Institutionalizing Monitoring and Evaluation of Public Policies in Brazil: International Experience and Challenges

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Role

- Objective of M&E: generate **information and knowledge** for public policy:
  - Assist the **(re)design and implementation** of policies and programs
  - Support **budget decisions** (Executive and Congress)
  - Help national and sector **planning**
  - Improve **transparency and accountability**
- M&E is a crucial tool: it should feed the policy-making process so as to help improving the **transparency, effectiveness, efficiency, and equity** of public policy.

Context

- In Brazil – as in other LA countries –, a **wealth of programs** have been created in all social areas and different levels of government.
- But the performance **(effectiveness, efficiency, equity)** of such initiatives is overall **low**.

- This evolution has happened in a context of increasing **societal demand** for transparency and better use of public resources.
- However, though there is a noticeable increase in the supply of data and evaluations, **M&E has not been systematically incorporated** in policy-making and management practices.
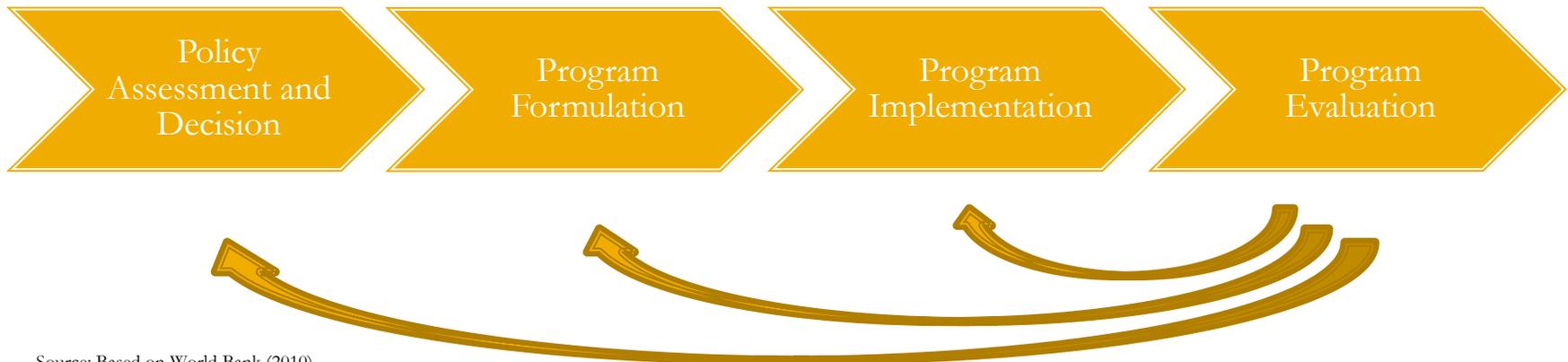
Model of Phases

- In most countries, the evolution of the policy-making process follows a (non-linear) model of phases (Anderson, 1966):

  - 1st: **Policy without evidence**: policy decisions are made on an "intuitive" basis

  - 2nd: **Policy with some evidence**: evidence is generated more regularly but it is not used widely and systematically

  - 3rd: **Evidence-based policy**: evidence is deliberately and continuously generated to inform policy-making and program implementation

- **Brazil** is in the **2nd phase**, while many **OECD** countries are in the **3rd phase**.

International Experience

- M&E systems in (advanced) **OECD countries** are heterogeneous but useful, common lessons can be extracted:

- **<u>Demand</u>**:

- Politics matters but M&E is commonly used in the policy cycle

Policy Cycle and Evaluation Feedback

| Policy Assessment and Decision | Program Formulation | Program Implementation | Program Evaluation |

Source: Based on World Bank (2010)

International Experience

- **Supply:**
- **Centralization**: **line ministries** contract evaluations and there is at least **one institution (Executive/Congress)** in charge of producing/coordinating M&E efforts
- **Functions**: institutions play **specific roles and functions**: policy/budget analysis, advisory (Executive/Congress), (perfomance) auditing, spending reviews, contract external evalutions
- **Autonomy/Independence**: institutions that are connected to the Executive possess structured mandates, own budget, and stable technical staff. Those connected to Congress tend to enjoy greater autonomy and credibility

International Experience

- **Supply** (contd.):
- **Integration**: **M&E culture** is more widespread, **incentives** schemes (carrots/sticks/sermons) are common, higher level of **coordination** between center of government and sectoral ministries
- **Choice of Evaluations**: mix of types: *ex-ante* and *ex-post*, process and impact, rapid appraisals, meta-analyses
- **Dissemination of Results**: all reports and studies are published in the instituitions' websites

Federal M&E System: Main Characteristics

- **Demand:**

- Policy decisions are **mainly based on politics** and the demand for M&E information is low both in central government and sectoral Ministries. In Congress, results are not used much neither in policy discussions nor for budget purposes.

Federal M&E System: Main Characteristics

- **Supply:**
- **Data:**
  - **Well developed information systems** in education, health, labor, and social conditions:
    - International standards are typically followed
    - Data are regularly collected
    - Free availability to the public
  - **Merging of sector data is unusual** (multiplicity of individual/firm identifiers and lack of coordination)
- **Technical capacity:**
  - Relatively large **availability of highly skilled researches**
  - **Scarce** in most **line ministries** and **Congress**

Federal M&E System: Main Characteristics

- **<u>Supply</u>** (contd.):
- **Production**:
  - For each budget cycle the Ministry of Planning has constructed a Pluri-Annual Plan with program goals and indicators but **system is essentially decentralized**:
    - **Monitoring**: Ministries of Education, Health, Labor
    - **M&E**: Ministry of Social Development
  - Most evaluations are produced **outside the government** (Academia, Research Centres, Foundations) but some public sector institutions (e.g., Ipea) play a role
  - There is a **new initiative to coordinate the M&E system** (SIAPRE) based on a **Council** formed by the Chief of Staff Office and the Ministries of Planning and Finance

Main Challenges

- **<u>Demand</u>**:
  - Increase demand for M&E inside the Government:
    - Lack of incentives: legal framework to enforce use of M&E, champion, promotions, wage bonuses, assessment rating
- **<u>Supply</u>**:
  - **Centralization/Independence**: decentralized system but should create/reinforce institutions with specific functions, clear mandates, own budget both in Executive and Congress.
  - **Coordination/Integration**: Improve coordination and the use of evaluation results into the policy cycle
    - **"Matching":** central institutions (Executive/Congress) should systematize evaluation results to facilitate the matching of demand and supply
  - **Dissemination**: (merged) data and evaluation results should be available to the public on a regular basis
  - **Training:** Increase technical capacity in center of government, line ministries, and Congress
  - **Credibility**: Evaluation studies should be mainly contracted outside the government