



## **Department of Performance Monitoring and Evaluation**

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# **Report on the Assessment of Government Evaluations**

**An Analysis of the Macroeconomic and Sectoral Impact of the Capital Expenditure Programmes of Eskom and Transnet over the Period 2005 to 2010**

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**Date Evaluation was completed:** 13 December 2005

**Name of assessor:** Tim Mosdell

**Evaluation Number:** 37

**Date Assessment Completed:** 25 January 2113

## Evaluation Assessment Details

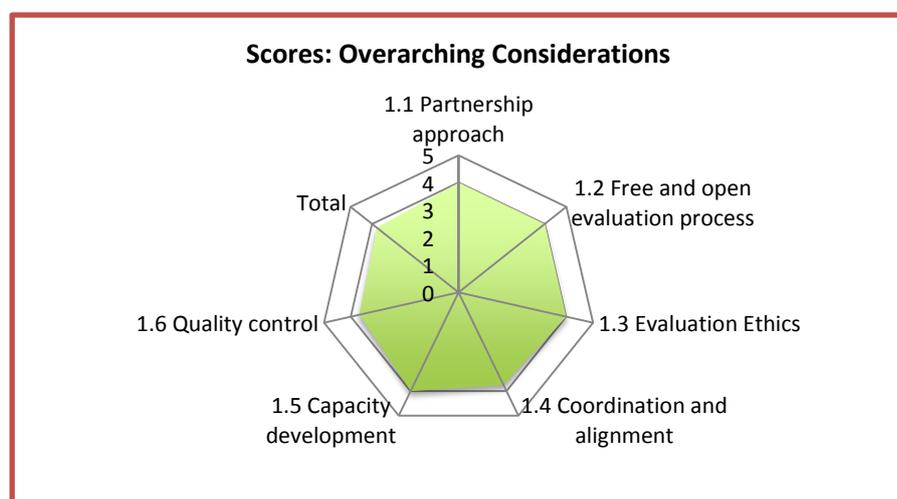
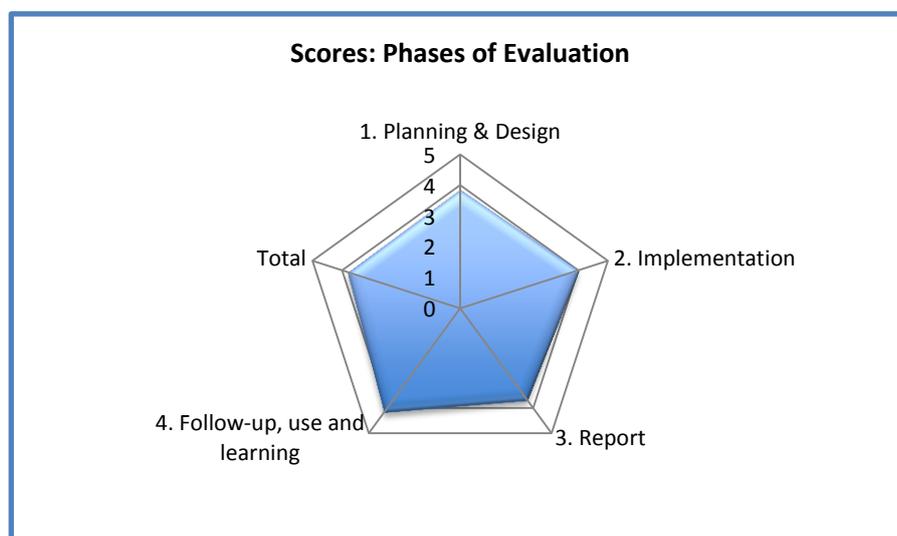
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Title of evaluation report	An Analysis of the Macroeconomic and Sectoral Impact of the Capital Expenditure Programmes of Eskom and Transnet over the Period 2005 to 2010
Completion Date of Evaluation	13 December 2005
Name of Assessor	Tim Mosdell
Evaluation Number	37
Completion Date of Assessment	25 January 2113
Initiated by	Industrial Development Corporation (IDC)
Evaluation undertaken by	Gerhard Kuhn, Jorge Maia, Lumkile Mondi, Charles Morolo, Xolile Mose, Neo Ramakoa
Evaluation area / sector	Economic planning and development
	Public finance, financial management <i>Additional</i>
National Outcome	Outcome 6
	<i>Additional</i>
Type of Evaluation	Economic
	Impact <i>Additional</i>
What is being evaluated	Programme
	<i>Additional</i>
Geographic Scope	National
Period of Evaluation	2005
Known Cost of Evaluation	Unknown

### Quality Assessment Scores

Phase of Evaluation	Score
Planning & Design	3.86
Implementation	4.00
Report	3.66
Follow-up, use and learning	4.14
<b>Total</b>	<b>3.83</b>

Overarching Consideration	Score
Partnership approach	4.00
Free and open evaluation process	4.00
Evaluation Ethics	4.00
Coordination and alignment	3.75
Capacity Development	4.00
Quality control	3.69



## 1. Planning & Design

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### 1.1. Clarity of Purpose and Scope in TOR

**STANDARD:** *The evaluation was guided by a TOR with at least the following sections explicit: purpose, scope and objectives; expectations regarding design and methodology; resources and time allocated; reporting requirements; expectations regarding evaluation process and products.*

#### Comment and Analysis

The project was guided by a ToR which set out the purpose, scope and approach to the project.

**Rating** 4

**STANDARD:** *The purpose of the evaluation was clear and explicit in the TOR*

#### Comment and Analysis

The purpose of the evaluation is to analyse the macroeconomic and sectoral impact of the capital expenditure programmes of Eskom and Transnet over the period 2005-2010.

**Rating** 4

**STANDARD:** *The evaluation questions were clearly stated in the TOR and appropriate to addressing the evaluation purpose*

#### Comment and Analysis

The evaluation questions and approach were outlined in the ToR.

**Rating** 4

***STANDARD: The approach and type of evaluation was suited to the purpose and scope of the evaluation TOR***

**Comment and Analysis**

The approach and evaluation type are well suited to address the questions raised in the ToR.

**Rating** 4

***STANDARD: Intended users and their information needs were identified in the TOR***

**Comment and Analysis**

Intended users and stakeholders were identified in the ToR and were involved in finalising it.

**Rating** 4

***STANDARD: Key stakeholders were involved in the scoping of the TOR and determining the purpose of the evaluation***

**Comment and Analysis**

Stakeholders, including the SOEs themselves and the Department of Public Enterprises were involved in determining the scope of the ToR.

**Rating** 5

## 1.2. Evaluation was adequately resourced

**STANDARD: The evaluation was adequately resourced in terms of time allocated**

### **Comment and Analysis**

The evaluation was adequately resourced in terms of time allocated.

**Rating** 4

**STANDARD: The evaluation was adequately resourced in terms of original budget**

### **Comment and Analysis**

There were sufficient resources to conduct the evaluation, which was done in-house by the IDC.

**Rating** 4

**STANDARD: The evaluation was adequately resourced in terms of staffing and skills sets**

### **Comment and Analysis**

Adequate skills and staff were deployed by the IDC to conduct the evaluation.

**Rating** 4

**STANDARD: Where appropriate, the evaluation planned to incorporate an element of capacity building of partners/staff responsible for the evaluand**

**Comment and Analysis**

The evaluation did not plan to incorporate capacity building into the approach.

**Rating** 1

### 1.3. Alignment to Policy Context and Background Literature

**STANDARD: There was evidence that a review of the relevant policy and programme environments had been conducted and used in the planning of the evaluation by the evaluators**

**Comment and Analysis**

The planning was conducted in taking the relevant policy and programme context into account.

**Rating** 4

**STANDARD: There was evidence of a review of appropriate literature having been conducted and used in the planning of the evaluation by the evaluators**

**Comment and Analysis**

The appropriate body of literature was considered in the planning of the study.

**Rating** 3

**1.4. The evaluation methods planned were appropriate to the project**

**STANDARD: There was explicit reference to the intervention logic or the theory of change of the evaluand in the planning of the evaluation**

**Comment and Analysis**

There is no explicit reference to any theory of change or intervention logic, although the study does conclude with an analysis of potential sectoral development interventions.

**Rating** 2

**STANDARD: Key stakeholders were consulted on the design and methodology of the evaluation**

**Comment and Analysis**

Key stakeholders, including DPE and the SOEs were consulted during all phases of the evaluation.

**Rating** 4

**STANDARD: The planned methodology was appropriate to the questions being asked**

**Comment and Analysis**

The methodology used in the evaluation is based on the IDC's Economic Impact Model - an input-output model that is appropriate for this type of study.

**Rating** 5

***STANDARD: Planned sampling was appropriate and adequate given the focus and purpose of evaluation***

***Comment and Analysis***

Planned sampling was not really an appropriate component of the methodology, although there is sectoral sampling implicit in the model used for the analysis.

***Rating*** 3

***STANDARD: There was a planned process for using the findings of the evaluation prior to undertaking the evaluation***

***Comment and Analysis***

There was cooperation among stakeholders throughout the project with a view to maximising the findings of the project.

***Rating*** 4

**1.5. Inception phase**

***STANDARD: The inception phase was used to develop a common agreement on how the evaluation would be implemented***

***Comment and Analysis***

The inception phase of the project included meetings of stakeholders where a common agreement was reached on how the evaluation would be implemented.

***Rating*** 4

## 2. Implementation

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### 2.1. Ethical Review and Considerations

**STANDARD:** *Where data was gathered in contexts where ethical sensitivity is high, appropriate clearance was obtained through an ethics review board; e.g. in evaluation involving minors, institutions where access usually requires ethical or bureaucratic clearance, and situations where assurances of confidentiality was offered to participants*

#### **Comment and Analysis**

There was a tacit agreement with the SOEs that the results of the study would not show detailed figures on the SOE, but rather broad results.

**Rating** 4

### 2.2. Evaluator independence

**STANDARD:** *Where external, evaluation team was able to work freely without significant interference*

#### **Comment and Analysis**

The evaluation team was part of the IDC, and was therefore not external, although other stakeholders remained at an arms length and did not interfere with the analysis.

**Rating** 3

**STANDARD: The evaluation team was impartial and there was no evidence of conflict of interest**

**Comment and Analysis**

The evaluation team was impartial and there was no evidence of conflict of interest.

**Rating** 4

### 2.3. Key stakeholder involvement

**STANDARD: Key stakeholders were consulted through a formalised mechanism or institutional arrangement during the evaluation**

**Comment and Analysis**

Regular meetings were held between stakeholders including the DPE and SOEs throughout the evaluation.

**Rating** 4

**STANDARD: Where appropriate, an element of capacity building of partners responsible for the evaluand was incorporated into the evaluation**

**Comment and Analysis**

An element of capacity building was incorporated in the evaluation and involved the internal capacity development of the IDC team.

**Rating** 4

## 2.4. Methodology

**STANDARD: The methods employed in the process of the evaluation were consistent with those planned**

### **Comment and Analysis**

The methodology, structured largely around the IDC's Economic Impact Model (an input-output model) was consistent with what was initially planned.

**Rating** 4

**STANDARD: Data collection was not compromised by fieldwork-level problems or unplanned diversions from original intentions**

### **Comment and Analysis**

Data collection was effective and the data collected was clean.

**Rating** 4

**STANDARD: Forms of data gathering were appropriate given the scope of evaluation**

### **Comment and Analysis**

Data was connected largely from the SOEs and was appropriate given the scope of the evaluation.

**Rating** 4

**STANDARD: The data analysis approach and methods were appropriate and sufficient given the purposes of the evaluation**

**Comment and Analysis**

Data analysis was done using the IDCs Economic Impact Model and was appropriate and sufficient in the context of the evaluation.

**Rating** 4

**STANDARD: Key stakeholders were significantly engaged as part of the methodology**

**Comment and Analysis**

Key stakeholders were engaged throughout the project.

**Rating** 4

**STANDARD: The methodology included engaging beneficiaries appropriately as a key source of data and information**

**Comment and Analysis**

If SOEs are considered to be the beneficiaries of the evaluation, the methodology included engaging beneficiaries for data and information.

**Rating** 3

## 2.5. Project management

**STANDARD: The evaluation was conducted without shifts to scheduled project milestones and timeframes**

### **Comment and Analysis**

The evaluation was conducted without significant shifts to milestones and deadlines.

**Rating** 4

## 3. Report

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**3.1. Report was well-structured and presentation was clear and complete in each of these areas**

**STANDARD: Executive summary captured key components of the report appropriately**

### **Comment and Analysis**

The report did not incorporate an executive summary, although at 19 pages in length, it could be argued that this was not necessary.

**Rating** 2

**STANDARD: The context of the development intervention was explicit and presented as relevant to the evaluation**

### **Comment and Analysis**

The context of the study and its recommended interventions was explicit and relevant.

**Rating** 4

**STANDARD: There was a clear rationale for the evaluation questions****Comment and Analysis**

There was a clear rationale for the evaluation focus - an analysis of the macroeconomic and sectoral impacts of the CAPEX programmes, although the focus was not articulated in specific questions.

**Rating** 3

**STANDARD: The scope or focus of the evaluation was apparent in the report****Comment and Analysis**

The scope of the evaluation was clearly apparent - an analysis of the macroeconomic and sectoral impacts of the CAPEX programmes.

**Rating** 4

**STANDARD: A detailed methodology was outlined in the relevant section of a report (full report or 1/3/25) to the point that a reader could understand the data collection, analysis and interpretation****Comment and Analysis**

A detailed methodology was spelled out in detail in an appendix to the main report.

**Rating** 4

**STANDARD: Key findings were presented in a clear way; they were made distinct from uncertain or speculative findings; and unused data was not presented in the body of the report**

**Comment and Analysis**

Key findings, in the form of potential interventions were clearly set out in the report.

**Rating** 4

**STANDARD: Conclusions and recommendations were clear and succinctly articulated**

**Comment and Analysis**

The conclusions and recommendations were clearly articulated.

**Rating** 4

**STANDARD: Acknowledgement of limitations of all aspects of the methodology and findings were clearly and succinctly articulated**

**Comment and Analysis**

Some limitations to the methodology were identified in the methodology section of the report, including an acknowledgement that the model used focuses only on backward linkages and does not determine any forward linkages with other sectors in the economy.

**Rating** 4

### 3.2. Writing and presentation

**STANDARD:** *Quality of writing and presentation was adequate for publication including: adequate layout and consistent formatting; complete sentences and no widespread grammatical or typographical errors; consistency of style and writing conventions (e.g. tense, perspective (first person, third person); levels of formality; references complete and consistent with cited references in reference list and vice versa; etc)*

#### Comment and Analysis

The quality of writing and presentation was good, with a clear and consistent style, although data cited were not always clearly referenced.

Rating **2**

**STANDARD:** *Appropriate conventions were used in presentation of data (e.g. use of appropriate statistical language; reporting of p-values where appropriate; not reporting statistically insignificant findings as significant; clarifying disaggregation categories in constructing percentages; not using quantitative language in reporting qualitative data, etc.)*

#### Comment and Analysis

Relatively simple graphs and tables were used - appropriate conventions were followed.

Rating **4**

### 3.3. Presentation of findings

**STANDARD:** *The use of figures and tables was such that it supported communication and comprehension of results; and data reported in figures and tables was readily discernible and useful to a reader familiar with data presentation conventions*

**Comment and Analysis**

Figures and tables were effectively used, although there was a lack of consistent type and numbering protocol in the way that these were presented.

**Rating** 3

**STANDARD: Data analysis appeared to have been well executed**

**Comment and Analysis**

The data analysis was done using the IDCs model and was well executed.

**Rating** 4

**STANDARD: Findings were supported by available evidence**

**Comment and Analysis**

Findings were supported by available evidence.

**Rating** 4

**STANDARD: *The evidence gathered was sufficiently and appropriately analysed to support the argument***

**Comment and Analysis**

The evidence gathered was sufficient to support the overall arguments of the study.

**Rating** 4

**STANDARD: *There was appropriate recognition of the possibility of alternative interpretations***

**Comment and Analysis**

There was no recognition given to the possibility of alternative interpretations.

**Rating** 1

**STANDARD: *The report appeared free of significant methodological and analytic flaws***

**Comment and Analysis**

The report appeared to be free of significant methodological and analytic flaws.

**Rating** 4

### 3.4. Conclusions

**STANDARD: Conclusions were derived from evidence**

**Comment and Analysis**

Conclusions and recommended interventions were derived from analytical evidence.

**Rating** 4

**STANDARD: Conclusions took into account relevant empirical and/or analytic work from related research studies and evaluations**

**Comment and Analysis**

Conclusions were based on both the analysed data, as well as on historical trends identified in related work.

**Rating** 4

**STANDARD: Conclusions addressed the original evaluation purpose and questions**

**Comment and Analysis**

The conclusions were relevant to the original evaluation purpose.

**Rating** 4

**STANDARD: Conclusions were drawn with explicit reference to the intervention logic or theory of change**

**Comment and Analysis**

No explicit reference was made to a theory of change, although the interventions identified were consistent with the overall objectives of the evaluation.

**Rating** 2

**3.5. Recommendations**

**STANDARD: Recommendations were made in consultation with appropriate sectoral partners or experts**

**Comment and Analysis**

Sectoral partners and stakeholders were consulted through all phases of the project.

**Rating** 4

**STANDARD: Recommendations were shaped following input or review by relevant government officials and other relevant stakeholders**

**Comment and Analysis**

Recommendations were largely driven by the analysed data, but were made in consultation with relevant officials and stakeholders.

**Rating** 3

**STANDARD: Recommendations were relevant to the policy context****Comment and Analysis**

The recommendations and interventions identified were relevant to the policy context.

**Rating** 4

**STANDARD: Recommendations were targetted to a specific audience sufficiently - were specific, feasible, affordable and acceptable****Comment and Analysis**

Recommended interventions were targetted to SOEs and the DPE and were realistic in terms of resource implications.

**Rating** 4

**3.6. Relevant limitations of the evaluation have been noted****STANDARD: Relevant limitations of the evaluation were noted****Comment and Analysis**

Some limitations to the methodology were noted, specifically around the models inability to determine forward linkage effects to the economy.

**Rating** 4

### 3.7 Protection of participants and risk considerations

**STANDARD:** *The full report documented procedures intended to ensure confidentiality and to secure informed consent where this was needed (in some cases this is not needed - e.g. evaluation synthesis - in which case N/A should be recorded)*

#### Comment and Analysis

The report honoured a tacit agreement that only broad findings should be presented and that specific data of SOE capex was not presented.

**Rating** 4

**STANDARD:** *There were no risks to participants in disseminating the original report on a public website*

#### Comment and Analysis

Given the broad nature of the findings, there are no risks to participants in disseminating the original report.

**Rating** 4

**STANDARD:** *There were no unfair risks to institutions in disseminating the original report on a public website*

#### Comment and Analysis

Given the broad nature of the findings, there are no risks to institutions in disseminating the original report.

**Rating** 4

## **4. Follow-up, use and learning**

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### **4.1. Presentation to stakeholders**

**STANDARD: Results were presented to all relevant stakeholders**

#### **Comment and Analysis**

Presentations of the final report were made to ESKOM, Transnet, DPE, DTI and to Parliament and Cabinet.

**Rating** 5

### **4.2. Resource utilisation**

**STANDARD: The evaluation was completed within the planned timeframes**

#### **Comment and Analysis**

The project was completed within timeframes.

**Rating** 5

**STANDARD: The evaluation was completed within the agreed budget**

#### **Comment and Analysis**

Although internally funded, the project can be considered to have been completed on budget.

**Rating** 4

### 4.3. Transparency

**STANDARD: The report was publicly available (website or otherwise published document), except where there were legitimate security concerns**

#### Comment and Analysis

The report is publically available.

**Rating** 4

### 4.4. Lessons learnt

**STANDARD: After completion of the evaluation, a reflective process was undertaken by staff responsible for the evaluand to reflect on what could be done to strengthen future evaluations**

#### Comment and Analysis

Post project review sessions have been made with a range of stakeholders.

**Rating** 4

### 4.5. Symbolic and conceptual value

**STANDARD: The evaluation study was seen by interviewed stakeholders as having added significant symbolic value to the policy or programme (eg raised its profile)**

#### Comment and Analysis

The report has been studied and used by a number of stakeholders, and some of the findings, notably the extent of foreign leakage, have been used in a number of subsequent studies.

**Rating** 4

**STANDARD: *The evaluation study was of conceptual value in understanding what has happened and possibly in shaping policy and practice***

**Comment and Analysis**

The evaluation study forms an important component of understanding CAPEX impacts at a macroeconomic and sectoral level and has been important in terms of shaping policy and practice.

**Rating** 4

**4.6. Utilisation of findings and recommendations**

**STANDARD: *There was clear evidence of instrumental use - that the recommendations of the evaluation were implemented to a significant extent***

**Comment and Analysis**

There is evidence of instrumental use, and some of the data generated has been used in subsequent work. The work has also been discussed at Parliament and Cabinet level.

**Rating** 4

**STANDARD: *There was clear evidence that the evaluation has had a positive influence on the evaluand, its stakeholders and beneficiaries over the medium to long term***

**Comment and Analysis**

Given that the evaluation report has been discussed and debated at a range of different levels and has been cited in subsequent work, it is fair to say that it has had a positive influence on the evaluand.

**Rating** 4

## **References**

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Gerhard Kuhn, Jorge Maia, Lumkile Mondi, Charles Morolo, Xoliswa Mose, and Neo Ramakoae, 2006. An Analysis of the Macroeconomic and Sectoral Impact of the Capital Expenditure Programmes of Eskom and Transnet over the Period 2005 to 2010,

## **List of Interviewees**

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Gerhard Kuhn, IDC, Telephonic interview, 25 January 2013.