# Developing a Road Map for Engaging Diasporas in Development

## A HANDBOOK FOR POLICYMAKERS AND PRACTITIONERS IN HOME AND HOST COUNTRIES

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# Chapter 3: Monitoring Progress and Measuring Impact

Ongoing monitoring, evaluation, and frequent adjustments should be the foundation of any program of diaspora engagement. Many of the programs highlighted in this handbook appear to have put tremendous resources at the front end while neglecting the feedback loop. Even if a government effectively facilitates emigrants' return or has built up an active network of diaspora members it is crucial to monitor such programs' implementation, measure their impact, and use these findings to further improve diaspora programs and generate more buy-in, especially from skeptical actors within and outside the government.

### Box 1: Monitoring and Evaluation: Important Definitions

Monitoring - a continuous process that tracks what is happening within a program and uses the data collected to inform program implementation.

Evaluations - periodic, objective assessments of a planned, ongoing, or completed project, program, or policy.

Impact Evaluations - seek to answer cause-and-effect questions and the changes in outcome that are directly attributable to a program or project.

## 1 Why Monitor and Evaluate?

A renewed focus on monitoring and evaluation (M&E) is important for various reasons, three of which are worth highlighting.

### A. Allowing for Program and Policy Adaptation

Setting a robust and meaningful M&E policy allows for frequent adjustments to programs and policy adaptation. For example, the Tres por Uno (3x1) program in Zacatecas, Mexico has changed and improved through the years, from 1x1 in the 1980s to 3x1 more than a decade later.

The Zacatecas case is unusual in that the lessons earned through experience have been continually incorporated into the program. As Natasha Iskander points out, changes in the 3x1 program have affected "everything from project selection criteria to budgeting procedures to auditing mechanisms, as well as procedural and institutional arrangements. Both the state and diaspora organizations have not only devoted increasing organizational and human resources to managing projects and engaging in transnational negotiations but also to actively exploring different political and economic visions for Zacatecan communities on both sides of the border."[87]

The same can be said of the International Organization for Migration's Migration for Development in Africa (MIDA) program. Periodic reassessments are required for any program, and particularly for multiyear or complex projects consisting of several distinct but interrelated units. For example, some MIDA projects are simultaneously implemented in two or more neighboring countries, both of which contribute to combined program efforts. In multiphase projects, monitoring allows adjustments to be made in light of the experiences gained and lessons learned during previous phases.[88] One such example is the MIDA Great Lakes project, which was appropriately adjusted after an assessment of the first, 12-month phase. Similarly, an assessment of a MIDA women's project in Guinea "led to the important observation that the diaspora mobilization strategy tailored to the needs of other African countries was not applicable to the Guinean diaspora due to the particular level of development of the country, among other factors."[89]

As IOM has observed, "Timely monitoring, in particular, can reveal unforeseen obstacles or unexpected opportunities which call for a rethinking of the project's underlying assumptions and strategies."[90]

## B. Avoiding Capture by Vested Interests

M&E is also critical to avoid capture by vested interests and to shore up a program's credibility. As Armando Rodriguez notes, in the case of the 3x1 program not all players subscribed to the "working for the common good" principle. Political or personal agendas were muted by working with the binational "Eyes-and-Ears Watchdog" team.[91] In the case of the hometown association (HTA) projects in Zacatecas, the team included organizations such as the Rockefeller Foundation, Oxfam Novib, and Rostros y Voces Foundation.

In Croatia the government opted to outsource the evaluation of the Unity through Knowledge Fund (UKF), a program providing grants to research partnerships between diaspora members and local scientists. As Alessia Pozzi, the program's manager, highlights in an interview for this handbook: "We are completely aware that Croatia is a small community . . . so if we do the evaluation here in Croatia, there are certain issues that might arise like conflict of interest which is negative. So to have a fair evaluation, we need to send it to those who have no interest in selecting or rejecting the project."[92] At about €150 per project, Rossi finds the costs of hiring independent experts to evaluate the program and projects reasonable. She explains: "We have 400 independent experts working on our project and in total the operational cost of the salaries for those who do the evaluation is only 9.8 percent. So it is not so much. It's just around 10 percent of the total cost."

### C. Soliciting Buy-In from Other Stakeholders

Highlighting success helps maintain a project's momentum and attract more buy-in. Impact evaluations are especially important because they provide statistics that can be used as evidence of a policy's efficacy and increase funders' confidence. Even though evaluations may be expensive, evidence of a project's success is money well spent. Evaluations can also make programs more efficient, and can save money when programs found to be ineffective are shut down.[93]

## 2 The M&E Gap

Some governments do monitor their programs regularly. Colombia, for instance, maintains oversight over all its diaspora programs through a planning office. An external government agency, the National Planning Bureau, also monitors diaspora projects and programs and all the resources used.[94]

Very few, however, actually evaluate the impact of their programs. The General Directorate for Spanish Citizens Abroad provides "justification for all expenses and undergoes extensive auditing." But it does not conduct external evaluations of programs. As Jose Hernandez of the directorate explains: "The main indicator for us that a program is working is the amount of applications we receive and the amount of beneficiaries we have. For example, our program to promote tourism for the elderly has received 4,000 applications this year compared with 2,500 applications two years ago."[95]

Indeed, an IOM review of 130 websites of development agencies and of the labor, foreign affairs, interior, and immigration ministries in 68 countries found that only 70 formal evaluations of migration policies, projects, and programs were available (excluding situation reviews, donor reports, ex ante reports, and all IOM evaluations). Almost a third (28 percent) of the evaluated programs dealt with labor migration management. Rigorous impact evaluations are extremely rare; the exploratory review found only six evaluations with an experimental design.[96]

The record of international organizations also shows tremendous room for improvement. In the past five years, for instance, IOM evaluated 67 projects, of which 14 percent were evaluations of diaspora engagement projects. The first-ever evaluation published by IOM was of the implementation of the Return of Qualified Nationals (RQN) program in Kenya in 1986. With seven reports completed, the most monitored and evaluated program was the Return of Qualified African Nationals program.

As Laura Chapell and Frank Laczko observe, "everyone agrees that monitoring is important, but little is actually being done." As Box 2 outlines, barriers include a "lack of an 'evaluation culture': a 'fear factor' fuelled primarily by concerns over cost, and the lack of priority among donors."[97]

### Box 2: Possible Reasons for the Lack of an "Evaluation Culture"

- Decisionmakers and project managers may be unwilling to confront the "bad news" that a particular program or project is not having the desired outcome.
- Impact evaluations may be considered a costly investment, requiring substantial financial resources and significant time commitments.
- A rigorous evaluation could take three or four years to conduct, whereas many governments want information immediately.
- Impact evaluations, especially the more rigorous ones, require a level of technical expertise that isn't found in-house in every government.
- Investment in evaluation has not kept pace with the rapid growth of migration programs and projects over the past decade.
- Political will is often lacking as migration is a very contentious and, often, politicized issue.
- Migration data needed for evaluating outcomes is often flawed or missing.
- Migration interventions are not traditionally seen as tools to promote development and hence not evaluated from that perspective.

*Source:* Frank Laczko, "Migration, Development and Evaluation: Where We Stand Today and Why" (PowerPoint presented at Managing Migration for Development: Policymaking, Assessment and Evaluation, Marseille, France, June 13-15, 2011).

## 3 Closing the M&E Gap: Some Ways Forward

### A. Be Realistic and Select Methodologies and Data Appropriate for the Context and Budget

Although tremendously useful, integrating M&E into program management is not free. Governments must be realistic and should identify suitable evaluation methods based on the local context and financial constraints. As Chapell and Laczko note,"the aim of an impact evaluation must always be to get the most accurate possible information on the effectiveness of a policy. This means being both ambitious and realistic in defining what the best possible information might be (and how it might be uncovered) in each case. The issues to be assessed, the finances available, the skills that can be accessed, the required timelines, and the political context in which the evaluation is taking place will all help decide which approach is most suitable."[98]

**Baseline Data**. Ideally, an M&E system will be based on baseline data collected at the start of the program or project. This requires more financial resources and time but helps quantify impact and therefore increases the quality and usefulness of the evaluation.

**Counterfactual**. Another approach to evaluation is to examine a counterfactual — an analysis of the cost to the country of not having a diaspora engagement program. An evaluation may look at the other ways in which the diaspora might have returned to the country in order to ascertain whether the program only subsidized return that would have occurred anyway, even without government intervention. Box 3 highlights one such approach, which looks at the effect of different savings schemes for migrants in El Salvador. Considered the Rolls Royce in the evaluation toolkit, a randomized control trial can provide tremendous insights into program development, although at a cost.

## Box 3: Understanding Savings Propensity among El Salvadoran Migrants in Washington: A Randomized Control Trial

In partnership with a Salvadoran bank, a group of researchers from Harvard Business School, Francisco Marroquin University, University of Chile, and University of Michigan offered US-based migrants from El Salvador bank accounts in their home country into which they could send remittances. Their goal was to investigate whether increasing migrants' control over the use of remittances would also increase their propensity to save.

Migrants in the study were randomly assigned to four groups that provided varying levels of monitoring and control over savings in El Salvador.

- Treatment 0: The control group, which received no offer of any new financial products.
- Treatment 1: Migrants were offered the opportunity to open an account in El Salvador in the name of the remittance recipient.
- Treatment 2: Migrants were offered the opportunity to open an account to be held jointly by the migrant and the recipient.
- Treatment 3: Migrants were offered, in addition to the joint account offered in Treatment 2, the option to open an account in the migrant's name only.

The third option (Treatment 3) offered the migrant the greatest degree of monitoring and control over remittances sent to El Salvador. Data on financial transactions at the partner bank came from the bank's administrative records. Baseline and follow-up surveys administered to both migrants in the United States and their remittance-receiving households in El Salvador provided data on other outcomes.

The research concluded that migrants' desire for monitoring and control over remittance uses is "quantitatively large and has an important influence on financial decision-making by migrants." This is especially true over the extent to which remittances are saved in formal savings accounts. Migrants assigned to the treatment condition (Treatment 3) that offered the greatest degree of monitoring and control were much more likely to open savings accounts, and accumulate more savings in El Salvador.

*Source*: Dean Yang, Nava Ashraf, Claudia Martínez, and Diego Aycinena Francisco, "Remittances and the Problem of Control: A Field Experiment Among Migrants from El Salvador" (working paper, September 2011), www-personal.umich.edu/~deanyang/papers/aamy_remittancecontrol.pdf.

Although an M&E system would ideally include gathering baseline data or establishing a counterfactual, governments may choose to adopt simpler and less expensive systems that do not require specialists or grand calculations, but still provide critical measures of success that can inform program implementation.

**Combination of Quantitative and Qualitative Tools**. Most evaluations use a combination of tools to collect information and feedback from a wide range of sources and actors associated with a given program. Basic methods of evaluation include direct observation, interviews, focus group discussions, questionnaires, and surveys. The experience of IOM with MIDA strongly suggests that mixed methods that employ "both qualitative and quantitative tools can be used to compensate for technical gaps due to the high costs required for some methods."[99] As Box 4 shows, in the case of MIDA Great Lakes, a number of methods were used, including a desk review, field visits, a survey, and focus group discussions. A further insight gained from the MIDA programs implemented to date is the importance of tracking systems to ensure the effective measurement of a project over time and an assessment of its longer-term sustainability.[100]

### Box 4: MIDA Grand Lakes, Phase III

MIDA Grand Lakes Phase III (Africa Great Lakes Region) used the following desired outcomes/ impacts and indicators:

| Description of desired outcomes/impacts | Description of indicators |
|---|---|
| Economic, social, and cultural stability and human development favored through intervention of diaspora | • Number of thematic groups created by the diaspora<br>• Number of support projects comprising several experts |
| Diaspora members contribute to education sector | • Number of assistants trained<br>• Shortening of university cycle<br>• Improvement of pedagogical equipment and other resources |
| Diaspora members contribute to health sector | • Number of new techniques used in the absence of an expert thanks to the provision of equipment<br>• Improved effectiveness of services (number of patients treated, number of difficult cases tended to) |
| Diaspora members contribute to rural development | • Implementation of strategic plans and reforms<br>• Implementation of propsed work |

An initial desk review analyzed the information from experts in the field. At the same time, interviews with experts in Brussels who went on missions under MIDA III were conducted. Field missions followed up with the three partner countries in order to meet with national authorities, beneficiary institutions, direct beneficiaries, experts, and other stakeholders. A survey of the physical transfers of remittances was conducted. To finalize the visits, focus groups were conducted with expert members of the Congolese, Rwandan, and Burundian diasporas.

*Source*: Ann Pawliczko, "Inventory of Impact Assessment of International Migration: Projects/Programmes Carried Out by GMG Agencies, United Nations Population Fund" (paper presented at Managing Migration for Development: Policymaking, Assessment and Evaluation, Marseille, France, June 13-15, 2011).

## B. Explore Ways of Sharing the Costs of Evaluation with Other Stakeholders

The initial costs of conducting an impact study may be considered too expensive for some countries and smaller programs. For Chapell and Laczko, however, there are ways to reduce costs primarily by cost sharing. They write:

> *Governments can together identify a few key policies and programs of mutual interest for a "thematic evaluation." Within a couple of years there would be a body of evidence available on how key policies and programs might best be designed. Such evidence would be an invaluable resource for policymakers globally. This approach would also encourage countries of origin, transit, and destination to work together to conduct joint evaluations to ensure that mobility enhances migration and development outcomes.*[101]

Chapell and Laczko cite a recent report by the Center for Global Development asserting governments' inability to conduct evaluations in all areas of policy on their own. An efficient and cost-effective way to address this constraint is for governments to collectively recognize the most important policy questions and to initiate studies around those questions.[102]

## C. Donors Can Play an Active Role in Building a "Culture of Evaluation"

Donors have an important role to play in pushing for the evaluation of programs and projects. For example, the Inter-American Development Bank (IDB) commissioned an external evaluation of remittance-related projects in 2009. At that time, 45 projects had been approved, totaling more than $45 million in technical assistance and approximately $22 million in loans and equity investments. The review, which took place between May and September 2009, focused primarily on the portfolio of remittance projects undertaken by the Multilateral Investment Fund (MIF) from 2001 to 2009, and second, on MIF's research and dissemination activities during that same period.[103] The outcome is a 256-page document that includes an assessment of the models used and a summary of each individual project's successes, challenges, and lessons learned. The review also offers recommendations, both from a design and an operational perspective, on how the MIF and other practitioners can improve the impact, reach, and sustainability of remittance programs.[104]

Among donor countries, the Netherlands is planning to do an assessment of the diaspora programs it has funded over six years in order to understand their impact on a number of policy areas of key importance to the government. As Sander Werrie explained in an interview for this handbook, the Netherlands is "interested in knowing whether the activities MFA [the Ministry of Foreign Affairs] is financing do actually contribute to the real-life policy priorities formulated in our policy memorandum. The assessment is not so much about the six policy priorities itself and whether the priorities are well chosen but more about the activities we are financing and whether they contribute to realizing the policy priorities." The Netherlands will select one or two independent organizations or institutions to perform the assessment.[105]

Werrie hopes that the results of the overall assessment will contribute to the Ministry of Foreign Affairs' position on whether or not it should continue financing temporary return programs, among others. Werrie explains, "If the assessment shows that the programs do not have a meaningful impact on the longer term then we might have to decide that we will not finance temporary return programs anymore. The same goes for the other activities we are financing."[106]

## D. Metrics Are Important: Who Are the Question-Makers?

In assessing the progress and benefits of engaging diasporas in development activities, it is also important to set realistic expectations and time frames. Metrics are important, but they should not simply borrow from conventional official development assistance (ODA) frameworks.[107]

For instance, the biggest challenge facing many programs is how to maximize their impact on development. Programs work best if they have direct relevance to the origin country's national development plan. With this standard in mind, even the much-lauded 3x1 program falls short in the eyes of many observers, including the Mexican government itself.

Critics say that the program diverts government development resources to communities that are not the neediest, since they are already receiving remittances and charitable contributions from migrant HTAs. Migrants contributing to the program and their communities back home, which are the main beneficiaries, may have a different assessment of the program's success, as Box 5 highlights. The 3x1 program may be best understood as a solidarity program rather than a development program and should be assessed under those terms.

## Box 5: Mexico's 3x1 Program: A Best Practice by Whose Measures?

An assessment conducted by Mexico's National Council for the Evaluation of Social Development Policy called into question the impact of the 3x1 program on development. It found that the program has "performed poorly in terms of design and impact, and its funds have not increased in real terms in the last 3 years." More specifically, the assessment noted that the "program mainly promotes investment in non productive projects, such as sport courts, churches, plazas and similar infrastructure."[108]

Allowing migrant organizations to select the projects seemed to have complicated efforts to maximize the funds' antipoverty impacts. As the federal representative for the matching fund program in Morelia notes in an interview with Xochitl Bada:

"One of the problems that we face in channeling resources to these [poorest] municipalities is that, for instance, these communities don't have potable water but migrants say that they want to fix the village square or they want to fix the church. They have problems of sewage but the migrants want to build a rodeo ring. We try to encourage them to fund projects that focus on immediate and basic needs but we can't obligate them. . . . We let the [state-level] validation committee choose the projects with the highest merits to support with public funds."

Newland and her colleagues argue, however, that the 3x1 program is perhaps best understood as a solidarity program rather than a development program. The choice of projects follows the logic of collaboration and interconnection between diaspora and "hometown" communities rather than an economic logic and therefore should be assessed under those terms. As Chapters 1 and 2 note, the process of building capacity among diasporas — and building trust between diaspora groups and governments — is a long-term proposition that requires flexibility in its implementation and an evaluation system that accounts for intangible outcomes, such as increased solidarity and trust between the diaspora and the state.

*Source*: Xochitl Bada interview with a Social Development Ministry official in Morelia, May 2005, quoted in Jonathan Fox and Xochitl Bada, "Migrant Organization and Hometown Impacts in Rural Mexico" (UC Santa Cruz: Center for Global, International and Regional Studies, 2008). Retrieved from: http://escholarship.org/uc/item/7jc3t42v.

## E. Share Existing Evaluations with Others to Create a Learning Community

Ultimately, governments should also invest in documenting a project's interventions, changes, and impacts and making them available to the public, preferably in an easily accessible format geared in particular to diaspora communities and other potential partners. Information on existing evaluations tends to be scattered, with many evaluation studies available only in local languages or not published. Better sharing of existing evaluations could enhance the knowledge base. This can be done by creating a useful website so that stakeholders can see the results, discuss a given diaspora program's challenges, and explore and offer potential solutions.[109]

For instance, the Unity through Knowledge Fund website (www.ukf.hr/) provides descriptions of all projects and a complete breakdown of the funding and results of the evaluations. The Croatian government puts in €5,000 per year to maintain the website, which is also used for project application. As Alessia Pozzi explains, "If you work with the diaspora you cannot expect them to send you the papers, etc. So basically the whole project application and the evaluation process are done through the website. It is also important for the statistics part to be shown for them [potential funders] to see that you have transparency in a way that they know where we invest the money, etc."[110]