



INDONESIA

MCC Learning from

“MCC Indonesia Procurement Modernization Project Evaluation: Final Report”

Abt Associates, January 2020

MCC has identified the following programmatic and evaluation lessons based on the MCC Indonesia Procurement Modernization Project Evaluation: Final Report.

PROGRAMMATIC LESSONS

- *MCC, the MCA’s project implementers, and MCC’s evaluators should remain aware of nationwide policy changes and trends during project design, implementation, and evaluation in order to enhance project outcomes and to ensure accurate results measurement.* The evaluation found that the project’s activities were being implemented at the same time that other national policy changes and trends were happening that could have affected procurement outcomes. The lack of coordination with these national trends may have been a wasted opportunity to enhance procurement outcomes at the national level. The lack of coordination and awareness of national trends also meant that it was difficult to monitor these trends and to attribute changes in procurement outcomes to either the project or the national trends.
- *MCC should respect and enforce its conditions precedent concerning project implementation.* MCC established conditions for the advancement of the project, as the program logic was unclear and no economic rate of return (ERR) was calculated due to an inability to create a clear logic. Phase 2 was not supposed to occur until Phase 1 had been fully evaluated and a credible ERR had been calculated. However, MCC proceeded to Phase 2 without conducting these analyses. This decision meant that the program logic remained unclear and that the ERR was not calculated until the end of the project. The decision impeded learning and made the project less accountable. MCC should be serious about enforcement of these decisions.
- *MCC should not create new management information systems (MIS) unless there is a strong justification for such an activity.* The national procurement agency already had a functioning MIS. MCC commissioned a new Procurement Management Information System (PMIS) that required more than four years of construction and testing. There is concern that the MCC-funded PMIS, may not be sustainable.

EVALUATION LESSONS

- *Evaluation questions should be linked to concepts that are clearly articulated in the program logic.* Corruption was included as an evaluation question, though corruption is not explicitly cited

in the program logic. The rationale for including the consideration of perceptions of corruption in the procurement service was that because the perception of corruption was so high, the perception led to inefficiencies in procurement. However, the inclusion of questions on corruption led to confusion in the interpretation of the results.

- *Policy and institutional reform projects should ensure that access to internal management information systems and administrative data is granted to MCC; this access ensures that rigorous evaluations are possible.* The independent evaluator was able to conduct an impact evaluation because the evaluator consistently had access to the necessary data.