

THE ROMA PILOT PROJECT: TOOLS AND METHODS FOR EVALUATION AND DATA COLLECTION

Inception Report

(Plan of activities with deliverables, 17 October 2010)

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Background

Proposal Objectives

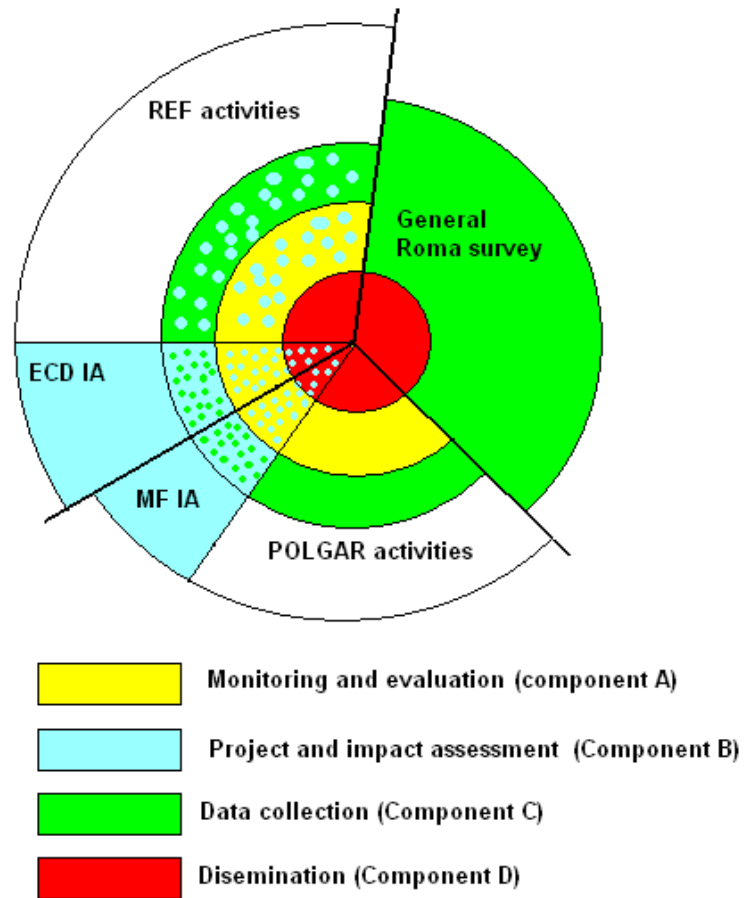
In 2010, the EC DG Regio officially launched the *Pilot Project 'Pan-European coordination of Roma integration methods' — Roma inclusion (2009/C 171/08)*, which includes separate themes on (1) early childhood education and care (ECEC) and (2) self-employment and microcredit. With EU parliament funding, the Roma Education Fund (REF) is implementing the ECEC component of the Roma pilots through its project “A Good Start (AGS),” which is being implemented in collaboration with local partners in Slovakia, Hungary, Romania, and FYR Macedonia. The Polgar foundation is implementing the microfinance component through its “Kiut” program in Hungary.

This proposal, titled “*Roma pilots: Tools and methods for evaluation and data collection*” outlines a series of activities by the World Bank and UNDP that will support the ECEC and the microfinance components. In particular, these activities will (1) support the process of implementation of the AGS and Kiut programs, and (2) formulate replicable lessons learnt that could be applied in similar programs targeting vulnerable populations in these and in other EU countries.

Specifically, the objectives of this proposal fall under four separate themes: (A) project monitoring; (B) project evaluations; (C) project scalability; and (D) dissemination:

- (A1) **Support the development of a set of monitoring and evaluation tools** that can be used not only by the Roma Pilot organizations and local partners, but also by other ECEC and microfinance initiatives in the European Union.
- (A2) **Build monitoring and evaluation capacity** of the REF and in-country partner organizations and the Polgar Foundation implemented Kiut program, with the aim of improving project planning and project management of the EC Roma pilots.
- (B1) **Assess how the REF and its local partners and Polgar can improve their AGS and Kiut, respectively, project designs and implementations** through project assessments by beneficiaries and other stakeholders.
- (B2) **Assess project impacts on beneficiary outcomes** through stakeholder and beneficiary feedback, by directly monitoring changes in beneficiary outcomes over time, and by comparing beneficiary outcomes to non-beneficiary outcomes from matched samples interviewed through the regional Roma survey (component C).
- (C1) **Assess the extent to which the EC Roma pilot activities meet the challenges to improving ECEC/microfinance access among the wider Roma populations in Central and Eastern Europe.** Each of the projects has been designed to meet the specific ECEC/microfinance needs of the target populations. Having a clearer, more expansive and updated picture on progress (or lack thereof) in improving Roma livelihoods across Eastern and Central Europe will allow us to answer the following question: Are these activities scalable models or not and, if not, what program modifications can we recommend that do meet these wider challenges?
- (C2) Investigating **new methods of ethnically disaggregated data production** as alternative to expensive representative survey based data production.
- (D1) **Dissemination of the results of the specific projects** (with a focus on targeted countries and CSO working in those countries)

- (D2) **Dissemination of broader implications for data and monitoring** of Roma-targeted projects and ethnic statistics in general (covering all Decade of Roma Inclusion countries and international organizations involved in Roma inclusion)



Roma Pilot Project Overviews: A Good Start and Kiut

We provide a short overview of the AGS and Kiut Projects, highlighting those aspects which informed the objectives of our activities A-D above.

Roma Education Fund: A Good Start (AGS)

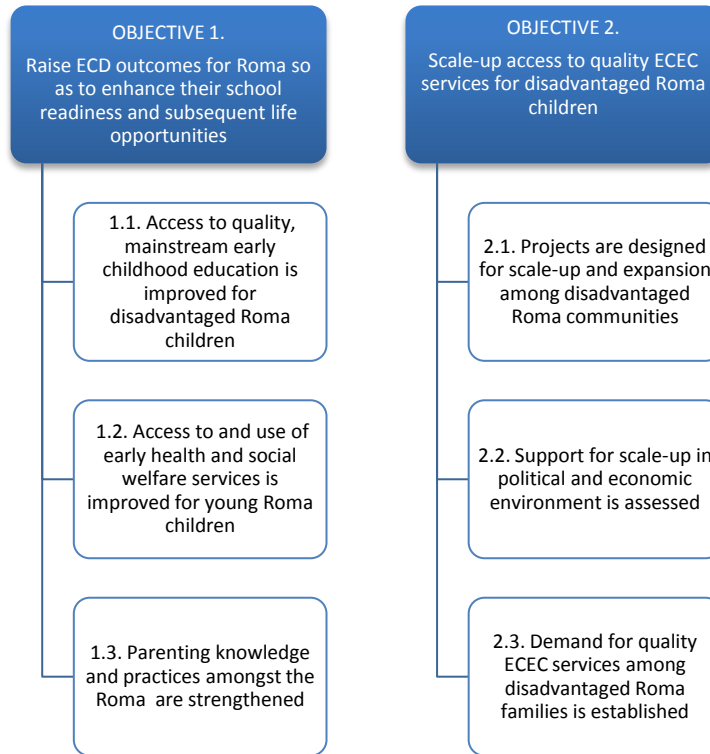
The 'A Good Start' (AGS) project was designed to demonstrate how to expand proven small-scale early childhood pilot activities so as to reach large numbers of Roma children and to create efficient and sustainable services schemes adjusted to local needs. AGS is expected to support children from ages zero to six to access early childhood education and care services in 12 locations across four countries (Hungary, Macedonia, Romania and Slovakia). In these different locations, eight non-governmental organisations plan to work with national and local governments to build sustainable partnerships in order to increase and improve early childhood services in vulnerable Roma communities.

AGS Objectives and Project Activities

The Roma Education Fund “A Good Start” project has two primary objectives:

1. To raise early childhood development outcomes for Roma children so as to enhance their school readiness and subsequent life opportunities;
2. To scale-up access to quality ECEC services for disadvantaged Roma children.

The project-level logframe objectives and outcomes are summarized in the chart below. A more detailed (still tentative) logframe structure can be found in the appendix.



The first of these objectives focuses on achieving direct impact on child development outcomes and school readiness for children¹ who are project beneficiaries. To fulfill this objective, AGS proposes a variety of activities that advance access and quality of child development and family support services for Roma children and families. Target services include kindergarten, health care, and parenting programmes.

The second objective focuses on the feasibility of replicating proven project activities with the goal of significant scaling-up quality services for disadvantaged Roma children. AGS seeks to demonstrate project models that are effective at achieving the first objective - improving early childhood outcomes for disadvantaged Roma - while also demonstrating that such models can be designed for sustainability and replicability.

The value of evaluating a project with these two goals cannot be underestimated. Far too many early childhood projects achieve improvements in quality learning environments for a small number of children, but fail in creating a sustainable design and building the external environment that facilitates expanding access to quality programmes to many more children.

¹ According to information from REF there should be in total 4,165 children and 7,233 parents as direct beneficiaries of the project (Hungary 853/541 (children/parents); Macedonia 2,500/5,599; Romania 254/600; and Slovakia 558/493).

Conversely, many other projects manage to achieve a considerable scale, but with dramatic reductions in quality and/or by targeting easy-to-reach, less vulnerable populations. The AGS project great opportunity to build knowledge on early childhood status and services in Roma communities, and some guidance on how to improve quality, targeting and access to these services.

AGS project planning and development has occurred in a largely bottom-up manner, with partner organizations working fairly independently to identify needs and propose projects to be implemented under AGS. In fact, AGS is not a single project *per se*; it is an umbrella for a diverse array of early childhood activities of 8 partner organisations in 12 project localities across the 4 countries. These activities are summarized in the tables in the appendix. The strength of grassroots project development is the potential to genuinely design and target activities to locally-specific needs and barriers for early childhood development. This diversity might well provide a uniquely rich source of information on how to design and implement relevant early childhood activities for scale-up in vulnerable Roma communities.

However, the bottom-up approach of project development and planning also creates challenges for management of the AGS project as a whole. Although REF's commitment to honor project diversity and local relevance is to be commended, because the project lacks an overarching structure, it is taking considerable time and interaction with the local partners to finalize a precise project-level logframe. From the 4 country-level logframes, the main categories of activities (kindergarten, home visiting, parenting activities, one-time community events, etc.) are now being identified, and there is some hope to be able to provide some structure and guidance from a central-level in the planning of activities in each category, but important details remain missing.

Continued support in monitoring and evaluation will be necessary given the limited M&E experience by REF and especially the local partner organizations responsible for implementing AGS. A centrally-guided process of identifying common project approaches, and monitoring and assessing project activities and beneficiary outcomes, is required. Because the AGS project interventions are so diverse and span many localities, and because REF is still building its own capacity in M&E, the WB and UNDP will need to continue to provide and M&E support and build local capacity. Other international partners, such as SGI and ISSA, contribute important technical expertise in their areas of work, but while their roles have been very important, they will not be able to provide all the necessary central guidance support to REF and the local partners.

Polgar's Kiut Microfinance Program

The Kiut program adopts a few key components of traditional solidarity lending ("Grameen-style") microcredit, but with many important differences in implementation. In addition the microcredit component, the program involves providing a complex set of support activities to its microcredit clients. The goals of the Kiut program are more ambitious than the primary goals of many microcredit programs, which typically include: ensuring high repayment rates, creating long-term customers, facilitate the marginal expansion of its clients' enterprise activities. *Its primary objectives are: i) ensure that clients actually start a small (sometimes capital-intensive) business that provides a sustained source of income, and ii) ensuring that clients operate their businesses legally.*

Both of those goals are important, and may lead to the Kiut program having a greater long-term impact on its clients' welfare than some other types of microfinance. They also may be mandated

by the unique requirements of the Hungarian context. However, they impose unique challenges on successfully attracting clients and effectively implementing the program.

Implementing microcredit in Hungary

Implementing microcredit in Hungary involves a number of challenges—one of the most important of which is a regulatory environment that makes it difficult for members of vulnerable groups to establishing microenterprises.²

Formalizing business: Establishing a legal business requires that individuals have: i) an identity card, ii) have completed a lower secondary education (or have an equivalency certificate), and iii) have a certificate from a vocational training program in the appropriate field, and iv) do not have any unpaid municipal debts. Each of those poses challenges for the target population, and the last two in particular pose challenges for program implementation.

Tax burden: Legal microenterprises in Hungary face a social security tax burden of 27% starting on the first forint of earnings. Since social security tax breaks that are offered to employers who employ the long-term unemployed, the Hungarian government has tentatively agreed to provide the Polgar Foundation with funds to pay for the social security taxes of pilot borrowers who were long-term unemployed. This arrangement raises questions, however, about the scalability of the program.

Lost social assistance: Many potential clients are concerned with losing income from various forms of social assistance and from public works. In order to mitigate these concerns, field workers will sign up borrowers for a little-known existing social program that pays those registered unemployed who turn to self-employment a minimum wage for six months.

Previous indebtedness: Most potential clients are already indebted; they typically have both unpaid credit card debt and municipal debt (incurred from various minor violations of ordinances). These debts will be recorded and assessed at the beginning of the project.

The Kiut program staff believes that the combination of a high tax burden and lost social assistance requires clients create larger, more capital-intensive businesses in order to generate returns. This creates unique requirements on the loan product such as larger loan sizes and longer credit cycles—that in turn may increase credit risk, and also limit the pool of likely borrowers (i.e. those who have sufficient business experience, etc).

Kiut Program implementation design

The Kiut Program has a number of components in addition to microcredit that are intended to meet its broader objective: facilitating the creation of legal businesses that provide a sustainable income given constraints of the context. Those activities include:

- *Formalizing microbusinesses:* At the most basic level, this involves helping the clients who need identity cards, obtain them as well as assisting clients with business registration. Many potential clients also lack the required vocational training to register their businesses, and some do not meet the basic education requirement. Finally, some clients have municipal debts. Final decisions have not been made about how to handle these constraints.

² This information comes from the Kiut Program staff and has not been independently verified with Hungarian authorities.

- Accessing social support: The program activities include assisting eligible clients access the six-month allowance for entrepreneurs.
- Business support and financial management: It intends to provide assistance on developing a business plan, and field agents will control/monitor use of loan money.
- Increasing access to finance: The program intends to make Raiffeisen Bank banking services available at the local level. This includes requiring clients to opening a checking account (for loan funds) and savings account (mandated saving). Given the distance to local branches, however, these services will only be available through field agents.

Microcredit product design

The microcredit product design relies on a few aspects of traditional solidarity lending with many important differences. The key aspects of the product design are:

- Group lending: Borrowers are required to form groups of 4-7 individuals in order to receive loans. Group members should not be from the same household.
- Staggered lending with weekly repayment: The two highest rated borrowers will receive their loans first (after training on the program, and indoctrination into solidarity principles). The next two borrowers will receive their loans only after the first two borrowers have successfully repaid their loans for six weeks. Then riskiest borrowers follow six weeks later and group leader takes their loan.
- Large loan size and long loan cycles: The Kiut Program believes that loans must be large in for it to achieve its objectives. The minimum loan size of 200,000 forints is approximately five times monthly income, which is large compared to microcredit programs in many other contexts. The maximum loan size is 1,000,000 forints. These larger loans require longer-than-average loan cycles of one year.
- Interest rates: The interest rate for loans is 20%. At the time the loans are taken, savings accounts (with a 10% interest rate) are opened for borrowers at the nearest of four participating branches of Raiffeisen Bank.
- Loan Cycle
 1. Initial contact
 2. After 2-3 months, the Intake questionnaire is asked
 3. The debts reported in the intake questionnaire is checked against banking blacklist:
 1. The client is accepted and can move on to become part of a group
 2. The client is rejected (until conditions are met and must restart the whole process)
 4. Group formation
 5. Informal business and self-employment questionnaire is asked
 6. A business plan is provided as a formal application to Kiut, written by field agents and beneficiaries
 7. The business plan gets approved or rejected by Kiut
 1. Another business plan may be submitted if there is rejection (Step 6)

8. Kiut writes a business plan application to Raiffeisen
 1. The client is accepted and moves on to the repayment
 2. The client is rejected and a new business plan has to be submitted (step 6)
9. Repayment process takes months, maybe years
 1. The client pays back everything, the final questionnaire is asked and can start over at step 6
 2. The client abandons

Managing credit risk

Since most microcredit does not demand collateral for loans, many microcredit organizations rely on a combination of clients' desire for continued access to credit, short loan cycles and small loans to minimize credit risk. Clients are initially offered very small loans and with short credit cycles (3 months or even 6 weeks in some cases). This provides organizations with an opportunity to quickly sort potentially reliable clients from unreliable clients at fairly little financial risk. In addition, this ensures that clients repay their loans in order to have continued access to credit, and potentially to larger loans. This system also helps to ensure exceptionally high repayment rates, since a good client will have to repay three or four loans in a year and bad client with have only defaulted on one loan. Of course, many microcredit programs rely on group lending to provide some form of joint liability, although joint liability is often not fully enforced in practice.

The Kiut Program relies on larger loans and longer cycles, which make it difficult to rely on some typical methods of managing credit risk. The program relies instead on the staggered lending as a form of group liability. The field agents also conduct exceptionally detailed due diligence on clients and business plans, and even monitor clients' spending where needed.

Although many microcredit organizations have proven that they can generate clients that repay their loans, whether they are lifting their clients out of poverty is less clear. At least one recent microfinance program (The Ford Foundation's Trickle Up Program), found that they needed larger-than-expected loan sizes to bring people out of extreme poverty.

The Kiut project started in February 2010, with training of 18 field workers—4 have been placed in Budapest, and 14 are based in rural areas. Some seed funding from Polgar foundation enabled the Kiut project to launch its activities ahead of the announcement by the EC that Polgar was selected.

In total Polgar expects its Kiut program to provide approximately 400 loans. The field workers have begun informing potential clients about the program, and have begun evaluating the business proposals of potential clients, as potential clients try to form groups. Businesses that provide a regular income stream are preferred to agricultural activities that do not provide a regular income. It has already made commitments for 100 to 150 loans (including reapplication for a second loan), leaving approximately 250 loans remaining. Since an additional 1/3 of clients are forecasted to reapply for a second loan (which in itself is an important design feature that should boost repayment incentives by those wishing a follow-up loan) approximately 185 clients remaining to be selected.

Component A – Project monitoring

Objectives A1, A2 and A3

The objectives of Component A are:

- (A1) **Support the development of a set of monitoring and evaluation tools** that can be used not only by the Roma Pilot organizations and local partners, but also by other ECEC and microfinance initiatives in the European Union.
- (A2) **Build monitoring and evaluation capacity** of the REF and in-country partner organizations and the Polgar Foundation implemented Kiut program, with the aim of improving project planning and project management of the EC Roma pilots.
- (A3) Establishing and testing a **local level data collection system for monitoring change at community level** as a source of information on the status of the communities (going beyond the level of the household) and yielding data for outcome and impact evaluation of Roma targeted programs and policies

Most of the activities under this component will be completed during phase 1. In some cases however they will run into phase 2 as well and in other cases some activities time-wise belong entirely to phase 2 but logically are continuation of phase 1. All those cases are explicitly marked (and are highlighted in the Time schedule).

The activities outlined in this component were designed in close collaboration with REF and Polgar, respectively, and will (continue to) be carried out in close collaboration with these organizations.

(A1) REF M&E Tools - Activities

In the area of developing **project monitoring and evaluation tools**, the following activities will be undertaken:

- (a) Supporting REF in developing a clear **project log-frame** linking objectives of the project to activities, and activities to outcomes and impacts. (June-September 2010)
- (b) Supporting REF in identifying appropriate **project activity and beneficiary outcome monitoring indicators** and capturing these in questionnaires (June – October 2010)
- (c) Supporting REF in the development of **data entry and data management tools** (July – November 2010)

Thus far, the World Bank and UNDP have been working together with REF and REF-partner SGI to ensure that relevant, project-specific and meaningful output and outcome indicators are linked to the specific goals, project designs and implementation cycles in AGS. The following instruments are being designed (details on each of these data collection instruments are provided in the appendix):

1. **Project Logframe:** Provide a logical framework (logframe) and overview of project activities linked to expected outputs, outcomes and ultimately to AGS project objectives

2. **Community Assessment:** Establish a baseline of information on early childhood services and education in each project locality
3. **Household Questionnaire:** Capture basic household information and establish pre- and post- status of ECD inputs and outcomes
4. **Project Monitoring (Attendance, Training Sign-In, Satisfaction Survey, Home Visit Sheet, Event Report):** Capture participation, evaluation and reports of after-school activities, trainings, teacher working groups, community meetings, home visits, etc.
5. **Kindergarten Continuum:** Provide an indication of quality of kindergarten services

(A1) REF M&E Tools - Deliverables

The deliverables of these activities will be:

- (a) A project log-frame across the four projects and 12 localities – draft log-frame is provided in the Annex 2 (October 2010)
- (b) Survey instruments capturing the project activity and beneficiary outcome indicators – the overview of these instruments is provided in the Annex 1. (October 2010)
- (c) Computer databases in which the collected information can be entered and stored. (November 2010)

(A2) REF M&E Capacity Building - Activities

Building capacity and providing continued support in monitoring and evaluation will be necessary given the limited M&E experience by REF and especially the local partner organizations responsible for implementing AGS. The activities in this area are designed to improve the capacity of REF and its local partner organizations, which will result in better collection of the information captured in the above survey instruments, including data entry and management, and improved M&E for any future project REF and its local partners take on. Such capacity is critical to support any kind of scale-up.

Based on the experiences working with REF and its local partners, and experiences from other similar projects, the following activities are envisaged:

- (a) Support a **M&E workshop** in Budapest with local partners (August-September 2010)
- (b) In collaboration with REF's country facilitators, provide **on-site trainings to REF partners** at each of the 12 localities on data collection skills, data entry, and data management. These will be 2-3-day trainings by a team of 1WB (data management) and 1UNDP (data collection) expert. (October-January 2011)
- (c) On demand (remote) **support to local partners and REF M&E person**. This support will consist of answering questions about data collection methods and data entry/data management questions, and continuous reviewing of data entry quality and providing feedback to partners. (December 2010 – June 2012).
- (d) Support a **M&E workshop with local partners** mid-way in Summer 2011 to exchange experiences, and sharing lessons learned from 1st year of implementation and plan for M&E for the next year (July 2011)

Thus far, UNDP and the World Bank supported a two-day workshop in Budapest from August 31-September 1, 2010, which organized by REF in which representatives from most local project partners came together, as well as SGI. During this workshop the following topics were covered:

1. Introduction to Data collection
2. Community Assessment (presentation of draft)
3. Household Questionnaire (presentation of draft)
4. Project Monitoring (presentations of drafts)
5. Database (presentation of draft Children's Database)
6. Regional Survey (overview of topics, methods, and links to AGS evaluation)

While the initial purpose of the workshop was proposed as a data collection training, the key outcome was to present drafts of monitoring tools to project partners and secure their feedback on the revision of these and the operationalisation of a monitoring system in the field. On September 2, 2010, a one-day workshop was organised by ISSA for country facilitators and the Step by Step staff from the 4 countries. The concept was to create country teams for kindergarten quality composed of AGS country facilitators and local Step by Step staff. Following the workshop, we continue to work with REF and SGI on finalizing the data collection instruments.

(A2) REF M&E Capacity Building - Deliverables

The deliverables of these activities will be:

- (a) Site specific data bases in which all the information collected by the local partners is stored. (August 2011 for Year 1; July 2012 for Year 2)
- (b) Site specific data sets in software formats that can be readily used for analysis (Excel, SPSS, Stata). (August 2011 for Year 1; July 2012 for Year 2)
- (c) An M&E ECEC training manual that builds on the capacity building experiences of year 1. (September 2011)

With regards to Polgar, the following activities and deliverables are planned:

(A1) Polgar M&E Tools - Activities

In the area of developing **project monitoring and evaluation tools**, the following activities will be undertaken:

- (a) Supporting Polgar in developing a clear **project log-frame** linking objectives of the project to activities, and activities to outcomes and impacts. (June-September 2010)
- (b) Supporting Polgar in identifying appropriate **project activity and beneficiary outcome monitoring indicators** and capturing these in questionnaires (June – October 2010)
- (c) Supporting Polgar in the development of **data entry and data management tools** (July – November 2010)

Thus far, the World Bank and UNDP have been working together with Polgar to ensure that relevant, project-specific and meaningful output and outcome indicators are linked to the specific goals, project designs and implementation cycles of its Kiut program. The following instruments are being designed:

1. **Basic Household Socio-Economic Questionnaire** – also referred to as in-take questionnaire; Assess the repayment capacities, credit-worthiness, and the socio-economic status of applicants. This information can be used by the approving Kiut

managers in reviewing applications, and can be used to assess changes in socio-economic status over time and relative to applicants whose applications were rejected.

2. **Business Plan questionnaire;** Provide uniform objective and subjective information on the nature of each business plan. This information can be used by the approving Kiut managers in reviewing applications, and can be used to assess changes in socio-economic status over time and relative to non-selected applicants. This information can also be linked at the end of the loan cycle with the client loan repayment history, and then used to assess which business characteristics are correlated with good repayment; i.e. a credit scoring tool for future Kiut use in approving business plans.

Details on each of these data collection instruments are provided in the appendix.

(A1) Polgar M&E Tools - Deliverables

The deliverables of these activities will be:

- (a) A Kiut project log-frame (October 2010)
- (b) Survey instruments capturing the project activity and beneficiary outcome indicators - the overview of these instruments is provided in the Annex 3. (October 2010)
- (c) Computer databases in which the collected information can be entered and stored. (November 2010)

(A2) Polgar M&E Capacity Building - Activities

As with REF's local partners, building Kiut M&E capacity and providing continued support will be necessary given its limited M&E experience. The following activities are envisaged:

- (a) Hire and train a **Kiut M&E field agent** who will be responsible for overseeing the data collection and entry of the different survey instruments that Kiut field agents will collect (October 2010-July 2012)
- (b) Provide support to **on-site training on data collection and data management** of Kiut field agents (October 2010)
- (c) On **demand (remote) support to Kiut M&E supervisor**. This support will consist of answering questions about data collection methods and data entry/data management questions, and continuous reviewing of data entry quality and providing feedback to partners. (December 2010 – June 2012).

(A2) Polgar M&E Capacity Building - Deliverables

The deliverables of these activities will be:

- (a) A data base in which all the information collected by Kiut is stored. (August 2011 for Year 1; July 2012 for Year 2)
- (b) A data set in software format that can be readily used for analysis (Excel, SPSS, Stata). (August 2011 for Year 1; July 2012 for Year 2)
- (c) An M&E ECEC training manual that builds on the capacity building experiences of year 1. (September 2011)

(A1) General M&E Tools - Deliverables

A report/paper - assessment of the envisaged project progress indicators as well as the envisaged methods of data collection. Analysis of the key lessons from the development of the M&E frameworks, from development of data instruments and establishment of data collection system (November 2010)

(A2) General M&E Capacity Building - Deliverables

A training module on collection of data for project monitoring and possibly outcome evaluation for the local partners. Separate section of the training module will be devoted to data collection and will be an interactive data collection guide (September 2011)

(A3) Local level data collection for monitoring the change at community level - Activities

To complement the statistical data collection at local level implemented by the REF local partners and Kiut field agents (on the two projects' beneficiaries and basic parameters when it comes to ECEC at the level of community) as well as to complement the data collected through the general Roma survey (on the general Roma population in the areas of ECEC and microfinance/self-employment and other socio-economic characteristics) the qualitative information on the localities where the two aforementioned sets of data collections were implemented is needed to understand the full context, in which the individual characteristics are measured and correctly interpret these characteristics. This qualitative information can be collected through the community based data collection conducted by data collectors directly from the communities monitored (one person collecting qualitative data).

This element will be tested from its applicability for program-level monitoring. One important element of the monitoring would be identifying possible linkages between project outcomes monitoring and program monitoring (both at level of data collection techniques as well as monitoring indicators). This goes thus beyond the indicators frameworks for the two awarded pilot projects and will be focused not just on registration aspects (collecting data on individuals or their households and monitoring status (in a given thematic area – ECEC and microfinance/self-employment) but will be oriented at change at community level. Community mobilization thus is seen as crucial element both in terms of data collection as well as involving the people in addressing the challenges identified in the process of status monitoring.

The local level data collection system is expected to generate important data that will later on be complementing the information collected under (C1) – data on the context in which the interviewed Roma (and non-Roma) households live. The individual sampling points where the general Roma survey (C1) will be conducted will be categorized based on the information from the local level data collectors (for example, localities with or without strong cooperation with local authorities; with or without Roma integration projects being implemented; with or without Roma CSO etc.). The data set of the general Roma survey will then be indexed attributing the parameters of the sampling points (shared by all its inhabitants) to the individual respondents' records. It would make possible correlating the individual status in various areas with the socioeconomic and political profiles (and performance) of the localities.

Finally, the local level data collection system is seen as important capacity development input for (C1). The persons identified and trained as local data collectors will be later on used as assistant-enumerators for the general Roma survey and potentially – beyond that as resource persons of National Statistical Offices and other entities involved in data collection in Roma communities.

Establishing and testing a community-based collection system would entail the following activities:

- (1) **Preparatory activities** for setting up a local community data collection framework (selecting a network of organizations with community presence; establishing a community activists group with trust of local people; organizing an introductory community meeting to introduce the idea, explain its rationale, how it is different, what is expected from the community members and what are the mid and long-term objectives, purchase of equipment and internet connection). (October 2010 – February 2011)
- (2) **Substantive work** on identifying areas of intervention and monitoring indicators; discussing on a priority list and assigning the roles to different members of the community, drafting and piloting the instrument (questionnaire); testing the tools (PDA or paper questionnaires, training of the local data monitors; joint development of monitoring questionnaires). (September 2010 – July 2011)
- (3) **Testing the system** and conducting the first round of data collection (localities covered by REF and Kiut). (October 2010 – February 2011)
- (4) **Critical review and lessons learnt** from the pilot phase. This activity will entail discussions both with beneficiaries (people from the communities) as well as local data collectors. Links practical project opportunities will be explored linking the process of data collection to practical change on the ground. (January – March 2011)
- (5) **Second round of data collection** (monitoring the changes that have occurred). Data analysis and discussion of the results with the community action groups. (March – May 2011)
- (6) **Third round of data collection.** Drafting lessons and replicable experience. Depending on the success of the pilot, drafting replication guidelines. (October – December 2011)

(A3) Local level data collection for monitoring the change at community level - Deliverables

A baseline of the status of the communities complemented with the existing organizational set-up of the local monitoring system, data instruments and data collection infrastructure. An overview of the identified gaps and recommendations for improvement of the system (up to 10 pages) and a group of local level data collectors qualified to perform the functions of assistant-enumerators (December 2011)

Component B – Project and Beneficiary Outcome Evaluations

Introduction

The annex 3 discusses the feasibility of carrying out impact evaluations for the REF early childhood education and care (ECEC) pilot project and the Polgar Foundation's Kiut microfinance project. We conclude that for slightly different reasons, randomized impact evaluations of the REF project and the Kiut microfinance project are not possible.

We do think that careful monitoring of beneficiaries, in combination with an emphasis on systematic qualitative methods, will enable us to assess the success of the project, and draw valuable policy lessons from the experiences, with the caveat that the conclusions will be subject to more assumptions (discussed below) than would be the case if rigorous counterfactual evaluations were possible.

The activities outlined in this component were designed in close collaboration with REF and Polgar, respectively, and will (continue to) be carried out in close collaboration with these organizations.

Objectives

The objectives of component B are:

- (B1) **Assess how the REF and its local partners and Polgar can improve their AGS and Kiut, respectively, project design and implementations** through project assessments by beneficiaries and other stakeholders.
- (B2) **Assess project impacts on beneficiary outcomes** through stakeholder and beneficiary feedback, by directly monitoring changes in beneficiary outcomes over time, and by comparing beneficiary outcomes to non-beneficiary outcomes from matched samples interviewed through the regional Roma survey (component C).

Some of the activities under this component will be completed during phase 1. In other cases, the activities will run into phase 2 as well and in other cases some activities time-wise belong entirely to phase 2. All those cases are explicitly marked (and are highlighted in the Time schedule, Annex 2).

(B1) REF Design and Implementation Evaluation - Activities

In the area of REF project design and implementation assessment, the following activities will be undertaken:

- (1) Collecting and synthesizing **background materials on the designs and experiences with other ECEC projects in the EU and beyond** that similarly aim to improve ECEC access by vulnerable groups like the Roma with the goal to inform future initiatives aimed at improving Roma access to ECEC. (Fall 2010 – Spring 2011)
- (2) Collecting **stakeholder feedback on AGS local project designs and implementations**. The goal is to capture qualitative information on project relevance and feasibility of

scaling-up. Interviews and focus group discussions are planned in the different localities with (a) beneficiary families on project implementation as well as relevance and demand/feasibility of the services offered by the local REF partners; (b) community leaders and education officials to assess project awareness, relevance, and feasibility; and with partners to assess awareness of alternative approaches and feasibility; and, (c) REF and REF partners to assess costing, challenges experienced during implementation, and recommendations for modifications. (Spring/Summer 2011).

- (3) Evaluating the extent to which **REF's AGS project designs meet the challenges to overcoming ECEC access by non-beneficiary families from the Roma populations as a whole in Central and Eastern Europe**. This will be done by administering a Roma regional survey – described in more detail in component C - containing key indicators on the (barriers to the) demand and supply of ECEC services. This survey will be administered to nationally representative samples of Roma in the four AGS countries - Slovakia, Hungary, Romania, and FYR Macedonia, as well as in the Czech Republic and Bulgaria, and to random samples of 50 beneficiaries in each of the 12 AGS localities. (Spring/Summer 2011)

(B1) REF Design and Implementation Evaluation - Deliverables

The deliverables of these activities will be:

- (a) A stakeholder project design and implementation feedback questionnaire. (Spring 2011)
- (b) A report (Fall 2011):
 - a. synthesizing lessons that can be learned from other ECEC experiences in the EU and beyond to inform ECEC initiatives aimed at Roma inclusion;
 - b. synthesizing the stakeholder feedback on project design and implementation; and,
 - c. synthesizing the (barriers to the) demand and supply of ECEC services as experienced by nationally representative Roma communities, and analyzing the extent to which REF's AGS project design and implementation meets these.

(B2) REF Beneficiary Outcome Evaluation - Activities

In the area of REF beneficiary outcome assessment, the following activities will be undertaken:

- (1) Assessing the feasibility of a **rigorous impact evaluation of REF's AGS project** and making recommendations on the pilot project implementation designs that would enable impact evaluations.
- (2) Assessing how **REF AGS's project has changed access to ECEC services for program beneficiaries, including parenting styles**. This will be done in two ways:
 - a. Analyzing the information collected by the REF local partners through (a) the Household Questionnaire, which captures basic household information and establish pre- and post- status of ECEC inputs and outcomes; and (b) the Project Monitoring information on attendance, training sign-in, satisfaction survey, home visit sheet, and event report, which capture participation, evaluation and reports of after-school activities, trainings, teacher working groups, community meetings, home visits, etc. (Fall 2011)

- b. Comparing access to ECEC services by REF program beneficiaries with access to ECEC services from a matched comparison sample of Roma households in the regional survey. (Fall 2011)

It should be noted that these are second-best options from the impact evaluation point of view. In particular, by comparing pre- and post outcomes without an appropriate comparison group, for approach (a) we cannot exclude the possibility that changes over time in these outcomes would have taken place in the absence of the AGS program; while for approach (b) we cannot exclude the possibility that there are unobserved (to the researcher) factors that are correlated both with AGS program participation and ECEC outcomes. However, as outlined in the appendix, other more rigorous counterfactual methods are not feasible given the heterogeneity in project designs, small samples, and heterogeneity in beneficiaries. Further, approach (a) is dependent on the quality of the data collected by the local partner organizations, which at this point is uncertain.

(B2) REF Beneficiary Outcome Evaluation - Deliverables

The deliverables for these activities will be:

- (a) A **background note** synthesizing our findings on the impact evaluation feasibility assessment; (Summer 2010)
- (b) A **report** analyzing the findings from the beneficiary outcome evaluation using the two methods described above; (Fall 2011)

(B1) Polgar Design and Implementation Evaluation - Activities

In the area of Polgar's Kiut project design and implementation assessment, the following activities will be undertaken:

- (1) Collecting and synthesizing **background materials on the designs and experiences with other microfinance projects in the EU and beyond** that similarly aim to improve employment outcomes by vulnerable groups like the Roma with the goal to inform future initiatives aimed at improving Roma employment outcomes of the working-age population. (Fall 2010 – Spring 2011)
- (2) Collecting **stakeholder feedback on Kiut project design and implementation**. The goal is to capture qualitative information on project relevance and feasibility of scaling-up. Interviews and focus group discussions are planned with Kiut beneficiaries as well as with loan applicants whose loan was not approved. This information will be collected through the survey module *Kiut Program Feedback Questionnaire* (see appendix for details), and will collect feedback on: (a) group formation procedures, (b) loan disbursement process; (c) loan group activities; (d) initial and ongoing business formation challenges; and (e) client recommendations for improving Kiut. (Spring/Summer 2011).
- (3) Evaluating the extent to which **Polgar's Kiut microfinance project design meets the challenges to overcoming employment barriers among working age Roma populations as a whole in Central and Eastern Europe**. This will be done by administering a Roma regional survey – described in more detail in component C - containing key indicators on the (barriers to the) employment services such as microfinance but also other employment type services. This 'employability module' will be added to the regional survey and will be administered to Kiut beneficiaries. This employability module will address: (a) previous experiences with and knowledge of programs offered by employment agencies; (b) experiences with other offices and agencies (local municipality, local tax offices, etc.); (c) views on self-employment versus

- wage employment; (d) previous experiences with creditors (banks, informal loans) in accessing credit for business needs; (e) views on skills challenges in enhancing adult employability; (f) views on other challenges in enhancing adult employability such as gender norms, discrimination, worker disincentives (if any) by guaranteed minimum income programs, business registration requirements etc.
- (4) Developing a **microfinance client scoring method** to support the sustainable scale-up of Kiut beyond the pilot phase by determining which Kiut client background characteristics predict good loan repayment and thus could be used as screening devices in future client selection. To achieve this, we need to merge the loan repayment data with the **Basic Household Socio-Economic Questionnaire** and the **Business Plan Questionnaire** (see appendix for details). Kiut has expressed a willingness to share with us the repayment information of their clients, provided this will prove possible within the limitations set by Hungarian laws. Given that Kiut may only make 100-150 loans in its first year, this activity will only take place in Spring 2012.

(B1) Polgar Design and Implementation Evaluation - Deliverables

The deliverables of these activities will be:

- (a) Employability and Kiut Program Feedback Questionnaire (Spring 2011)
- (b) A report (Fall 2011):
- a. synthesizing lessons that can be learned from other microfinance and employment program experiences in the EU and beyond to inform similar employment initiatives aimed at Roma inclusion;
 - b. synthesizing the stakeholder feedback on project design and implementation; and,
 - c. synthesizing the (barriers to the) demand and supply of microfinance/employment services as experienced by nationally representative Roma communities, and analyzing the extent to which Polgar's Kiut project design and implementation meets these.
- (c) A report on Kiut microfinance credit scoring (Spring 2012)

(B2) Polgar Beneficiary Outcome Evaluation - Activities

In the area of the Polgar beneficiary outcome assessment, the following activities will be undertaken:

- (1) Assessing the feasibility of a **rigorous impact evaluations of Polgar's Kiut project** and making recommendations on the project implementation design that would enable impact evaluations.
- (2) Assessing how the **Kiut project has improved employment and livelihood outcomes for program beneficiaries**. This will be done in two ways:
 - a. Using a *matched sample difference-in-difference* procedure that analyzes the employment and livelihood information the information collected by the Basic Household Socio-Economic Questionnaire and the business information from the Business Plan Questionnaire. Both questionnaires will be administered at baseline – prior to the loan approvals – and at the end of the EC commitment to Kiut. They will be administered by Kiut staff specially trained for this purpose to both successful and

unsuccessful loan applicants. Even though successful and unsuccessful loan applicants differ in their characteristics, this counterfactual evaluation approach has some chance of succeeding since the *selection into treatment* (Kiut beneficiaries) *and comparison* (applicants who had their loan rejected) *is done on characteristics observable to us* (the evaluation experts) *as long as loan approvals are strictly based on the information captured in these two surveys*. In other words, there is a reasonable chance that we can econometrically control for pre-existing differences between treatment and comparison (Spring 2012).

- b. Comparing employment outcomes by Kiut program beneficiaries with those from a matched comparison sample of Roma households in the regional survey. (Spring 2012)

As with the REF evaluation, it should be noted that these are second-best options from the impact evaluation point of view, and will be dependent on the quality of the data collected by Kiut field staff.

(B2) Polgar Beneficiary Outcome Evaluation - Deliverables

The deliverables for these activities will be:

- (a) A **background note** synthesizing our findings on the impact evaluation feasibility assessment; (Summer 2010)
- (b) A **report** analyzing the findings from the beneficiary outcome evaluation using the two methods described above; (Summer 2012)

Component C – Assessing scalability of AGS and Kiut through regional Roma population data collection

(C1) Introduction

In Spring 2011, the UNDP and the World Bank propose to carry out a regional survey of Roma households living in settlements where the share of the Roma population equals or is higher than the national share of the Roma population in the given country. In practise, these “Roma settlements or areas of compact Roma population” will often be Roma living in segregated neighbourhoods.

The countries covered by this survey will be the EU member states Bulgaria, Czech Republic, Hungary, Slovakia, and Romania. The aim is to sample approximately 750 Roma households in each of these countries. In addition, the survey will be administered to a sample of approximately 350 non-Roma households living nearby. In addition, it will be administered to random samples of 50 beneficiaries in each of the 12 REF localities and in the Polgar locality.

This regional survey will have a general Roma household status module integrated with two in-depth modules corresponding to the two Roma pilot areas supported by the UNDP and the World Bank activities: (1) Early Childhood Education and Care (ECEC); and (2) microfinance.

(C1) Objectives

The objectives of this regional survey are generate the data (general household status and in-depth information specific to the two pilot areas) that would make possible to:

- (1) Assess ECEC and microfinance participation levels by Roma households, both current levels as well as recent trends, and in comparison to non-Roma living nearby.
- (2) Assess the scalability of the approaches taken by the two EC Roma pilot projects, both within the countries in which the two projects operate and across the region.
- (3) Provide practical policy recommendations to EU member states on the design and implementation of ECEC services and microfinance services to Roma communities.
- (4) Provide practical recommendations to EU member states and the research community to carry out further impact evaluations of promising, but not fully proven, ECEC and microfinance approaches.

(C1) Regional Survey Focus Areas

Note that the REF/Polgar project level data alone will not enable us to meet these four objectives. To meet these objectives, the two in-depth modules (ECEC, microfinance) of the regional survey will have:

Survey Focus areas	EC Roma Pilot		Survey Respondents
	ECEC	Microfinance	

Type of providers	State and/or civil society	National employment offices, private banks, civil society, informal money lenders, relatives/family	Roma Households and Community Representatives
Type of providers	Facility and/or home based, child and/or parent focused, segregated or non-segregated, etc.	Group versus individual, long versus short-term, interest rate, collateral, penalties, (in)formal, additional business training etc.	Roma Households and Community Representatives
Actual state of participation	What proportion of young children participates in which kind of services, and how does this correlate with household background characteristics	What proportion participates in which kind of services, and how does this correlate with household background characteristics	Roma households
Barriers to participation	Distance to provider, costs, whether service is deemed valuable ('demand /behavioral' type questions), whether children are deemed welcome, knowledge of existence of service etc.	Distance to provider, costs, whether service is deemed valuable ('demand /behavioral' type questions), whether the Roma themselves perceive discrimination in service, business registration requirements, whether collateral can be provided, etc.	Roma Households and Community Representatives
Recommendations to improve delivery	How to improve service delivery	How to improve service delivery	Roma Households and Community Representatives
Specific feedback on EC Roma pilot approaches	Would the type of ECEC services offered elsewhere by REF's "A Good Start" address barriers to ECEC participation in the surveyed communities?	Would the type of microfinance services offered in Hungary by Polgar's "Kiut" address barriers to microfinance in the surveyed communities?	Roma Households and Community Representatives

The data generated within these survey focus areas will enable us to:

- (1) *Assess ECEC and microfinance participation levels:* For example, what proportion of young Roma children participate in ECEC?; how does ECEC/microfinance participation correlate with Roma household background characteristics? ; do we observe an increase in ECEC participation by comparing current young children with older cohorts?; and, how do Roma ECEC and microfinance access compare with non-Roma living nearby?
- (2) *Assess the scalability of the approaches taken by the two EC Roma pilot projects:* How do the socio-economic characteristics of the REF and Polgar Foundation beneficiaries compare to the wider populations of surveyed Roma and to what extent do the REF and Polgar approaches address the barriers to ECEC and microfinance, respectively, of the wider populations of surveyed Roma?

- (3) *Provide practical policy recommendations to EU member states on the design and implementation of ECEC services and microfinance services to Roma communities:* Suppose, for example, that in a given country low costs, good quality ECEC services are readily available, but demand is low because there are many Roma women that are unemployed and stay at home and they do not see the value of sending their children to kindergartens. In this case, the policy recommendation to improve ECEC participation will be to focus on demand side interventions such as Roma mediators or even labor activation programs for women, which raise the opportunity costs of keeping children at home. Alternatively, suppose that ECEC services in a given country are available and Roma parents would like their children to take advantage of these, but the school fees are simply too high. Or, kindergarten teachers are not welcoming of Roma children. Or, demand by Roma parents is there, but there is a lack of available services being offered. In all these latter cases, supply side interventions focusing on decreasing the cost, providing teacher training, and improving availability of ECEC services, respectively, would be more appropriate.
- (4) *Provide practical recommendations to EU member states and the research community to carry out further impact evaluations of specific ECEC and microfinance approaches:* For example, suppose that Roma parents in a given country indicate (a) that prevailing costs of ECEC services are a barrier to participation, and (b) not seeing much value in sending their children to ECEC services, even if desegregated and of high quality. To stimulate ECEC participation, reducing tuition fees would be the natural candidate addressing (a) while Roma mediation in areas with already good quality supply would address (b). In the absence of information on the (cost-) effectiveness of either, a recommendation could be to carry out an impact evaluation in which both approaches are assessed.

(C1) Economy of Scope

When interviewing Roma households in the region on ECEC and microfinance, there is little extra cost to adding questions on general education, health, and employment; in fact, these types of questions are not only part of most surveys' general household roster module, but are also a key input into understanding which types of households (poor/rich, educated/uneducated, etc.) have access to ECEC and to microfinance services. In addition, the survey can include several questions on other forms of employment activation beyond microfinance such as job search assistance and training offered by the national employment services.

This data set would therefore not only enable meeting the objectives above, but would also be a very useful resource in that it would provide a clearer, more expansive and updated picture of the Roma geographic segregation, education, health, and employment levels in the region; data which is importantly lacking and which can provide key information to policy makers.³

³ The only regional Roma survey carried out so far is the UNDP, "At Risk" survey, which was collected in 2004 and is thus already 6 years old. Some country-specific general household surveys have been carried out since, incl. by the World Bank and UNDP, but recent basic information on key indicators is by and large lacking.

(C1) Sampling Strategy

The aim is to sample approximately 750 Roma households in each of these countries. In addition, the survey will be administered to a sample of approximately 350 non-Roma households living in close proximity to Roma. This approach has been selected due to hypothesis that the social exclusion of Roma is not always due to their ethnicity, but rather is often due to also geographic location – the non-Roma inhabitants of the same municipality face also strong social exclusion. The UNDP reports from 2002 and 2006⁴ argue the issues related to social exclusion of Roma should be dealt with taking into consideration the geographic/territorial dimension, addressing the entire community living in disadvantaged locations rather than the Roma part of it. Such an approach can lead to overcoming negative stereotypes and attitudes as well as to higher territorial cohesion.

The primary **universe under study** of the survey will consist of all the households in Roma settlements or areas of compact Roma population. As “Roma settlements or areas of compact Roma population” will be defined the settlements where share of Roma population equals or is higher than national share of Roma population in the given country as reflected in census data. This will effectively mean that the survey will cover the municipalities with largest concentrations of Roma population.⁵ In order to offset the underestimation of Roma populations by censuses in most countries, additional inputs from qualitative research will be used to identify those settlements. However one of the assumptions of the survey will be that censuses understate the absolute number of Roma population but provide reasonably adequate picture of its structure and territorial distribution mainly for those who identify themselves as Roma. The second assumption will be that major disparities in socio-economic status of the populations are most obvious (and can be explored best) at the level of municipality (or other relevant territorial units). Since at this level vulnerability factors exist that affect both Roma and the majority populations, vulnerability profile of the two groups (Roma and majority) in the same territorial unit would make possible the identification of those vulnerability factors that particularly affect Roma.

The sample for the surveys will be designed using three-stage identification of respondents. It is necessary in order to address both the issue of multiple identities as well as avoiding controversial “naming and counting of Roma. For that purpose relying solely on self-identification would not produce a representative sample. On the other hand “forcing people into identity” – applying external identification only – is not acceptable either. Given these considerations a compromise between the two – self-identification and external identification – will be used within “implicit endorsement of external identification”.

At the first stage of the sample design the universe will be defined (as mentioned above, using “average and above” share of Roma in each settlement”). At the second stage, taking into consideration Roma organizations’ estimates (suggesting for example that in municipality “X” Roma dominate but for various reasons tend to report as “Y” or “Z”), the distribution of the

⁴ UNDP (2002). *The Roma in Central and Eastern Europe: Avoiding the Dependency Trap*; and UNDP (2006). *At Risk: Roma and the Displaced in Southeast Europe*.

⁵ A) Integrated/dispersed – inhabitants of the settlement live dispersed among the majority population; B) Integrated/concentrated – rural and urban concentrations, in which, according to the majority population more than 80% of Roma live and they consist of at least three houses; C) Settlement at the edge of municipality – inhabitants are concentrated in certain part of the municipality located at its edge; and D) Settlement out of the municipality – this settlement consists of a group of houses, which is located either at certain distance from the municipality, or is separated from the municipality by some barrier (e.g. forest, road, railway, river, etc.), or there is no continuous build up area between the municipality and this group of houses (Atlas of Roma communities in Slovakia, 2004)

settlements and the size of population, the sampling clusters were determined. With sampling clusters determined, at the third step respondents were identified using “random route” selection.

Once the individual household will be selected as potential respondent in an interview through random route selection, implicit endorsement of the ethnic identification will be applied. For that purpose the enumerators will start the interview with an introductory sentence “Good morning/day, we are conducting a survey among Roma population. Would you mind to be interviewed?” In case of explicit denial (“I am not Roma, why should you interview me?”) the interview will be cancelled and next respondent in the sampling cluster will be selected. Acceptance to participate was interpreted as the household member’s implicit endorsement of belonging to the universe under study.

In some cases (particularly in big cities and capitals) high number of Roma population still constitutes low share in the total. In such cases the sample model will follow the administrative subdivisions (usually the “capital municipality” is divided into smaller municipalities and/or lower levels of self-government). These lower levels will be chosen as the sampling units.

During the interview the information on the status of the households and its individual members will be recorded as reported by the main respondent. The main respondent will be the head of the household.

Data analysis will be using standard statistical analysis methods for calculating comparable indicators in priority areas (education, health, income/expenditures, employment etc.). Most of the indicators will be comparable to similar ones calculated for non-Roma populations living in close proximity to Roma as well as national average indicators.

(C1) Roma Regional Survey – Activities

The following activities will be undertaken

- (1) **Brainstorming on the definition of the universe of the study and defining the suitable sampling model.** (September – November 2010)
- (2) **Customization of the questionnaire;** this includes ensuring comparability with the REF and Polgar data collection instruments. Comparability will also be sought with the 2004 UNDP “Roma at Risk” regional survey to provide a longitudinal comparison. (September – November 2010)
- (3) Updating the **sampling model;** including investigating the feasibility of constructing ‘pseudo-panels’ in individual country. (December 2010 – January 2011)
- (4) **Administering the general Roma survey** in Bulgaria, Czech Republic, Hungary, Macedonia (covered from UNDP co-funding) and Romania, and Slovakia.

The fieldwork would be implemented during May 2011, due to the fact, most of the countries covered by the survey will run population Census in March/April 2011 and another survey might face problems of “over-surveyed population”. At the same time spring and autumn are the periods of time, when according to previous experiences it is appropriate to do surveys on socio-economic situation of Roma (to avoid seasonal influences of summer jobs and severe weather conditions during winter). (February – July 2011)

(C1) Roma Regional Survey - Deliverables

A dataset assessing (1) ECEC access and service delivery; (2) microfinance access and service delivery; and (3) geographic and socio-economic situation of Roma in Central and South-Eastern Europe representative for the municipalities with high proportion of Roma population. The dataset would be complemented with an updated list of sampling points for the general Roma survey, sampling plan and instructions to interviewers; and training manual for the Roma assistant-enumerators that will be involved in the survey. A set of Roma households' reference groups constructed for evaluating the REF and Polgar projects (July 2011)

(C2) New methods of ethnically disaggregated data production - Activities

Primarily focus of this part is on research and its purpose is to investigate the feasibility of **new methods of ethnically disaggregated data production**. The idea behind it is to make the best out of existing data bases and conventional data collection for the purposes of ethnically-disaggregated analysis and look at alternatives to the expensive representative survey based data production. A number of approaches will be analyzed with particular focus being put on individual data integrity and anonymity.

The following activities will be conducted:

- (1) Conducting a **desk-research** on the availability of ethnically disaggregated data in New EU Member states. (July – September 2010)
- (2) Compiling an **inventory of replicable approaches** that can be used for producing data on monitoring the status of Roma inclusion in the major areas will be examined from the point of view of their feasibility. (October – November 2010)
- (3) **Piloting selected approaches** to test the possibilities to use ethnic markers as a way to produce disaggregated statistics from administrative records. (December 2010 - February 2011)

(C2) New methods of ethnically disaggregated data production - Deliverables

An overview and critical assessment of possible approaches to production of ethnically disaggregated data with analysis of costs and benefits of individual approaches, inventory of possible approaches to ethnic data disaggregation and their feasibility (up to 20 pages) (March 2011)

Component D – Advocacy and dissemination

Objective

- **(D1): Dissemination of the results of the specific projects** (with a focus on targeted countries and CSO working in those countries)
- **(D2): Dissemination of broader implications for data and monitoring** of Roma-targeted projects and ethnic statistics in general (covering all Decade of Roma Inclusion countries and international organizations involved in Roma inclusion)

The objectives of this component will be reached through media campaigns, experts workshops and conferences, publication of data for public use and further analysis and lobbying/discussions with different stakeholders at various policy levels (both national and international).

Activities of this component are integral parts of components A, B and C. This activities will be conducted throughout the entire life of the project, consisting of meetings with various stakeholders, participation in the conferences on M&E of Roma programs and policies and publication of reports on ECEC and on microfinance/self-employment in the countries with the pilot project activities and on assessment of public policies on situation of Roma (based on the general survey of Roma households).

(D1) Dissemination of the results of the pilot projects - Activities

- (1) **Presentation of the first results** of the projects' activities in the M&E conference organized by DG Regio in November 2010.
- (2) **Conducting an expert workshop** devoted to methodological issues of ethnic data collection, counterfactual impact evaluations and project monitoring in development practice. (end of February 2011)
- (3) **Regional conference to present the findings** of the project activities at the end of the project. (November 2012)

(D1) Dissemination of the results of the pilot projects - Deliverables

- (a) **Conclusions** from the participants and recommendations on the methodological issues related impact evaluation of the projects targeting vulnerable groups. (July 2011)
- (b) A **regional conference** conducted (November 2012)

(D2) Dissemination of broader implication for M&E of Roma-targeted interventions - Activities

- (1) **Set of working meetings** with Eurostat, National Statistical Offices, the ESF and ERDF units in the Commission, national teams working on Roma issues, national experts to break the barriers preventing from collection of ethnic data. (January 2011 – December 2012)
- (2) **Development and publishing of the data** from the general Roma HHs survey. The datasets from the survey will be presented in an online application together with basic

indicators calculated for each country covered by the survey (application similar to <http://vulnerability.undp.sk/>). (August – September 2011)

- (3) **Analysis of the regional Roma survey results and when possible comparison with the data from 2004 – socio-economic status of Roma households** (October 2011 – February 2012)

(D2) Dissemination of broader implication for M&E of Roma-targeted interventions - Deliverables

- (a) Set of briefing notes for the meetings conducted with various stakeholders
- (b) On-line data base of the status of Roma households (September 2011)
- (c) Analysis of the regional Roma survey results (February 2012)

Management, Implementation and Reporting

The proposed activities are/will be (phase 1/phase 2) managed and implemented by the Bratislava Regional Centre within the delegated Direct Execution (DEX) authority, in line with the UNDP Programming for Results Management User Guide. The project implementation is/will be based (phase 1/phase 2) on the contract between the DG Regio and UNDP Office in Brussels which is also the main legal counterpart on the side of UNDP.

The project activities have been/will be **implemented** (phase 1/phase 2) jointly by UNDP Bratislava Regional Centre and the World Bank. The relationship between UNDP and the World Bank is/will be defined (phase 1/phase 2) in the agreement between these two institutions.

On the side of UNDP the following structure is implementing the proposed activities:

1. Andrey Ivanov, Human Development Advisor – key expert and overall supervision of the project activities
2. Jaroslav Kling, Project Manager, Roma Program – project manager and expert
3. Susanne Milcher, Social Inclusion Specialist – expert
4. Daniel Skobla, Social Inclusion Officer – expert

In addition the services of external experts and external companies (survey) are/will be used for implementation of selected activities. These external experts will be contracted based on competitive selection process in accordance to the UNDP's Programme and Operations Policies and Procedures.

On the side of the World Bank the following structure is implementing the proposed activities:

1. Joost de Laat (Economist, Human Development); Mr. de Laat leads the impact evaluation cluster for the Europe and Central Asia region and is part of the WB core Roma working group - he will act as task team leader for this EC Roma pilots work
2. Sachiko Kataoka (Education Specialist, Human Development); Ms. Kataoka leads the early childhood cluster for the Europe and Central Asia region – she will support the ECEC component.
3. Ethan Yeh (Economist, Human Development); Mr. Yeh is co-team leader for the impact evaluation cluster and is part of the WB core Roma working group - he will support both project components.
4. Nadezhda Lepeshko (Junior Professional Associate) – she will support the microfinance component of the project.
5. Jesko Hentschel (Sector Manager, Human Development Economics) - he will provide overall support and guidance to the project.

In addition, the World Bank may call upon other colleagues in ECEC and microfinance/employment to support aspects of the work. It will also be supported by specialists hired as consultants. For example, Professor Gabor Kezdi from Central European University acts as an advisor on the M&E design, early childhood specialist Anna Smeby (UNICEF) has been advising on the ECEC survey modules, and Robin Audy – data collection and IT specialist – has been supporting the questionnaire development for Polgar's Kiut and database development for both Kiut and REF.

Overall implementation of the proposed activities is supported by the management and support unit of UNDP Bratislava (travel, finance, procurement, HR, etc.).

UNDP will provide the steering group at DG Regio with **regular reports** according to the provisions of the contract between these two organizations. The deliverables identified in the current proposal of activities are grouped into a set of interim reports as follows:

1. Interim report I covering the Phase 1 (October 2010-March 2011) submitted by April 30, 2011 reporting on the following deliverables:
 - a. REF and Polgar projects' project log-frames
 - b. REF and Polgar projects' survey instruments capturing the project activity and beneficiary outcome indicators
 - c. Computer databases in which the collected information can be entered and stored
 - d. Assessment of the envisaged project progress indicators as well as the envisaged methods of data collection. Analysis of the key lessons from the development of the M&E frameworks, from development of data instruments and establishment of data collection system
 - e. A background note synthesizing our findings on the impact evaluation feasibility assessment of REF and Polgar projects
2. Interim report II covering activities marked as Phase 2 in the current plan of activities in the period of December 2010 – June 2011, submitted by July 31, 2011 and reporting on the following deliverables:
 - a. REF and Polgar projects' specific databases in which data collected by local partners and field agents are stored
 - b. A stakeholder project design and implementation feedback questionnaire
 - c. Employability and Kiut Program Feedback Questionnaire
 - d. A dataset on socio-economic situation of Roma in Central and South-Eastern Europe representative for the municipalities with high proportion of Roma population
 - e. An overview and critical assessment of possible approaches to production of ethnically disaggregated data with analysis of costs and benefits of individual approaches, inventory of possible approaches to ethnic data disaggregation and their feasibility
3. Interim report III covering activities in the period of July 2011 – December 2011, submitted by January 31, 2012 and reporting on the following deliverables:
 - a. A training module on collection of data for project monitoring and possibly outcome evaluation for the local partners.
 - b. Status of the communities complemented with the existing organizational set-up of the local monitoring system, data instruments and data collection infrastructure. An overview of the identified gaps and recommendations for improvement of the system (up to 10 pages) and a group of local level data collectors qualified to perform the functions of assistant-enumerators
 - c. A report :

- i. synthesizing lessons that can be learned from other ECEC and microfinance/employment programs experiences in the EU and beyond to inform ECEC and microfinance/employment programs initiatives aimed at Roma inclusion;
 - ii. synthesizing the stakeholder feedback on projects' design and implementation; and,
 - iii. synthesizing the (barriers to the) demand and supply of ECEC services and microfinance/employment programs as experienced by nationally representative Roma communities, and analyzing the extent to which REF's AGS and Polgar Foundation's Kiut program project design and implementation meet these.
 - d. A report analyzing the preliminary findings from the beneficiary outcome evaluation – REF project
- 4. Interim report IV covering activities in the period of January 2012 – June 2012, submitted by July 31, 2012 and reporting on the following deliverables:
 - a. Analysis of the regional Roma survey results
- 5. Final report covering remaining activities in the second half of 2012, submitted by December 31, 2012 and reporting on the following deliverables:
 - a. A regional conference conclusions
 - b. **FINAL REPORT:**
 - i. **Toward Evidence Based Policy Making: (a) Setting up monitoring and evaluation systems for the Roma targeted interventions** – from specific pilot projects' experiences towards generalized conclusions; and **(b) collecting data for evaluating the effects of Roma targeted interventions**
 - 1. **Roma Education Fund ECEC** – 4 country, 12 site project monitoring
 - 2. **Kiut Microfinance Program** – project monitoring
 - 3. **Local level data collection for monitoring change at the community level**
 - 4. **Collecting socio-economic information on Roma households through national level surveys and its use for evaluation of the Roma targeted interventions**
 - 5. **Generalized conclusions**
 - ii. **Promoting Roma school readiness through Early Childhood Education and Care: lessons from the Roma Education Fund impact assessment and regional survey**
 - 1. Background literature review on the importance of early childhood development initiatives
 - 2. EU Regional assessment of the current status of ECEC participation and constraints (supply/demand) to participation by Roma children in Bulgaria, Romania, Hungary, Slovakia, and Czech Republic (using regional survey)

3. Literature review of early childhood program initiatives in these same countries, and detailed description of the REF “A Good Start” program
 4. Lessons learned from the REF assessment on the effectiveness of the program in raising early childhood outcomes and improving school readiness in the four countries and lessons learned on the efficiency of the delivery of these services (using monitoring information collected by the partner organizations as well as the regional survey)
 5. Scalability of the “A Good Start” program (using the regional survey)
- iii. Promoting Roma employment outcomes through microfinance: lessons learned from Polgar’s “Kiut” program and regional survey**
1. Background literature review on the effectiveness of microfinance in raising employment outcomes
 2. EU Regional assessment of the current status of microfinance access and constraints (supply/demand) to participation by Roma of working age in Bulgaria, Romania, Hungary, Slovakia, and Czech Republic (using regional survey)
 3. Literature review of microfinance initiatives in these same countries, and detailed description of Polgar’s “Kiut” program
 4. Lessons learned from the Kiut assessment on the effectiveness of the program in raising employment outcomes in the four countries and lessons learned on the efficiency of the delivery of these services (using monitoring information collected by Kiut as well as the regional survey)
 5. Scalability of the “Kiut” program (using the regional survey)
 6. Results from the credit scoring exercise
- iv. Conclusions from comparison of the Roma socio-economic status in 2011 and 2004 in the areas of employment, education, health, and housing (incl. de-segregation) (using the regional survey).**

Time schedule

Activities	2010 (months)												2011 (months)												2012 (months)														
	03	04	05	06	07	08	09	10	11	12	01	02	03	04	05	06	07	08	09	10	11	12	01	02	03	04	05	06	07	08	09	10	11	12					
Component A																																							
(A1) REF M&E Tools	(a) Supporting REF in developing a clear project log-frame																																						
	(b) Supporting REF in identifying appropriate project activity and beneficiary outcome monitoring indicators																																						
	(c) Supporting REF in the development of data entry and data management tools																																						
(A2) REF M&E Capacity Building	(a) Support a M&E workshop with local partners																																						
	(b) On-site trainings to REF partners on data collection skills, data entry, and data management.																																						
	(c) On demand (remote) support to local partners and REF M&E person																																						
	(d) Support a M&E workshop with local partners to exchange experiences, and sharing lessons learned																																						
(A1) Polgar M&E Tools	(a) Supporting Polgar in developing a clear project log-frame																																						
	(b) Supporting Polgar in identifying appropriate project activity and beneficiary outcome monitoring indicators																																						
	(c) Supporting Polgar in the development of data entry and data management tools																																						
(A2) Polgar M&E Capacity Building	(a) Hire and train a Kiut M&E field agent																																						
	(b) On-site training on data collection and data management of Kiut field agents																																						
	(c) On demand (remote) support to Kiut M&E supervisor																																						
(A3) Local level data collection for monitoring the change at community level	(1) Preparatory activities for setting up a local community data collection framework																																						
	(2) Substantive work																																						
	(3) Testing and 1st round of data collection																																						
	(4) Critical review and lessons learnt from the pilot phase.																																						
	(5) 2nd round of data collection																																						
	(6) 3rd round of data collection and drafting lessons and replicable experience																																						

Annex 1 Overview of instruments developed in the REF project

1. Project Logframe	
Purpose	Provide a logical framework (logframe) and overview of project activities linked to expected outputs, outcomes and ultimately to AGS project objectives
Information captured	Project objectives, expected outcomes, outputs and planned activities with means of verification identified
Coverage	Project-level (4 countries) overview, linked to detailed logframes created for each country and locality
Collected by	NA
Timing/frequency	Once, upon initiation of project
Expected challenges	With project planning largely complete and preparations for activity initiation underway by the time the logframe is established, there is reduced opportunity for the active involvement of REF and partners to use this as a planning tool
Use for evaluation	The project-level logframe guides M&E planning by identifying the major activities, outputs, outcomes and objectives that must be assessed.
Comments	The project logframe was developed only after AGS project was approved and planning well-underway. It shows that some activities do not fit as clearly to project objectives as others, and highlights where a lack of clarity about planned activities prevents these from being clearly associated with any project objective. The logframe may now be used to guide some project revision and clarification, though it is not certain to what extent this is feasible.

2. Community Assessment	
Purpose	Establish a baseline of information on early childhood services and education in each project locality
Information captured	No. of inhabitants, children, disadvantaged children (Roma/non-) in the locality No. of schools, children enrolled, children in segregated schools/classes No./list of preschools, children and qualified personnel in locality Assessment of Roma participation in local decision-making Assessment of education problems and necessary interventions
Sample Population	All 12 localities served by AGS
Collected by	REF local partner organisations, supported by REF/SGI/WB/UNDP
Timing/frequency	At project initiation and completion; two times
Expected challenges	Narrative text format in word tables enables the provision of rich data, but also allows for more non-standardised data that may prove difficult for analysis and comparison across countries Requires collection of information from many sources; heavy task for partners Finalisation of the format and completion of data collection before the database design is finalised might create some challenges if the resulting data is not ideally suited to the eventual database
Use for evaluation	Provides a list of kindergartens in each locality; these will be used to

	create a list in the database; Establishes the context and a sort of baseline of early childhood and education services in each locality
Comments	The community assessment should be complemented with stakeholder interviews and focus groups to help provide a richer understanding of early childhood in project localities.

3. Household Questionnaire	
Purpose	Capture basic household information and establish pre- and post- status of ECD inputs and outcomes
Information captured	List of members of (recurring only) beneficiary households ECD inputs: Parenting attitudes and practices, ECD service access (incl. AGS) ECD outcomes: Basic child development outcomes (parent-report, observation)
Sample Population	All households with a recurring beneficiary child
Collected by	Community mediators, supported by REF/SGI/WB/UNDP
Timing/frequency	October 2010 (or upon programme entry for late enrollers) and October 2011; completed two times (pre- and post-)
Expected challenges	There is currently no “enrolment” system in which a child is clearly indicated (for database entry and project records) as a recurring beneficiary of a particular activity – and therefore a child whose family should complete the household questionnaire Balance need to collect comprehensive data with need to reduce time required All beneficiaries must be captured, and found again at program completion; there is a possibility that not all families will be captured Potential concerns for privacy when completed in kindergarten or public place Assessment of easily-observable ECD abilities can only occur if child present/awake Finalisation of the format before the database design is finalised might create some challenges if the resulting data is not ideally suited to the eventual database
Use for evaluation	Establishes the child and family lists for the database Provides critical pre- (almost) and post-intervention ECD inputs (service access, parenting practices, etc.) and outcomes
Comments	The household questionnaire is the primary source of data on beneficiary children and families – to be complemented only by project records that provide basic information on services provided.

4. Project Monitoring (Attendance, Training Sign-In, Satisfaction Survey, Home Visit Sheet, Event Report)	
Purpose	Capture participation, evaluation and reports of after-school activities, trainings, teacher working groups, community meetings, home visits, etc.
Information captured	Attendance: Trainings, After-school activities Topics Covered and Results: Home Visits, Trainings, Working Groups Feedback: Trainings, Community Meetings, etc.
Sample Population	All recurring beneficiaries of relevant projects

Collected by	Community mediators, supported by REF/SGI/WB/UNDP
Timing/frequency	Ongoing / Compiled every 4 months for data entry
Expected challenges	There is no attendance sheet for Kindergarten There is no planned system to capture child-level attendance Plan to photocopy attendance sheets will require lots of work/will be imprecise “Indicator tables” for project data are by locality not linked to a central database System for compiling project data/entering in indicator tables is not yet established Project activities and use of monitoring forms are likely to initiate before the database design is finalised
Use for evaluation	Build AGS monitoring system and collect basic project data (e.g. attendance) to capture duration and frequency of intervention

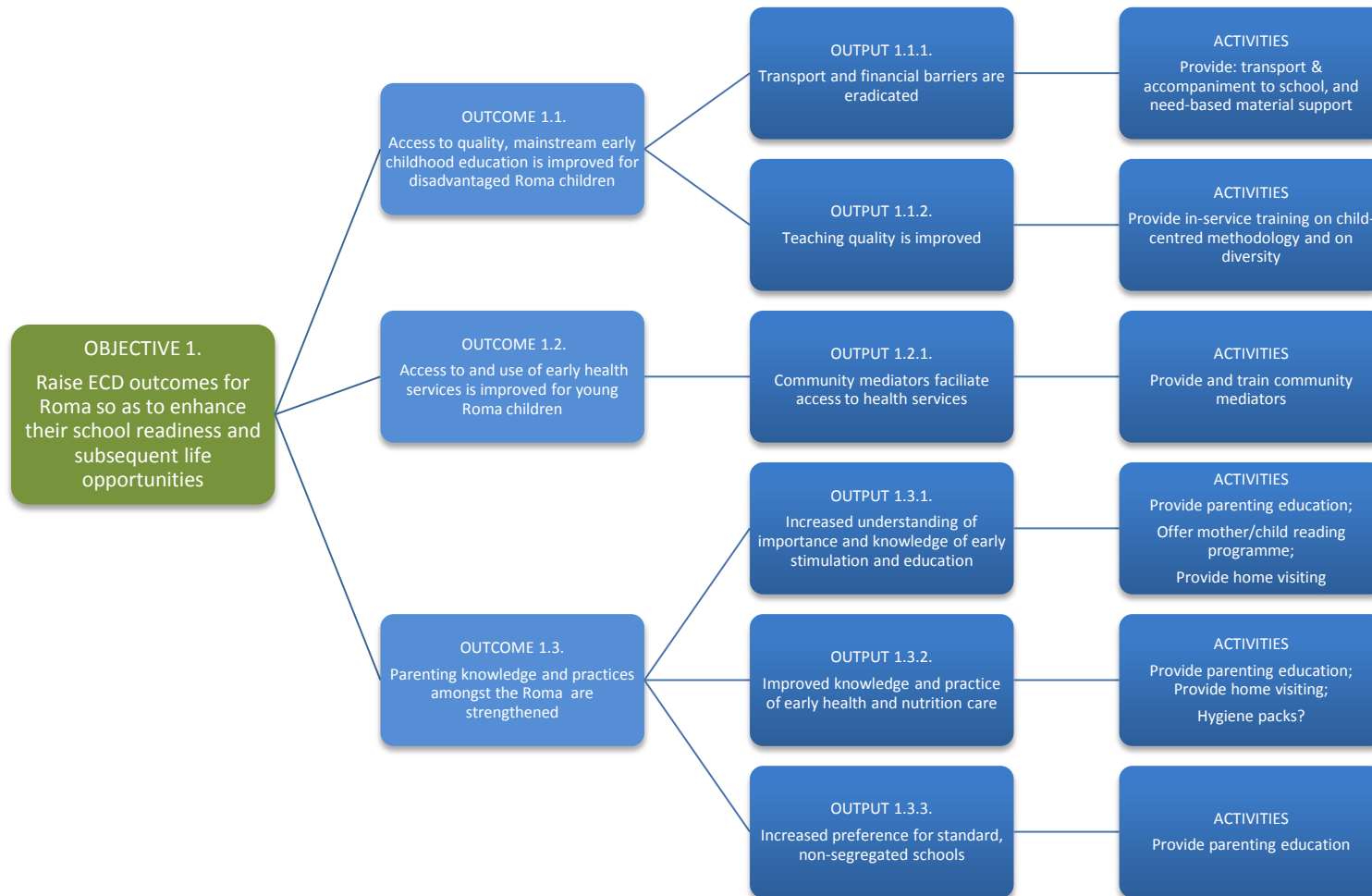
5. Kindergarten Continuum

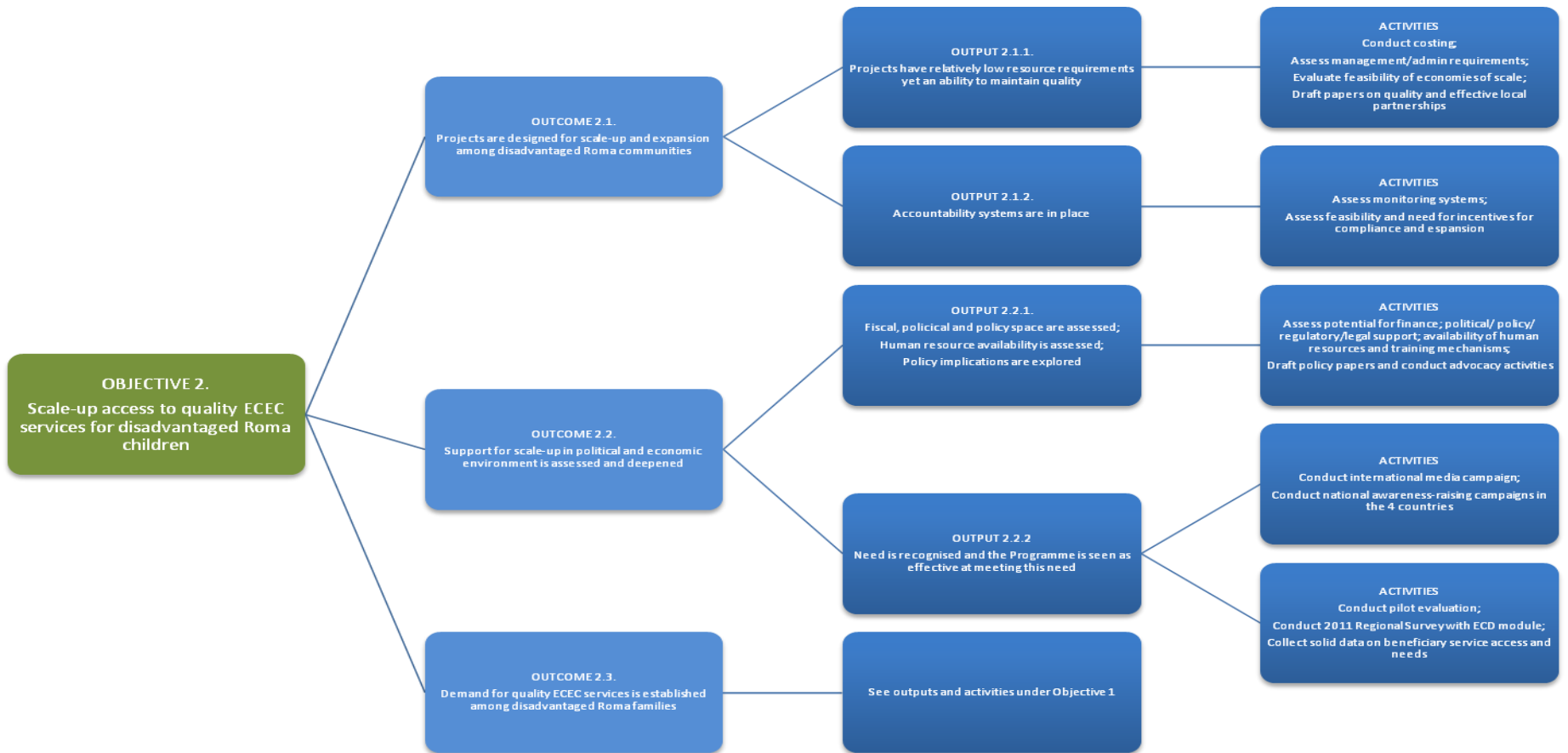
Purpose	Provide an indication of quality of kindergarten services
Information captured	Quality of interactions with and support to children
Sample Population	All kindergarten classrooms serving AGS recurring beneficiaries
Collected by	Country facilitators, supported by REF/SGI/WB/UNDP
Timing/frequency	Ongoing
Expected challenges	Difficulties for some country facilitators to visit all kindergarten classrooms serving recurring beneficiaries Country facilitators have received minimal training/orientation on ECD quality; Some were not present at all for the training
Use for evaluation	Provide a basic indication of kindergarten quality as c
Comments	The continuum may be sufficient to capture a general sense of kindergarten quality and to build partners’ understanding of quality, but to provide a reliable indication of quality (that could be linked to child outcomes, for example) considerable testing and reliability of scoring would be required.

6. Stakeholder Feedback Interviews and Focus Group Discussions

Purpose	Capture qualitative information on project relevance and feasibility of scaling-up
Information captured	From Families: Relevance, Demand (Feasibility) From Community Leaders: Awareness, Relevance, Feasibility From Officials: Awareness, Feasibility From Partners: Costing, Feasibility
Sample Population	Sampling of families, community leaders, officials and partners in beneficiary and non-beneficiary localities
Collected by	Survey Firm
Timing/frequency	Spring/Summer 2011
Expected challenges	Need to ensure the availability of a researcher to review results and produce an analysis of findings Need to identify interview plans, identify stakeholders, etc.
Use for evaluation	Rich qualitative data will complement and expand analysis based on quantitative data
Comments	The scaling-up component of the evaluation will draw largely on qualitative data produced through stakeholder interviews.

Annex 2. Detailed logframe and draft overview of activities in REF project





Draft overview of REF's AGS activities across the sites

Ch - Child Beneficiary; Pa - Parent Beneficiary																											
Services Reaching	Slovakia								Hungary				Macedonia						Romania				TOT	TOT			
Recurring Beneficiaries	BB		Martin		Abrano		Zborov		Nyiregyh		Matesza		SO		Vilnica		Trabotivi		Crnik		Craiova		Telechiu		TOT	TOT	
Kindergarten	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	
Teacher Training																											
Intercultural Curricula																											
Transport	20		30												40												
Accompaniment	40		50		50		40																				
Community Liaison									40																		
Extracurricular Support																											
School Supplies															40												
Clothing															40												
Material Support???													60		40		22		40								
Estimated Total	60		80		50		40		40				60		40		22		40		72		82		586	0	
Primary School	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa			
After-School Instruction	15		20		10		40																				
Estimated Total	15		20		10		40																			85	0
Parent Education	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa	Ch	Pa			
???										10																	
NFE										56																	
Reading of children's tales									168	56	?	140															
Parent Ed for Preschool Parents																										100	
NFE: Writing with mothers										56		140															
NFE: Entering preschool / health /										56		140															
Workshops for Pregnant Women																										150	
Mediators on Women's Health																										150	
Parent Education													500		300		120		120						150		
Awareness Campaigns																									300		200
Material Support (Hygiene Packs)															30		10		14								
Estimated Total									168	56	?	140		500	30	300	10	120	14	120		150		200	222	1586	

Annex 3 Overview of instruments developed in Polgar project

A. Basic Household Socio-Economic Questionnaire –(also referred to as <i>in-take</i> questionnaire)	
Purpose:	<p>Assess the repayment capacities, credit-worthiness, and the socio-economic status of applicants</p> <p>This information can be used by the approving Kiut managers in reviewing applications, and can be used to assess changes in socio-economic status over time and relative to applicants whose applications were rejected.</p>
Modules:	<p>The questionnaire collects summary information on families, household welfare, social benefits, revenues, indebtedness, current employment etc.:</p> <p>Basic household roster: age, sex, education, employment status Detailed current business and other (self-)employment activities of applicant Detailed revenue assessments Agriculture Public utility (rent, water, etc) and heating costs Living standard assessments (house, assets) Debts Subjective well-being, identity</p>
Population:	All loan applicants
Frequency:	Twice: (a) at time of loan application; (b1) at the end of the loan cycle for <i>approved applicants</i> ; and (b2) during November 2011-March 2012 on <i>rejected applicants</i> .
Responsible for data collection:	<p>Kiut field agents, supported by Kiut M&E field agent, and WB, will collect baseline information on all loan applicants and endline information on <i>approved applicants</i>.</p> <p>Additional Kiut M&E field agents will collect the endline information on rejected applicants.</p>
Responsible for data entry:	<p>Kiut field agents, supported by Kiut M&E field agent, and WB.</p> <p>The additional Kiut M&E field agent for the endline information on rejected applicants.</p>
Comments:	<p>This questionnaire is designed first to meet the operational monitoring and evaluation needs of the Kiut project, but also serves the impact assessment at the same time.</p> <p>The information collected can also be linked at the end of the loan cycle with the client loan repayment history, and then used to assess which socio-economic background characteristics are correlated with good</p>

	<p>repayment; i.e. a credit scoring tool for future Kiut use in approving applications.</p> <p>There will be considerable overlap between the questions asked in this questionnaire and the questions asked in the regional Roma survey that the UNDP/WB team intends to undertake</p>
B. Business Plan questionnaire	
Purpose:	<p>Provide uniform objective and subjective information on the nature of each business plan.</p> <p>This information can be used by the approving Kiut managers in reviewing applications, and can be used to assess changes in socio-economic status over time and relative to non-selected applicants.</p> <p>This information can also be linked at the end of the loan cycle with the client loan repayment history, and then used to assess which business characteristics are correlated with good repayment; i.e. a credit scoring tool for future Kiut use in approving business plans.</p>
Modules:	To be finalized
Population:	All loan applicants
Frequency:	Once per funding request, prior to loan approval/rejection
Responsible for data collection:	Kiut field agents, supported by Kiut M&E field agent, and WB/UNDP
Responsible for data entry:	Kiut field agents, supported by Kiut M&E field agent, and WB
Comments:	This business plan questionnaire is designed to meet the operational monitoring and evaluation needs of the Kiut project. It also serves the impact assessment; since the <i>household survey</i> above collects information on actual businesses, we can evaluate whether the <i>plans</i> were realized in <i>practice</i> once the 2 nd round of the household survey is collected in Sept-Dec 2011,.
C. Employability Program Feedback Questionnaire	
Purpose:	<p>To capture information and opinions on barriers to (self-)employment, including microfinance.</p> <p>To collect Kiut specific beneficiary feedback on the loan application procedures and the challenges encountered during the loan cycle.</p>
Modules :	<p><i>Employability Module</i></p> <p>Previous experiences with and knowledge of programs offered by employment agencies;</p> <p>Experiences with other offices and agencies (local municipality, local tax offices, etc.)</p> <p>Views on self-employment versus wage employment;</p>

	<p>Previous experiences with creditors (banks, informal loans) in accessing credit for business needs; Views on skills challenges in enhancing adult employability Views on other challenges in enhancing adult employability such as gender norms, discrimination, worker disincentives (if any) by guaranteed minimum income programs, business registration requirements etc.</p> <p><i>Kiut Program Feedback Questionnaire</i></p> <p>Beneficiary feedback on: Group formation procedures, Loan disbursement process Loan group activities Initial and ongoing business formation challenges Client recommendations for improving Kiut</p>
Population:	All loan applicants
Frequency:	Once; September – December 2011.
Responsible for data collection:	Additional Kiut M&E field agents
Responsible for data entry:	Additional Kiut M&E field agents
Comments:	<p>This questionnaire will complement the other questionnaires. There will be considerable overlap in the ‘employability’ component of this survey and the regional Roma survey that the UNDP/WB team intends to undertake in close collaboration with Kiut.</p>

Annex 4: Feasibility of Impact Evaluations

All *impact* evaluations seek, in one way or another, to answer the counterfactual question: what would the outcome of the program beneficiaries have been if they had *not* participated in the program. There are many methods of creating a comparison group. We have first sought to establish the feasibility of carrying out *randomized impact evaluations* impact evaluations of the REF and Polgar programs. The World Bank has extensive experience carrying out impact evaluations, including many randomized ones. As MIT Prof. Esther Duflo (2010)⁶ argues:

”Some methods do a better job than others. All else equal, randomized evaluations do the best job. They generate a statistically identical comparison group, and therefore produce the most accurate (unbiased) results. Or stated more strongly: other methods often produce misleading results—results that would lead policymakers to make exactly the opposite decision relative to where the truth would have directed them. These other methods don’t always give us the wrong answer, but they rely on more assumptions. When the assumptions hold, the answer is unbiased. But it is usually impossible, and always difficult, to ensure that the assumptions are true. In fact, it is likely that most debates about the validity of an evaluation are fueled by disagreements over whether these assumptions are reasonable.”

Yet, while randomized impact evaluations are the most rigorous scientifically, it is not always feasible to implement them. Also, while a randomized impact evaluation establishes most rigorously the *size of the program impact on the beneficiaries*, it does not establish *why* a program has (or lacks) a certain impact. Such information is crucial to generate lessons that may be replicable when programs with similar objectives are designed for beneficiaries living in other areas. For this, theory is needed, and importantly also the collection of rich qualitative information. Many impact evaluations lack the latter.

REF’s AGS Project

To assess the feasibility of an impact evaluation, a three-member World Bank team met with REF in Budapest on four separate occasions from March-July 2010, observed the EC-REF negotiations in Brussels, and carried out field visits to central and eastern Slovakia. UNDP colleagues participated in several of these meetings and provided important feedback.

REF’s “A Good Start Pilot Methodology”

REF will be implementing a menu of community and home based ECEC initiatives as part of the EC funded Roma pilot in 16 locations in four countries: Slovakia, Hungary, Romania, and Macedonia. The initiatives will be guided by the “A Good Start” (AGS) methodology. The REF has established partnerships with national and local governments and Roma NGOs.

⁶ Professor of Economics at MIT University, co-founder of the Poverty Action Lab, and 2010 winner of the Clark Medal as best economist under 40 years of age for her work on impact evaluations.

The core activities of the REF pilot are⁷:

- Parental education programs
- Need-based material support
- Preparation for transition to primary education (supporting parents with administrative assistance etc.)
- In service training for teachers and care staff
- Regular assessment and monitoring
- Working with local authorities
- Strengthen local, regional professional networks

The implementation method by REF can further be characterized by:

- identifying a small number of villages/communities,
- tailoring the particular ECD intervention (e.g. focusing on home-based services, focusing on ensuring existing spaces are fully utilized, or both) to the local situation, and
- ensuring 100% of children of pre-school age in each target locality are reached.
- all the locations have already been identified

A summary table is provided below:

Country	Urban locations	Rural villages	Program components	Number children	% of total in these locations
Slovakia	1	2	support parents & increase ECEC places	250	100%
Hungary	1	5	support parents & increase ECEC places	205	100%
Romania	1	1	increase ECEC places	145	100%
Macedonia	3	2	support parents or increase ECEC places	207 (kindergarten), 3066 (homebased)	100%

Given the small number of locations (more on this below), we initially explored with REF whether ‘within randomization’ would be feasible, whereby REF would expand the number of localities but not provide the program to all the children within a given locality (only a random subset), thus giving rise to a counterfactual while keeping the total number of beneficiaries the same. However, as REF explained during the EC-REF negotiations in Brussels, their approach of reaching 100% in a given locality was deliberate, as they want to have a demonstration effect to local municipalities in other areas by showing that reaching 100% of children is indeed a possibility.

⁷ For details of the activities and the AGS methodology, please see the REF proposal.

Since within randomization would not be an option, we next explored whether randomization across localities would be an option. Although the localities in each of the countries had already been fixed, one of the outcomes of the EC-REF negotiations was that REF would reduce some of its scope in Macedonia and expand it in Slovakia where anecdotal evidence suggests that ECEC participation among Roma is the lowest in the region. This shifting of some of the resources toward Slovakia opened up the door to possibly expand into randomly chosen villages, thus enabling a counterfactual.

To explore this option, a two member team of the World Bank joined the Slovakia representative of REF and visited the Presov and Banska Brystica communities where ECEC activities are planned, and met with local partners, visited two kindergartens, met with parents in a settlement and in social housing, and met with representatives from the local government.

One of the main conclusions from this visit is the high heterogeneity across different localities with large Roma populations. The local partners explained that in some villages there are fully desegregated normally functioning kindergartens where interventions would need to focus more on encouraging Roma parents to enroll their children, while in other villages kindergarten classes may be segregated, and in a third group they may just not exist nearby. This great heterogeneity was also reflected in the diversity of places we visited ourselves.

Such diversity across municipalities is important because it means that outcomes such as ECEC participation (institutional or at home) are strongly correlated within given localities. The higher the ‘intra-cluster (locality)’ correlation⁸, the greater the number of localities that are needed to have sufficient power⁹ to detect a given difference (effect size¹⁰) between the treatment and comparison group.

As a point of comparison, the table below summarizes the sample size calculations that were done for four ongoing randomized evaluations of ECEC services currently carried out by the World Bank in four countries¹¹. As shown in column G, the number of children per cluster varies from as few as 5 to as many as 67, and the corresponding number of clusters (villages) varies from as

⁸ The intra-cluster correlation coefficient measures the fraction of variation in beneficiary outcomes between clusters (e.g. villages, solidarity groups). If the intra-cluster correlation is high, this means that there is considerable heterogeneity *between* groups. The higher the intra-cluster correlation, the greater the sample size that is needed.

⁹ The power is the probability of rejecting the null hypothesis when a specific alternative hypothesis is true. In a study comparing two groups, power is the chance of correctly rejecting the null hypothesis that the two groups share a common population mean, when in fact there is a difference of a given magnitude. The greater the power, the larger the needed sample size.

¹⁰ A standardized effect size is the population means difference of the two groups divided by the standard error of the outcome. Standardized effect sizes between 0.50 and 0.80 are considered large, and effect sizes as small as 0.20 to 0.30 are often considered worth detecting (Spybrook, J., S. Raudenbush, X. Liu, and R. Congdon. “Optimal Design for Longitudinal and Multilevel Research: Documentation for the “Optimal Design” Software” (2006)). The larger the minimum standardized effect size specified, the *smaller* the sample that is needed.

¹¹ Information comes from the project proposals (December 2010) that were selected for funding by a scientific committee.

many as 100 to as few as 22. The overall number of beneficiaries (children aged 3-6) varies from 420 to 2000.

In the bottom row of the table, we estimate the sample size needed for an expansion of the REF program in Slovakia that would enable a careful impact evaluation. The assumptions are modestly optimistic; more conservative assumptions regarding, for example, the power (set at 0.8 whereas 0.9 is not uncommon) and the correlation between baseline and follow-up (set at 0.45), would increase the sample needed. With these assumptions, we would need to expand the REF program in 25 villages and have a comparison group of also 25 villages, for a total of 625 extra beneficiaries. REF estimated that the marginal cost per beneficiary is approximately Euro 900¹², which makes an expansion of 625 children out of the question.

A	B	C	D	E	F	G	H	I
Country	Intra-cluster (e.g. village) correlation	Effect Size (share of st. dev. outcome variable)	Significance level	Power	Correlation baseline - follow-up	No. beneficiaries per cluster	Total No. Treatment Clusters	Total No. Beneficiaries (G*F)
Nicaragua	0.05	0.2	0.05	0.8	0.45	33	22	726
Chile	0.2	0.2376	0.05	0.8	N/A	5	100	500
Cambodia	0.14	0.31	0.05	0.8	N/A	12	35	420
Mozambique	?	?	0.05	0.9	?	67	30	2000
REF pilot	0.2	0.31	0.05	0.8	0.45	25	25	625

We also explored the alternative option of conducting a ‘smart’ search for a group of comparison villages to the already identified set of target villages that would constitute a rigorous counterfactual in the context of, for example, propensity score matching with differences-in-differences estimation. Unfortunately, we have to advise against this strategy since the great heterogeneity in ECEC experiences across villages makes finding counterfactual villages that constitute a rigorous counterfactual not realistic and would leave the door open for a Pandora’s box of criticism from impact evaluation experts on the plausibility of our assumptions.

For example, Abranovce village – one of two villages in Presov region where REF is planning activities – operates a ‘model kindergarten’ in which Roma and non-Roma children enjoy early childhood education in a non-segregated way with the full support of the local mayor. There is a small settlement on the edge of this village with relatively well-to-do Roma families. In Banska Brystica, the other location where REF has activities planned, we visited a social housing complex in which few of the young children were attending school. The environment, challenges, and solutions in the two locations are very different, both from each other, and from localities nearby.

Further, even if finding a plausible counterfactual village would be possible, we are also concerned about the external validity of impact findings given the village-tailor-made nature of the interventions. For example, even if we were able to isolate the ‘causal’ impact of the REF

¹² Personal communication (April 2010)

intervention on the children in Abranovce village by finding comparison villages that similarly operate model kindergartens and have population characteristics that are very similar, we could not advise governments to implement this particular approach to other villages since the circumstances are so different. REF's program is designed to have a 'demonstration impact' by sending a message that *it is* possible to reach all preschool children in a unique set of environments, not to test the effectiveness of one type of intervention on children living in a group of villages that share very similar environments.

Polgar's Kiut Microfinance Program

To assess the feasibility of an impact evaluation, a three-member World Bank team met with Polgar foundation in Budapest in March, observed the EC-Polgar negotiations in Brussels, spent the full month of May in Hungary carrying out field visits, and again in July. UNDP colleagues participated in several of these meetings and provided important feedback.

As with the situation around ECEC, governments, banks, donors, NGOs and other stakeholders require both the basic information about existing situation around demand for credit by working age Roma and barriers to accessing credit, including indebtedness, lacking formal education certification, registration barriers, discrimination etc.

Similarly, stakeholders require evidence about the effectiveness of microfinance programs to help them make informed decisions about program designs that enable lending that is both sustainable from the credit supply point of view as well as improving Roma livelihoods in such a way that microfinance does not lead to over-indebtedness. The little evidence that is available is not encouraging (e.g. the Autonomia program implemented in Hungary and subsequently stopped due to low repayments). Through the EC Roma pilots initiative, the Polgar foundation will be implementing a microfinance program in Hungary called "Kiut" .

The objective of this section is to evaluate the feasibility of conducting a rigorous evaluation of the Polgar microfinance project targeted to disadvantaged Roma in Hungary. Optimally, this evaluation will measure whether the program:

- *Effectively delivers microfinance to disadvantaged Roma in Hungary, while meeting or exceeding repayment goals*
- *Has an impact on small enterprise outcomes, dependence on social assistance, and household welfare*
- *Is a cost-effective and scalable model—taking into account cost-effectiveness relative to existing forms of support from which Roma typically benefit (i.e. public works, etc)*

Designing a rigorous evaluation of the Kiut Program poses important challenges. Two of the most important are: i) the number of intended borrowers is a relatively small evaluation sample from which to draw statistically significant conclusions: 300, taking into account that some will take a second loan, or less than 200 if we exclude those already selected; and ii) the program was designed without input from the evaluation team. Typically, evaluators become involved in a prospective evaluation during the program design stage, in order to ensure that the implementation is seamlessly integrated with the evaluation design.

Sample size calculations

As with the REF design, the power calculations below are based on a modest power level (0.8 versus the originally (and commonly) used 0.9, thus reducing the assumption on required sample size), but given the large loans we can expect effect sizes to be relatively large, making 0.3 realistic. The table below shows that the level of randomization – group versus individual – has an important impact on the required sample size. If treatment assignment takes place after individuals have self-selected themselves into groups of, for example, friends, then the estimated number of beneficiaries is 285 (with 285 comparison). If, on the other hand, treatment assignment was done before groups are formed – i.e. on an individual basis – the required sample size reduces to 180.

A	B	C	D	E	F	G	H	I
	Intra-cluster (solidarity group) correlation	Effect Size (share of st. dev. outcome variable)	Significance level	Power	Correlation baseline - follow-up	No. beneficiaries per cluster	Total No. Treatment Clusters	Total No. Beneficiaries (G*F)
Group	0.2	0.3	0.05	0.8	0.2	5	57	285
Individual	0	0.3	0.05	0.8	0.2	5	36	180

Against this background, we recommended to Kiut several modifications to its program design – including a more systematic outreach that could benefit the project -, which may enable an evaluation design based on either individual or group based randomization. This design proposal is described in Annex 4.

Polgar’s Response to these Impact Evaluation Designs

The Polgar Foundation has shown a remarkable early interest in rigorously evaluating its programs, and has been very welcoming to the evaluation team. Nonetheless, after careful consideration, Polgar feels too constrained at this point in time to commit to any of these strategies. This response is most importantly driven by its difficult experience attracting sufficient numbers of clients. It feels that saying no to anyone at this point in time is simply too risky of a strategy. Although it is revising its current outreach strategy to be more systematic along the lines that we highlight above, it does not feel in a position to commit to this strategy and to randomization.

Only if this strategy would generate sufficiently excess demand for its loans would Kiut want to consider randomizing as the fairest way of allocating a limited number of loans, and then group randomization because of its importance as a design feature to encourage greater repayment. Especially given that this project is new territory for Kiut, we believe that this more conservative approach to reforming its program design is a very reasonable one.

We would advise against trying to find a group of matched comparison villages and using differences in differences to estimate the Kiut program impact on beneficiaries. The reason is that take-up in any given village has proven to be a very small percentage of the village population. This means that finding a plausible counterfactual group of would be borrowers in neighboring villages is similar to finding the proverbial needle in a haystack; it would essentially require simulating the Kiut beneficiary selection process in neighboring without actually providing the loans to those identified as being sufficiently similar as actual borrowers in treatment villages. The main text outlines the alternative impact evaluation proposal.