are satisfied or very satisfied (73%) with their experience with the site.
- (ii) Most PEMPAL members use the website on a monthly basis (39%), followed by those who use it either weekly (30%), or less than once per month (25%).
- (iii) In general, PEMPAL members confirmed that they would likely or very likely return to the website (85%), and that they would recommend the site to their colleagues as well (77%).
- (iv) The main reason why members visit the site was to learn about the latest news on PEMPAL network activities and developments (85%), and to browse through the

announcements of the forthcoming events (75%). Many of them also visited the site after the events to download the Power Point Presentations and other materials used during workshops (47%).

(v) Based on the previous experience PEMPAL members have with other sites they in general rate the design, functionality, interactivity and available contents as satisfactory (22%, 28%, 17%, 18%, respectively).

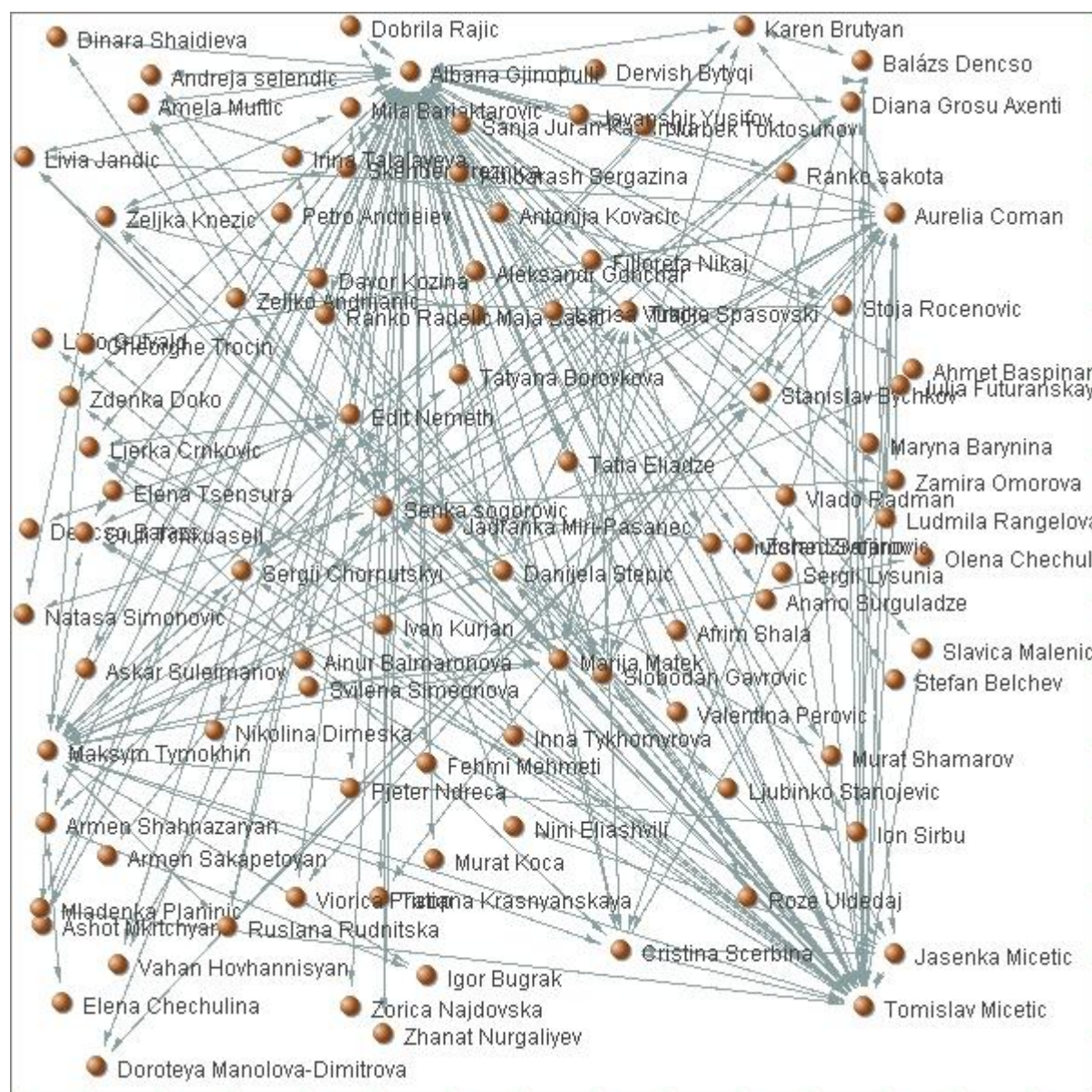
(vi) The biggest challenges identified with regard to the PEMPAL site include lengthy downloads (38%), followed by weaknesses in the organization of the site and complicated navigation through the contents (each 35%).

The CEF made changes to the site in view of the survey results.

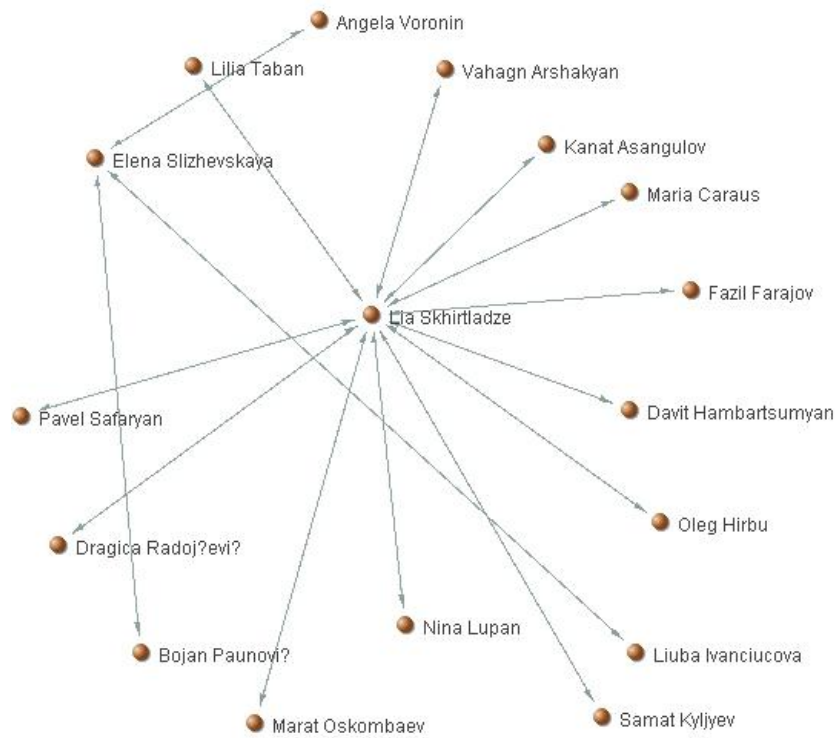
Annex Data 15 Network analysis maps by COP 2011

In interpreting these maps care needs to be taken since (i) we do not know for certain how many 'active' members responded and (ii) not all the nodes (individual members) on the map responded to the survey: In other words, some nodes might immediately appear as important 'centres' or 'connectors', but it might be because they indicated informal contact with the people they are connected to, rather than that the people they are linked to all having indicated that they are connections. Furthermore, the number of people on the map and how they are connected also needs to be weighed comparatively speaking between the network, with the number of responses received given the total number of possible responses.

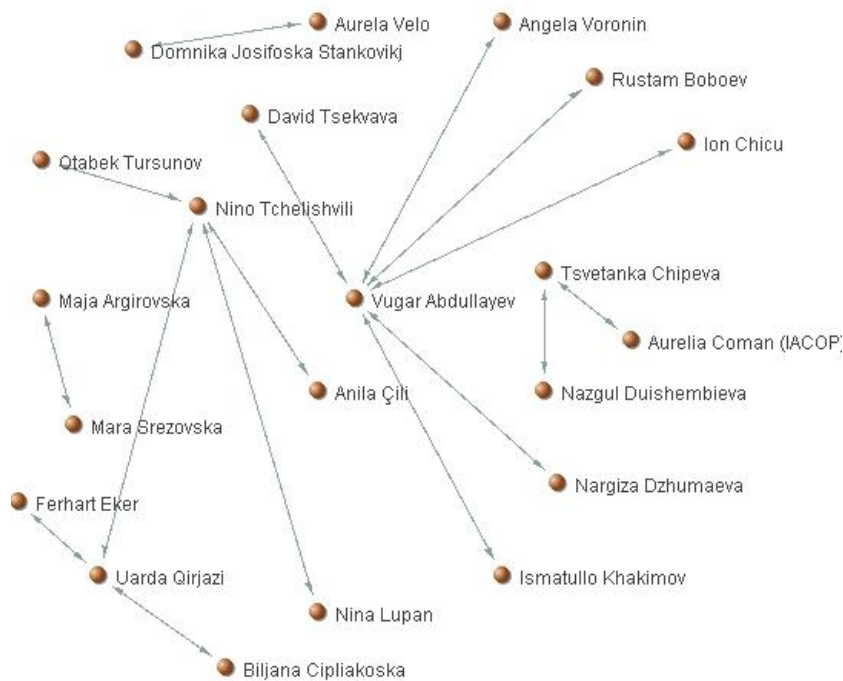
IACOP



BCOP



TCOP



Annex Data 16 Relevance of PEMPAL to work

See paragraph 194 in main text.

	No, Not Relevant	Yes, Somewhat relevant	Yes, Relevant	Yes, Highly Relevant
TCOP	7%	0%	60%	33%
IACOP	0%	14%	36%	50%
BCOP	0%	25%	63%	13%

Annex 4: PEMPAL events 2006 to 2011

Year	Date	COP	City	Country	Type	Focus
2006	May-06	All	Warsaw	Poland	Learning event	PEMPAL launch event
2006	Dec-06	IACOP	Ljubljana	Slovenia	Learning event	Founding meeting: designing and implementing IA reforms
2006	Jun-06	TCOP	Ljubljana	Slovenia	Learning event	Launch event
2007	Not known	All	Chisinau	Moldova	Study Tour	For Kyrgyz Republic: all COPs -- bilateral meetings on PFM
2007	Not known	All	Moscow	Russia	Study Tour	For Kyrgyz Republic: all COPs -- bilateral meetings on PFM
2007	Not known	BCOP	Dushanbe	Tajikistan	Learning event	Regional event on medium term budgeting -- aimed at assisting Tajikistan
2007	Mar-07	BCOP	Vilnius	Lithuania	Learning event	Founding meeting for the BCOP
2007	Jun-07	BCOP	Tbilisi	Georgia	Learning event	Programme budgeting
2007	Mar-07	BCOP	Vilnius	Lithuania	Study Tour	For Montenegro: on Lithuania Budgeting systems
2007	Not known	BCOP	Bratislava	Slovakia	Study Tour	For Uzbekistan: mid-term budgeting
2007	Aug-07	BCOP	Bratislava	Slovakia	Study Tour	For Tajikistan: medium term budgeting
2007	Jun-07	IACOP	Chisinau	Moldova	Learning event	Experience in implementing IA reforms
2007	Not known	IACOP	-	Romania	Study Tour	For Moldova: to Romania on IA implementation
2008	Feb-08	All	Istanbul	Turkey	Learning event	Monitoring and Evaluation of PFM
2008	Apr-08	BCOP	Bucharest	Hungary	Learning event	Side meeting at OECD SBO network meeting: monitoring and evaluating PFM systems
2008	Jul-08	SC	Ljubljana	Slovenia	SC Meeting	
2008	03-Sep	TCOP	VC		EC meeting	
2009	Feb-09	BCOP	Ljubljana	Slovenia	EC meeting	
2009	Feb-09	BCOP	Ljubljana	Slovenia	Learning event	Sharing of experience
2009	Feb-09	BCOP	Ljubljana	Slovenia	Learning event	PEFA (listed in 2010 Secretariat report, not reflected on PEMPAL website)
2009	April -09	BCOP	Ljubljana	Slovenia	Learning event	Medium term budgeting (listed in 2010 Secretariat report, not reflected)

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						on PEMPAL website, but on CEF site as CEF event, assumed to be joint event)
2009	Oct-09	BCOP	Ljubljana	Slovenia	Learning event	PEFA (listed in 2010 Secretariat report, not reflected on PEMPAL website, but on CEF site as CEF event, assumed to be joint event)
2009	Apr-09	IACOP	Ljubljana	Slovenia	Learning event	Sub-group on training and certification
2009	Apr-09	IACOP	Ljubljana	Slovenia	Learning event	Sampling in internal audit
2009	Oct-09	IACOP	Yerevan	Armenia	Learning event	Various, including capability and maturity model, new internal audit standards etc.
2009	Dec-09	IACOP	Ljubljana	Slovenia	Learning event	Sub-group on training and certification
2009	Feb-09	SC	Ljubljana	Slovenia	SC Meeting	
2009	Sep-09	SC	VC	VC	SC Meeting	
2009	Dec-09	SC	Ljubljana	Slovenia	SC Meeting	
2009	Apr-09	TCOP	Tirana	Albania	EC meeting	
2009	Apr-09	TCOP	Tirana	Albania	Learning event	For Leadership group: Functioning of Albania Treasury
2009	Nov-09	TCOP	Ljubljana	Slovenia	Learning event	Cash management
2010	December	BCOP	VC	-	EC meeting	
2010	Sep-10	BCOP	Budva	Montenegro	Learning event	Reintroduce the BCOP
2010	Feb-10	BCOP	Dublin	Ireland	Study Tour	For Georgia: on Capital Budgeting
2010	Jul-10	BCOP	Ljubljana	Slovenia	Study Tour	For B&H: on aspects of budgeting
2010	May-10	IACOP	Yalta	Ukraine	Learning event	Relationship between inspection, internal audit and external audit
2010	Oct-10	IACOP	Bled	Slovenia	Learning event	First IA Manual discussion
2010	Oct-10	IACOP	Bled	Slovenia	Learning event	Sub-group on training and certification
2010	Nov-10	IACOP	Zagreb	Croatia	Study Tour	For Ukraine: implementation and training in IA
2010	Mar-10	SC	VC	VC	SC Meeting	
2010	Jun-10	SC	Ljubljana	Slovenia	SC Meeting	
2010	Oct-10	SC	VC	VC	SC Meeting	
2010	Dec-10	SC	AC	AC	SC Meeting	
2010	22-Jul	TCOP	VC		EC meeting	

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2010	04-Feb	TCOP	VC		EC meeting	
2010	June -10	TCOP	Bled	Slovenia	EC Meeting	
2010	Nov -10	TCOP	VC		EC Meeting	
2010	May-10	TCOP	Chisinau	Moldova	Learning event	FMIS
2010	Oct-10	TCOP	Dushanbe	Tajikistan	Learning event	Budget classification and CoA
2011	Jan-11	All	Zagreb	Croatia	Cross-Cop Leadership	Workshop on facilitation and moderation
2011	Jul-11	All	Berne	Switzerland	Cross-Cop Leadership	
2011	Jan-11	All	Zagreb	Croatia	Learning event	Challenges of Budget Execution
2011	14-Mar	BCOP	VC	-	EC meeting	
2011	14-Apr	BCOP	VC	-	EC meeting	
2011	15-Jun	BCOP	VC	-	EC meeting	
2011	28-Jul	BCOP	VC	-	EC meeting	
2011	06-Sep	BCOP	VC	-	EC meeting	
2011	Jun-11	BCOP	Minsk	Belarus	Learning event	Capital Budgeting
2011	Oct-11	BCOP	Ljubljana	Slovenia	Study Tour	For Uzbekistan: mid-term budgeting
2011	16-Jul	IACOP	VC	-	EC meeting	
2011	Jun-11	IACOP	Chisinau	Moldova	Learning event	IA Manual group
2011	Jun-11	IACOP	Chisinau	Moldova	Learning event	Sub-group on training and certification
2011	Oct-11	IACOP	Ohrid	Macedonia	Learning event	Plenary meeting: presentation of manual and T&C programme. Experience sharing and discussion
2011	Oct-11	IACOP	Zagreb	Croatia	Study Tour	For Moldova: study tour of Croatian IA system
2011	26 Jan-11	SC	Zagreb	Croatia	SC Meeting	
2011	Apr-11	SC	VC	VC	SC Meeting	
2011	Jul-11	SC	Berne	Switzerland	SC Meeting	
2011	Sep-11	SC	VC	VC	SC Meeting	
2011	30 Nov 11	SC	VC	VC	SC Meeting	

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2011	27-Oct	TCOP	VC		EC meeting	
2011	22 Feb	TCOP	VC	VC	EC Meeting	
2011	29-Sep	TCOP	Astana	Kazakhstan	EC meeting	
2011	05-Jul	TCOP	Berne	Switzerland	EC meeting	
2011	02-Jun	TCOP	VC		EC meeting	
2011	22-Apr	TCOP	Ljubljana	Slovenia	EC meeting	
2011	Apr-11	TCOP	Ljubljana	Slovenia	Learning event	Experience with implementing public sector accounting reforms
2011	Sep-11	TCOP	Astana	Kazakhstan	Learning event	FMIS


Annex 5: Secretariat TOR description of Secretariat responsibilities

According to the TORs for the Secretariat, it is responsible for the following:

- Maintaining records (info) on PEMPAL membership and their contacts and making these contact details available on www.pempal.org.
- Maintaining archives for the PEMPAL (records, reports, minutes of meetings, publications, correspondence, materials and presentations from PEMPAL events, surveys, evaluation results).
- Facilitating communication between the members of the PEMPAL network. This will include: (i) maintaining the PEMPAL website content as indicated by the Executive Committee of each COP, in the three official languages of PEMPAL (English, Russian, and the local languages of the former Yugoslavia); and (ii) organizing and coordinating video, tele and webconference activities between members of COPs and/or representatives of the development partners or experts;
- Providing organizational and coordination support for preparation and implementation of COP activities (including workshops, conferences, study visits and other activities envisaged in COP activity plans). This will include preparation of event agendas, preparation and distribution of invitation letters, participants registration, contracting of venues, accommodation and travel arrangements, contracting of interpretation and translation services, identification and invitation of speakers and presenters, maintaining collaborative web based tools for the development of event agendas and materials (e.g., wiki page, adobe connect meeting rooms), translation of materials, multiplication of materials, logistical supervision of events on site, conducting event evaluation surveys and processing of survey results,
- Reporting on the events (participants, conclusions, follow up events, financial report) to the Executive Committee of each COP, the World Bank TTL and the SC
- Assistance to the COPs in developing COP specific activity plans.
- Hosting and supporting the work of PEMPAL Community Facilitator (including provision of office space, administrative, communication and other support, as needed, to enable the facilitator to efficiently perform the role)
- Carrying out all activities necessary for the management and support of study visits including administrative review of proposals as per the guidelines approved by the SC.
- Organization of Steering Committee meetings (including organization of the VC audio, web conferences facilities, coordination of the agendas, collection and distribution of the materials prior to the meetings, drafting and coordination of minutes, follow up on the SC decisions, as required)

Annex 6: Example of evaluation survey

Note that spacing and appearance is different to on-line survey due to importing the file into Microsoft Word.


Europe and Central Asia Region

Exit this survey

PEMPAL Survey

Dear Member of the Budget Community of Practice (COP)

Thank you for undertaking to complete the survey. The survey is in addition to the survey undertaken earlier this year linked to the Zagreb PEMPAL plenary meeting. It will provide valuable data for the evaluation of the COP and will help the PEMPAL network serve you better in future.

There are 13 questions and the survey will take only a few minutes to complete. The survey asks your opinion about the running of the COP and your experience of PEMPAL and COP meetings and country exchanges, as well as of the website and other materials.

There are no special instructions. Most questions require you to select an option you want by clicking a button. We provide text boxes in three questions for you to give us additional information: this information is very important for the evaluation. Please take the time to complete these boxes.

If you have any queries about any of the questions in the survey, please send a mail to afolscher@mokoro.co.uk.

—

1. What type of COP learning resources have you used between 2007 and 2011? (Please indicate whether used never, between one and three times, four and six times, more than six times a year.)

	Never	Between one and three times	Between four and six times	More than six times
Per year, I have used presentations from COP events	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Per year, I have used papers on relevant topics, distributed at COP events or available on the website	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Per year, I have used the guidelines and tools developed by the COP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Per year, I have used examples of country materials in the PEMPAL library	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2. Please rate your experience of the quality of materials you encountered in your engagement with the COP by selecting an appropriate description for each of the types of COP materials and resources below

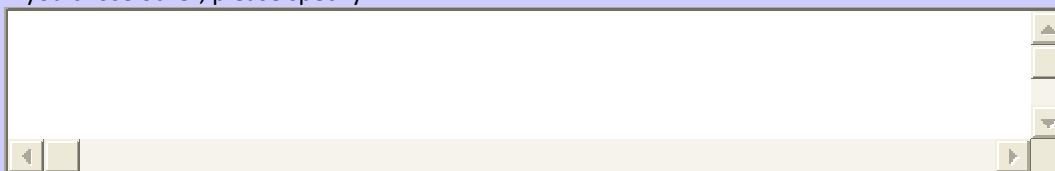
	Low quality	Mixed quality	Quality	High quality	I have not accessed this type of materials
The resources on the website generally are	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Presentations and other inputs at events generally are	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inputs during country exchanges generally are	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tools and other materials developed by the COP generally are	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please share with us why you selected the answer you did for any or all of the COP resources above. Please also note examples, if you want.

3. What type of learning resources would you use regularly if available and of high quality? Please indicate the likelihood of you using the type of material by selecting the appropriate description.

	Not likely	Somewhat likely	Likely	Highly likely
Presentations from COP events	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General papers on relevant topics, distributed at COP events or available on the website	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Guidelines and tools developed by the COP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Examples of country materials in the PEMPAL library	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Research, analysis and write-ups of good practice within or across PEMPAL countries undertaken by PEMPAL / the COP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

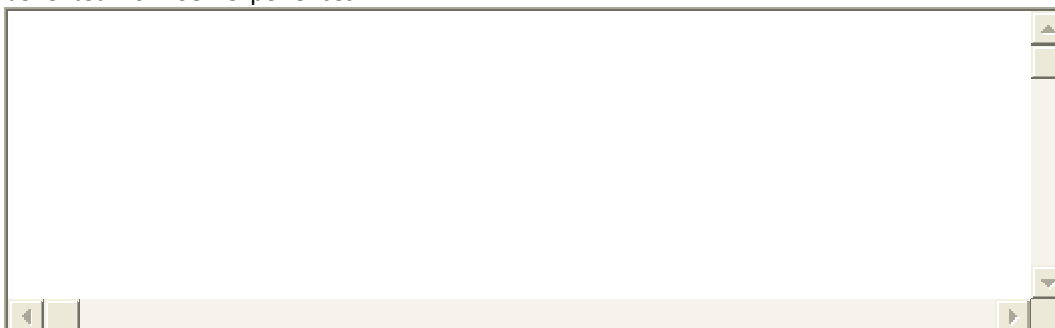
If you chose other, please specify



4. Have you used the experiences of your fellow COP members or other learning in the COP to design, recommend or implement PFM reforms in your area of practice?

- Have you used the experiences of your fellow COP members or other learning in the COP to design, recommend or implement PFM reforms in your area of practice? Yes
- No, but I am likely to in future
- No and I am unlikely to in future

If the answer is yes, please share examples with us of how improvements to PFM in your country have benefited from COP experiences.



5. We would like to know whether you find the work programme of your COP and its activities relevant to your work. Please indicate your opinion by ticking one of the options below.

The work programme and activities of the network is relevant to my work

- We would like to know whether you find the work programme of your COP and its activities relevant to your work. Please indicate your opinion by ticking one of the options below. The work programme and activities of the network is relevant to my work No, not relevant
- Yes, somewhat relevant
- Yes, relevant
- Yes, highly relevant

6. Please indicate your disagreement or agreement with each of the following statements on a scale from 1 to 5 where 1 indicates strong disagreement and 5 strong agreement.

PEMPAL and my COP are not relevant to me because

	1	2	3	4	5
I am not interested in building relationships with colleagues in my region	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
PEMPAL and/or the COP does not provide sufficient resources for me to draw on	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The topics covered do not relate to the issues about which I have questions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The topics covered do not relate to the issues my organisation is interested in	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is a big difference between the approaches advanced in discussions in my COP to relevant topics and the approach my country takes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is a big gap in the stage of reform my country is at, and discussion in COP events – my country is more advanced	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is a big gaps in the stage of reform my country is at, and discussion in PEMPAL events – my country is less advanced	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I find the quality of discussions low and materials not useful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I do not have the opportunity to apply the learning from my COP in my organisation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. Please indicate your disagreement or agreement with each of the following statements on a scale from 1 to 5 where 1 indicates strong disagreement and 5 strong agreement.

PEMPAL and my COP are relevant to me because

	1	2	3	4	5
It enables me to build relationships with peers in the region whom I can contact when I need to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It provides a knowledge base in my area of expertise for use by all countries in the region	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It builds my knowledge of how my COP's function is managed in other countries in the region	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Learning from a PEMPAL / COP event has changed my practice or enabled me to perform better in my work environment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am able to bring back learning from PEMPAL / COP events and share it with my organisation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Learning that I brought back from PEMPAL / COP has changed or could change the way my organisation thinks about an area of work	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8. What is your experience of being a member of the COP? For each of the statements below please indicate whether you think the statement is very true, true, slightly true, slightly untrue or not true at all.

	Not true at all	Slightly untrue	Slightly true	True	Very true
I have a sense of belonging to a network	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe I can influence priority setting in the COP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The COP is being driven by its members	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9. Please indicate your disagreement or agreement with each of the following statements on a scale from 1 to 5 where 1 indicates strong disagreement and 5 strong agreement.

	1	2	3	4	5
I would be willing to help develop the future work programme of the network	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would be willing to organise or host an event	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would be willing to provide materials from my country for the website	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would be willing to work on materials such as guidelines, tools or analyses of good practice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would be willing to present at a COP event	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would be willing to serve on the leadership team	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10. Please indicate your willingness to pay membership fees, or motivate that your organisation pays membership fees by selecting one of the options below.

- Please indicate your willingness to pay membership fees, or motivate that your organisation pays membership fees by selecting one of the options below. I would not be willing to pay or motivate for payment
- I would be willing to pay or motivate for payment of up to USD 50 per year
- I would be willing to pay or motivate for payment of up to USD 150 per year
- I would be willing to pay or motivate for payment of up to USD 450 per year
- I would be willing to pay or motivate to payment of more than USD 450 per year

11. What is your experience of the secretariat support provided by the Centre of Excellence in Finance (CEF) in Slovenia?

Highly unsatisfactory Unsatisfactory Satisfactory Highly satisfactory I have no opinion on their support

I would rate their support as

12. Please share your experience of the leadership and guidance provided by the PEMPAL steering committee and the COP leadership to the COP by selecting one of the options below.

Below average Average Highly Very highly I have no opinion on their leadership and guidance

I would rate the leadership and guidance provided by the PEMPAL steering committee to the COP

I would rate the leadership and guidance provided by the COP leadership team

13. As part of the survey we are building a picture of how individual members connect outside of PEMPAL and COP meetings and country exchanges. We would like you to tell us how you connect, if at all, to COP members. From the list below, which we have sourced from the secretariat, please select all the members, besides those from your own country, with whom you've had contact outside of formal COP events and country exchanges. If a name is not on the list, please fill it in the box provided below the list.

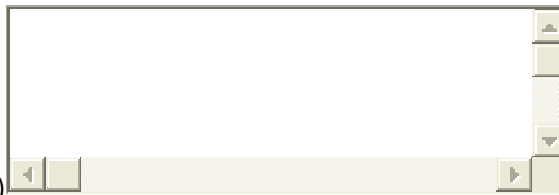
- | | |
|-----------------------------------------------------------------------------|------------------------------------------------------------------|
| <input type="checkbox"/> Ulugbek Abruev, Uzbekistan | <input type="checkbox"/> Anatolii Maksiuta, Ukraine |
| <input type="checkbox"/> Doğan Alantar, Turkey | <input type="checkbox"/> Ismonjov Mamadjanov, Uzbekistan |
| <input type="checkbox"/> Natalia Aleinikova, Belarus | <input type="checkbox"/> Mitja Mavko, Slovenia |
| <input type="checkbox"/> Mehmet Arcagok, Turkey | <input type="checkbox"/> David Metreveli, Georgia |
| <input type="checkbox"/> Sait Arcagök, Turkey | <input type="checkbox"/> Ia Mikhelidze, Georgia |
| <input type="checkbox"/> Vahagn Arshakyan, Armenia | <input type="checkbox"/> Milena Milović, Montenegro |
| <input type="checkbox"/> Kanat Asangulov, Kyrgyz Republic | <input type="checkbox"/> Miraziz Mirjalolov, Uzbekistan |
| <input type="checkbox"/> Zhora Asatryan, Armenia | <input type="checkbox"/> Nada Mirković, Serbia |
| <input type="checkbox"/> Tatyana Astreiko, Belarus | <input type="checkbox"/> Flir Moshò, Albania |
| <input type="checkbox"/> Gauhar Berkesheva, Kazakhstan | <input type="checkbox"/> Viorel Mosneaga, Moldova |
| <input type="checkbox"/> Vasile Botica, Moldova | <input type="checkbox"/> Davlatkhodja Muminkhodjaev, Uzbekistan |
| <input type="checkbox"/> Igor Buhrak, Ukraine | <input type="checkbox"/> Tanja Musterović, Montenegro |
| <input type="checkbox"/> Vasile Bulicanu, Moldova | <input type="checkbox"/> Abdurahmon Nadzhmidinov, Tajikistan |
| <input type="checkbox"/> Nikoloz Burdiladze, Georgia | <input type="checkbox"/> Siarhei Nasuta, Belarus |
| <input type="checkbox"/> Maria Caraus, Moldova | <input type="checkbox"/> Sergei Nasuta, Belarus |
| <input type="checkbox"/> Naida Čaršimamović Vukotić, Bosnia and Herzegovina | <input type="checkbox"/> Viorica Neclea, Moldova |
| <input type="checkbox"/> Arjana Cela, Albania | <input type="checkbox"/> Larisa Nikonova, Belarus |
| <input type="checkbox"/> Virginia Comsa, Romania | <input type="checkbox"/> Ö. Zeynep Onat, Turkey |
| <input type="checkbox"/> Gulsana Daribayeva, Kazakhstan | <input type="checkbox"/> Marat Oskombaev, Kyrgyz Republic |
| <input type="checkbox"/> Mimoza Dhembì, Albania | <input type="checkbox"/> Natalja Otsepova, Russia |
| <input type="checkbox"/> Valentyna Doletska, Ukraine | <input type="checkbox"/> Serdar Öztopal, Turkey |
| <input type="checkbox"/> Baialy Dosaliev, Kyrgyz Republic | <input type="checkbox"/> Halida Pašić, Bosnia and Herzegovina |
| <input type="checkbox"/> Vlatko Dugandžić, Bosnia and Herzegovina | <input type="checkbox"/> Bojan Paunović, Montenegro |
| <input type="checkbox"/> Olga Dziuba, Ukraine | <input type="checkbox"/> Rossitza Pavlova, Bulgaria |
| <input type="checkbox"/> Maksim Ermolovich, Belarus | <input type="checkbox"/> Njegoš Pavlović, Bosnia and Herzegovina |
| <input type="checkbox"/> Ertan Erüz, Turkey | <input type="checkbox"/> Papuna Petriashvili, Georgia |
| <input type="checkbox"/> Fazil Farajov, Azerbaijan | <input type="checkbox"/> Giorgi Phutkaradze, Georgia |
| <input type="checkbox"/> Fuad Ganjaliyev, Azerbaijan | <input type="checkbox"/> Slobodanka Popović, Montenegro |
| | <input type="checkbox"/> Verica Prokovik, Macedonia |

- Mamuka Gelovani, Georgia
- Aleksei Gil, Belarus
- Grigoli Gobejishvili, Georgia
- Miriam Gorgadze, Georgia
- Gyulnara Grigoryan, Armenia
- Goga Gugava, Georgia
- Zakir Hajiyev, Azerbaijan
- Davit Hambardzumyan, Armenia
- Davit Hambartsumyan, Armenia
- Florensa Haxhi, Albania
- Oleg Hirbu, Moldova
- Željka Hofer, Croatia
- Yilmaz Ilgin, Turkey
- Liya Serikovna Insepova, Kazakhstan
- Elshad Iskanderov, Azerbaijan
- Liuba Ivanciucova, Moldova
- Irina Ivanova, Russia
- Ineza Kakalashvili, Georgia
- Giorgi Kakauridze, Georgia
- Anar Nurdibaevna Kalyeva, Kazakhstan
- Vladislav Karadžić, Montenegro
- Fuad Kasumović, Bosnia and Herzegovina
- Aziz Kholboboev, Tajikistan
- David Khosruashvili, Georgia
- Inna Knyschenko, Ukraine
- Artem Koptev, Belarus
- Tanja Kostovska, Macedonia
- Jasmina Kotorcevic, Macedonia
- Yllka Kotorri, Kosovo
- Aleksandar Kovačević, Serbia
- Agim Krasniqi, Kosovo
- Dugagjin Krasniqi, Kosovo
- Vesna Krpachovska, Macedonia
- Dragica Radojčević, Croatia
- Svetlana Radovanovic, Serbia
- Ljubica Radović, Montenegro
- Raida Rafieva, Tajikistan
- Azem Reçica, Kosovo
- Veronika Rusi, Albania
- Eduard Ryzhkouski, Belarus
- Pavel Safaryan, Armenia
- Ranko Šakota, Bosnia and Herzegovina
- Ranko Šakota, Bosnia and Herzegovina
- Kulzada Salmukhanbetova, Kazakhstan
- Dilshod Sattarov, Uzbekistan
- Oleg Seliverstov, Belarus
- Luiza Shehu, Albania
- Levan Shotadze, Georgia
- Mehmet Simnica, Kosovo
- Ljiljana Simunović, Bosnia and Herzegovina
- Lia Skhirtladze, Georgia
- Elena Slizhevskaya, Belarus
- Shavkat Sohobov, Tajikistan
- Ružica Stojiljković, Serbia
- Ulan Sydykov, Kyrgyz Republic
- Lilia Taban, Moldova
- Olga Tarasevich, Belarus
- Zhamilya Tokabekova, Kazakhstan
- Mira Toktonaliev, Kyrgyz Republic
- Sergei Trofimovich, Belarus
- Elena Trpkovska, Macedonia
- Khusniya Tukhtaeva, Tajikistan
- Asiia Tynybekova, Kyrgyz Republic
- Nazi Vekua, Georgia
- Stane Vencelj, Slovenia
- Angela Voronin, Moldova

- Ivana Kunić, Croatia
- Natalia Kuznetsova, Russia
- Samat Kyljyev, Kyrgyz Republic
- Fiorentina Laci, Albania
- Alexey Lavrov, Russia
- Dmitri Lipski, Belarus
- Vlatka Lovrić, Bosnia and Herzegovina
- Ana Lukačević, Montenegro
- Nina Lupan, Moldova

- Iva Vuković, Montenegro
- Ivana Vuletić, Montenegro
- Abdulkadir Bahadir Yildiz, Turkey
- Verginiya Yoncheva, Bulgaria
- Rano Zairova, Tajikistan
- Mirela Zagorac, Croatia
- Andrei Zayats, Belarus

Other (please provide names and countries)



14. In order to build a map of COP connections with the contacts you have just told us about, we also need to know who you are. Please provide your name and country in the spaces below. Please be assured that all your other responses to the survey will be kept confidential by the evaluation team.

Name:

Country:

Done

Annex 7: Evaluation Framework

2008 evaluation framework (summary)

INPUT OBJECTIVES AND ASSOCIATED INDICATORS				
Objectives	Associated indicators and desired direction of change where relevant Time period that applies is since the last evaluation, unless specified otherwise	Means of verification	Risk and risk mitigation	
Effective and efficient support by the PEMPAL secretariat and SC	1. More active contacts of COPs and SC rate PEMPAL secretariat support satisfactory or highly satisfactory 2. An operational website (criteria: up to date, functioning links, representative of COP activities/outputs; hits) 3. Regularity and attendance of Steering Committee Meetings	Qualitative survey Empirical verification Empirical verification	Break in relationship with CEF (Contingency plan and assurance of handover period) Turnover in steering committee (Preparation of briefing pack on PEMPAL)	
Sufficient resources	4. Increase in real resources 5. Increase or no change in number of funders 6. Increase in real resource contributions from members (for future implementation)	Empirical verification Empirical verification Empirical verification	Funders not renewing commitments Insufficient resources (Disseminating information wrt PEMPAL to donor community)	
FOR EACH COP	A committed membership who has ownership of network	7. Increase / no decline in number of target countries participating in COP activities on average per year 8. Increase / no decline in number of active network individual contacts over period 9. Percentage of active individual contacts who believe they are able to influence network priority setting and have a sense of belonging to network	Empirical verification Network surveying / empirical verification Qualitative survey	Change-over in staff in participating countries (CEF to identify new staff and leadership to initiate contact) Too few events and contacts to sustain commitment (interim contact through newsletters)
	Good governance	10. Existence of COP Strategy, annual activity plan and budget; degree of plan implementation 11. Network reports available as scheduled and distributed 12. Regularity and attendance of Leadership Group meetings 13. Active contacts of COPs rate COP leadership	Empirical verification Empirical verification Empirical verification Network survey	Leadership Groups not meeting regularly and/or poor attendance of meetings (alternate members appointed) Poor strategic planning/budgeting (placing plans/budgets on PEMPAL website for review by participating countries)

OUTPUT OBJECTIVE AND ASSOCIATED INDICATORS				
<i>The establishment of a network that connects well, is productive and is sustainable</i>				
FOR EACH COP	A COP that connects, shares information and collaborates well formally and informally	<ol style="list-style-type: none"> No of formal network events / opportunities for professional learning on average per year Average attendance of events by countries as a percentage of countries invited Percentage of participating countries and individual contacts attending events who have attended previous events Network density, centrality and diameter 	Empirical verification Empirical verification Empirical verification Network survey	Too few events and contacts to sustain network structure (interim contact through newsletters) Network too dependent on formal and centrally driven events and resources (initiate blogs and other informal contact; invite proposals for country level mini-events)
	A network with quality learning resources	<ol style="list-style-type: none"> Percentage of network contacts reporting that they use website and/or other learning resources more than 6 times a year Percentage of network contacts that rate network resources as of quality or high quality Percentage of event participants from participating countries who rate inputs at events as satisfactory or highly satisfactory 	Qualitative survey Qualitative survey Qualitative survey	Poor contributions to events and learning resources (identify and use external editors who can work with authors to improve contributions; long lead time to events to facilitate work on contributions)

NETWORK STRATEGIC OUTCOME OBJECTIVE AND INDICATORS			
<i>PEMPAL COP members learning from each other</i>			
Objectives	<i>Associated indicators and desired direction of change where relevant</i>	<i>Means of verification</i>	<i>Risk and risk mitigation</i>
	<i>Time period that applies is since the last evaluation, unless specified otherwise</i>		
COP members learning from each other	<ol style="list-style-type: none"> No of COP participating countries and individual contacts reporting using COP experiences in designing and recommending or implementing PFM improvements in their own organisations No of contributions from COP individual contacts to PEMPAL website, COP events and learning resources and no of technical assistance missions to other participating countries Development (for Internal Auditors and Treasury COPs) and percentage of a sample of countries using developed COP or existing benchmarking tools 	Survey and collection of mini case studies Empirical verification Empirical verification	Learning is externally driven and not sufficiently based on regional experience (increase regional contributions to learning events and resources; balance attendance of events in the favour of participating countries; draft rules for observers vs participants with regards to event participation)

NETWORK IMPACT OBJECTIVE AND INDICATORS			
Improvement of PFM systems			
Improved PFM systems in member countries relevant to COP	<p>Budget COP</p> <ol style="list-style-type: none"> 1. Classification of the budget (PEFA Indicator 5) 2. Comprehensiveness of information (PEFA indicator 6) 3. Orderliness and participation in the annual budget process (PEFA Indicator 11) 4. Multi-year perspective in fiscal planning, expenditure policy and budgeting (PEFA Indicator 12) <p>Treasury COP</p> <ol style="list-style-type: none"> 1. Stock and monitoring of expenditure payment arrears (PEFA indicator 4) 2. Recording and management of cash balances, debt and guarantees (PEFA indicator 16) 3. Predictability in the availability of funds for commitment of expenditures (PEFA indicator 17) 4. Timeliness and regularity of accounts reconciliation (PEFA indicator 22) <p>Internal Audit COP</p> <ol style="list-style-type: none"> 1. Effectiveness of payroll controls (PEFA indicator 18) 2. Effectiveness of internal controls for non-salary expenditure (PEFA indicator 20) 3. Effectiveness of internal audit (PEFA indicator 21) 	Empirical verification (story collection; benchmark tools)	<p>External factors prevent COP members from implementing changes (Evaluation needs to take account of circumstances if indicators regress)</p> <p>Interests of COPs shift or expand over time, resulting in other outcomes achieved rather than the ones specified (Evaluation framework over time might need to change or expand indicator set)</p>