



Date: 1/25/2021
To: Berta Heybey, Managing Director Monitoring and Evaluation
From: Shreena Patel, Evaluation Lead (WASH) and Algerlynn Gill, Program Monitor
CC: Jennifer Sturdy, Former Evaluation Lead (WASH)

RE: Cancellation and rebid of NORC's independent evaluation of the Lesotho Urban and Peri-Urban Water Activity

This memo describes the decision to cancel and rebid NORC's evaluation of the Urban and Peri-Urban Water (UPUW) Activity under the Lesotho Compact's Water Project.

Evaluation Management Committee Decision to Cancel and Rebid the Evaluation

Delays in construction invalidated the original evaluation design for the Lesotho UPUW Activity. The effort to revise the evaluation's identification strategy led to a clarified understanding of a physical and logical connection between one component of the UPUW Activity and the Compact's Metolong Dam Activity.

Although the original contract with NORC specifically focused on components of the UPUW Activity that facilitated an impact evaluation only and excluded the Metolong Dam Activity, MCC determined it was most appropriate to evaluate the UPUW and Metolong Dam Activities together. Thus, in March 2014, MCC's Evaluation Management Committee decided to cancel and rebid NORC's contract to (i) appropriately define the scope of the evaluation to include all components of the UPUW Activity as well as the Metolong Dam Activity and (ii) allow the evaluator to establish a feasible evaluation methodology in line with the full scope. MCC modified NORC's contract to officially cancel this evaluation in August 2015. MCC rebid the expanded scope and hired Social Impact to lead the new evaluation in November 2016.

Overview of Evaluation

MCC contracted NORC to "design and implement rigorous impact evaluations of four activities under the 5-year Lesotho Compact: the Health Centers Activity, ART¹ Clinics Activity, the Rural Water Supply and Sanitation Activity, and the Urban and Peri-Urban Water Network Activity."² MCC entered an initial contract with NORC with a period of performance from January 2008 – January 2011 for \$1,277,507.11; re-competed the initial contract after it ended; and entered a subsequent contract with NORC to continue the four evaluations from September 2011 – September 2015 for \$3,279,435.03. MCC spent approximately \$1,469,000 on NORC's services and \$930,400 on data collection related to the UPUW evaluation prior to canceling it.

¹ "ART" is short for Anti-Retroviral Therapy.

² MCC-authored Statement of Work in contract # MCC-05-0195-CFO-TO-03.

As captured in both evaluation contracts, the main objective of the UPUW evaluation was to test the following hypotheses:

1. The urban water supply activity will:
 - a. Increase enterprise activity (number of enterprises, number of jobs, wages, and profits)
 - b. Provide time savings
2. Time savings from an improved water supply increase beneficiary productivity and incomes

Description of the Risk(s)/Risk(s) Mitigation

As per MCC’s Statement of Work and related Annexes, MCC (i) required the evaluator to focus on activities for which an impact evaluation, with a counterfactual, could be established and (ii) provided recommended impact evaluation design options.

Following this, the original UPUW evaluation centered around a regression discontinuity design. Delays in construction of the treatment areas required NORC to reconsider the identification strategy for the UPUW evaluation.

To inform a revised evaluation strategy and assess whether the hypotheses outlined above remained relevant, MCC worked to document a comprehensive theory of change for the UPUW Activity. This exercise led to a renewed understanding of the physical and logical connection between one component of the UPUW Activity and the Compact’s Metolong Dam Activity. MCC therefore determined it was most appropriate to evaluate these activities together and rebid NORC’s contract for the reasons outlined above.

Relevant Evaluation Materials

The original NORC-led UPUW evaluation (titled: Urban and Peri-Urban Water) is available online here <https://data.mcc.gov/evaluations/index.php/catalog/162>).

The rebid evaluation (titled: Urban and Peri-Urban Water and Metolong Dam) is available online here <https://data.mcc.gov/evaluations/index.php/catalog/221>). The final UPUW and Metolong Dam evaluation results were released in July 2020.


Approved M&E MD
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