

A low-angle, upward-looking perspective of several modern skyscrapers reaching towards a bright sky. The buildings are rendered in a light, desaturated color palette, creating a sense of height and architectural grandeur. A solid blue horizontal band is superimposed across the middle of the image, serving as a background for the title text.

Evaluating for Development Effectiveness

What, Why, How

Maya Vijayaraghavan
30 September 2020

Independent
Evaluation **ADB**

Objective

- To present an overview of the What, Why and How of development evaluation, using the independent evaluation function of the Asian Development Bank (ADB) as an illustration

Outline

What is Independent Evaluation?

Why do we do Independent Evaluation?

How do we do Independent Evaluation?





What is Independent Evaluation?

What is development evaluation?

The systematic and objective assessment of a planned, an on-going or completed intervention (e.g., project, program, policy), its design, implementation and results

Types: Purpose of the evaluation

□ Prospective

- ▣ assesses the likelihood of program success
- ▣ determines program evaluability

□ Formative

- ▣ often carried out at mid-point
- ▣ focuses on improving performance during implementation

□ Summative

- ▣ carried out at the end of a program or project
- ▣ focuses on outcomes – assesses what was achieved, and how

Types: Who conducts the evaluation

□ Self evaluation

- ▣ conducted by entities and persons responsible for the design and implementation of the intervention

□ Independent evaluation

- ▣ an evaluation conducted by entities and persons free of the control of those responsible for the design and implementation of the intervention
- ▣ the credibility of an evaluation depends in part on how independently it has been carried out

Independence

- Criteria of Independence
 - [Evaluation Cooperation Group (ECG)]
 - ▣ Organizational
 - ▣ Behavioral
 - ▣ Protection from external influence
 - ▣ Avoidance of conflict of interest
 - ▣ Interactions



Why do we do Independent Evaluation?

Principles

Development effectiveness

Maximizing development effectiveness of ADB operations through evaluation feedback

Accountability

Is ADB doing the right things? Is ADB doing things right? Are resources properly allocated and used, and intended outcomes realized?

Learning

What lessons are critical for improving development impact of future policies, strategies, programs and projects?

Resource Allocation

How can ADB better improve resource allocation based on evaluation knowledge on what works and what doesn't?

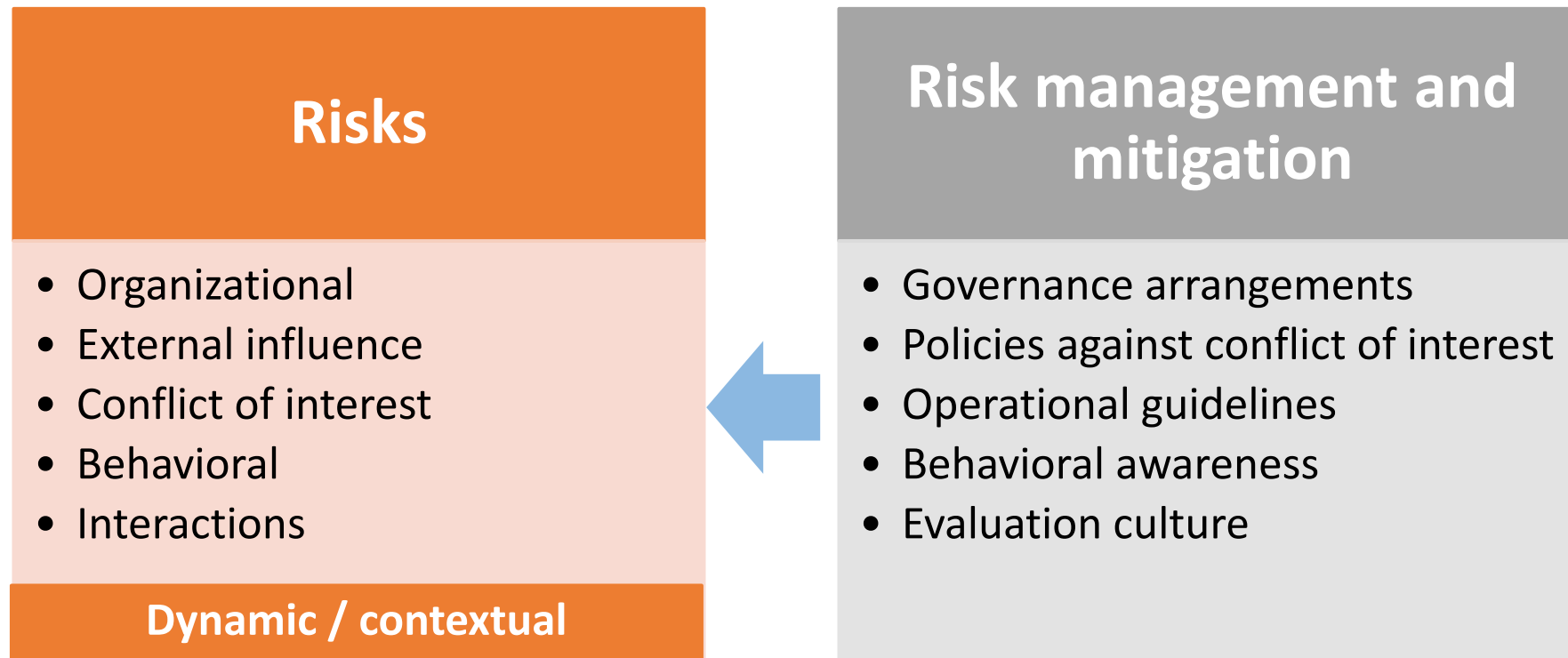
Mandate

ADB Evaluation Policy 2008

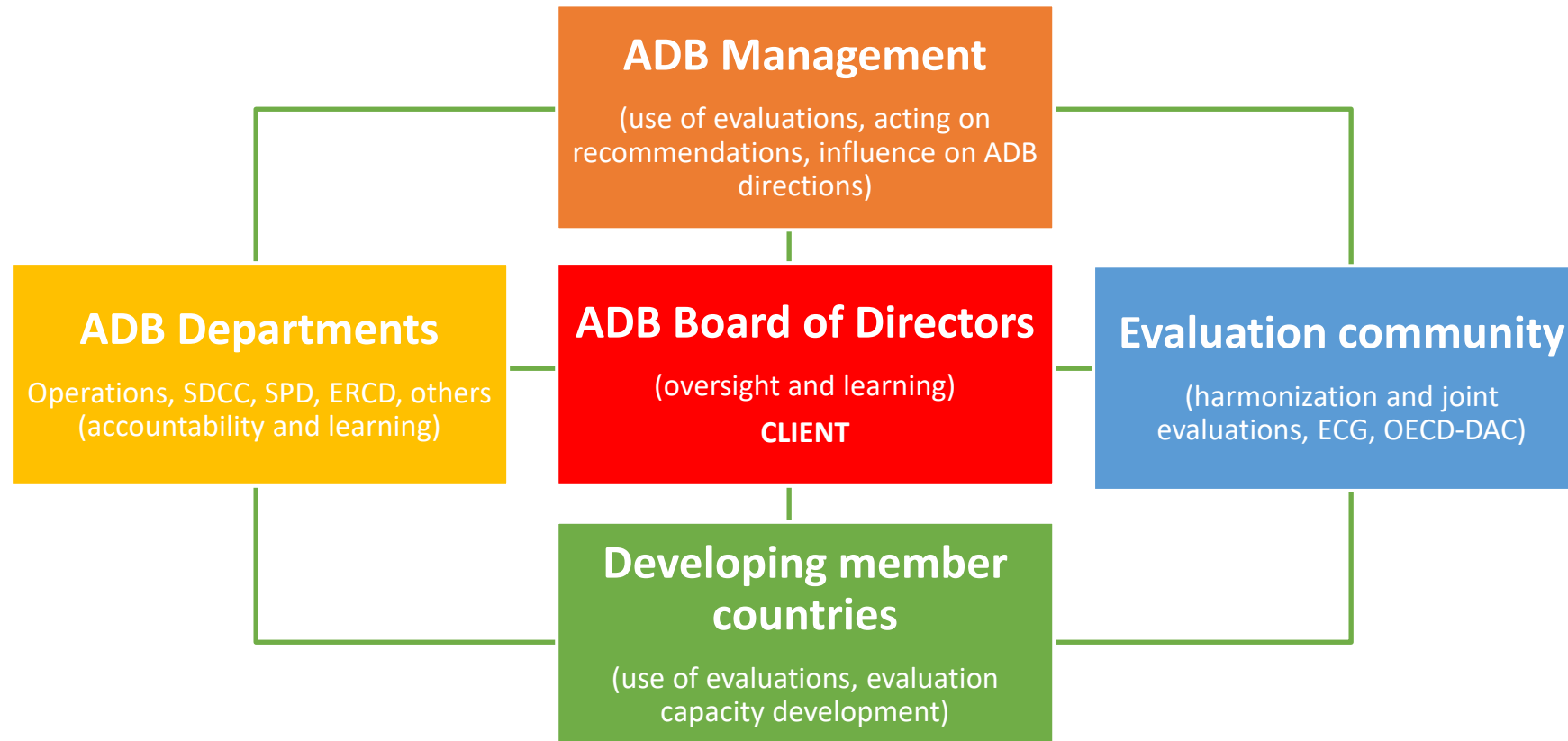
- ▶ ...to help the Board of Directors, ADB Management, and decision makers...understand whether resources have been well spent and outcomes have been achieved.
- ▶ ...emphasize effective feedback on performance...to improve the development effectiveness of ongoing ADB operations.
- ▶ ...independently and systematically evaluate...to determine relevance, effectiveness, efficiency, sustainability, and impact

The Meaning of Independence

Freedom from material threats to objectivity



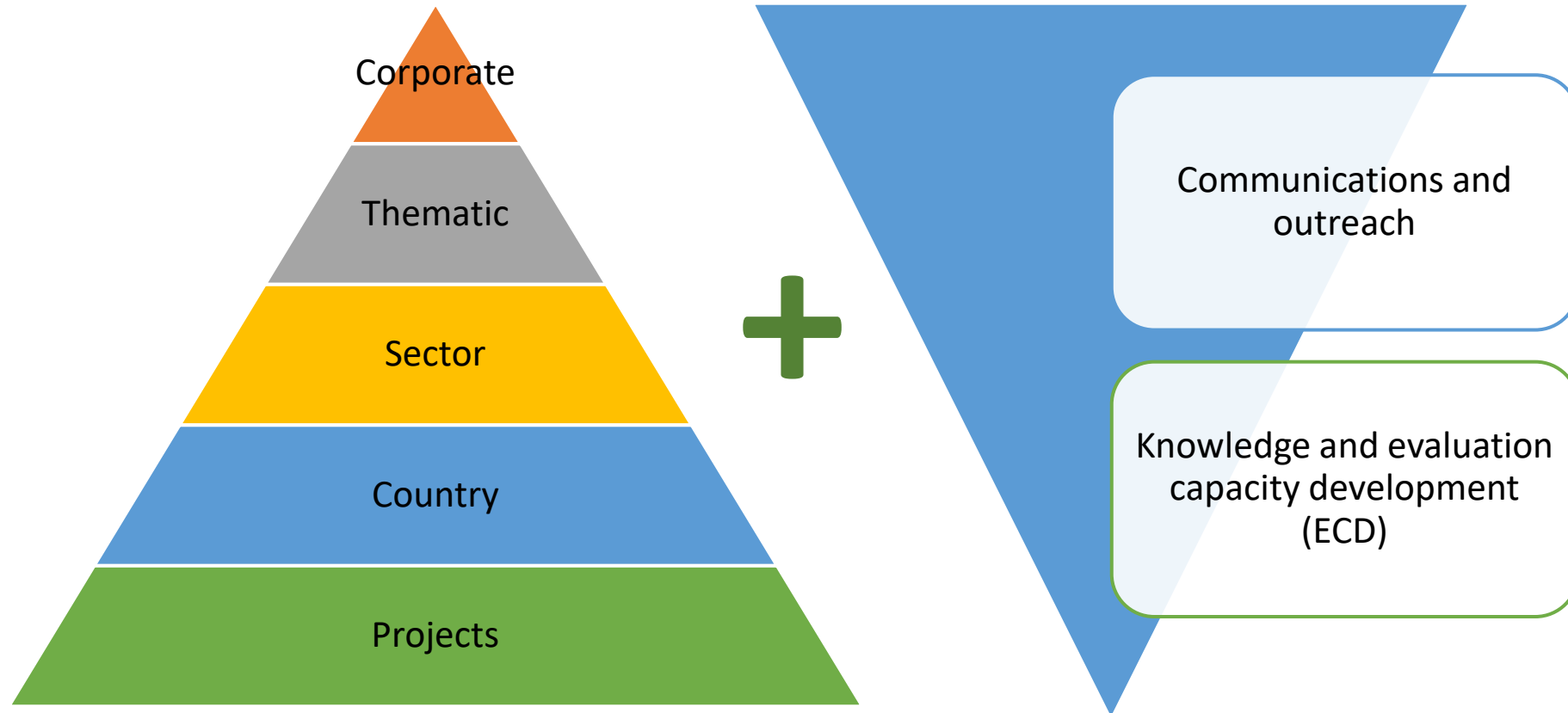
Evaluation Feedback to Stakeholders



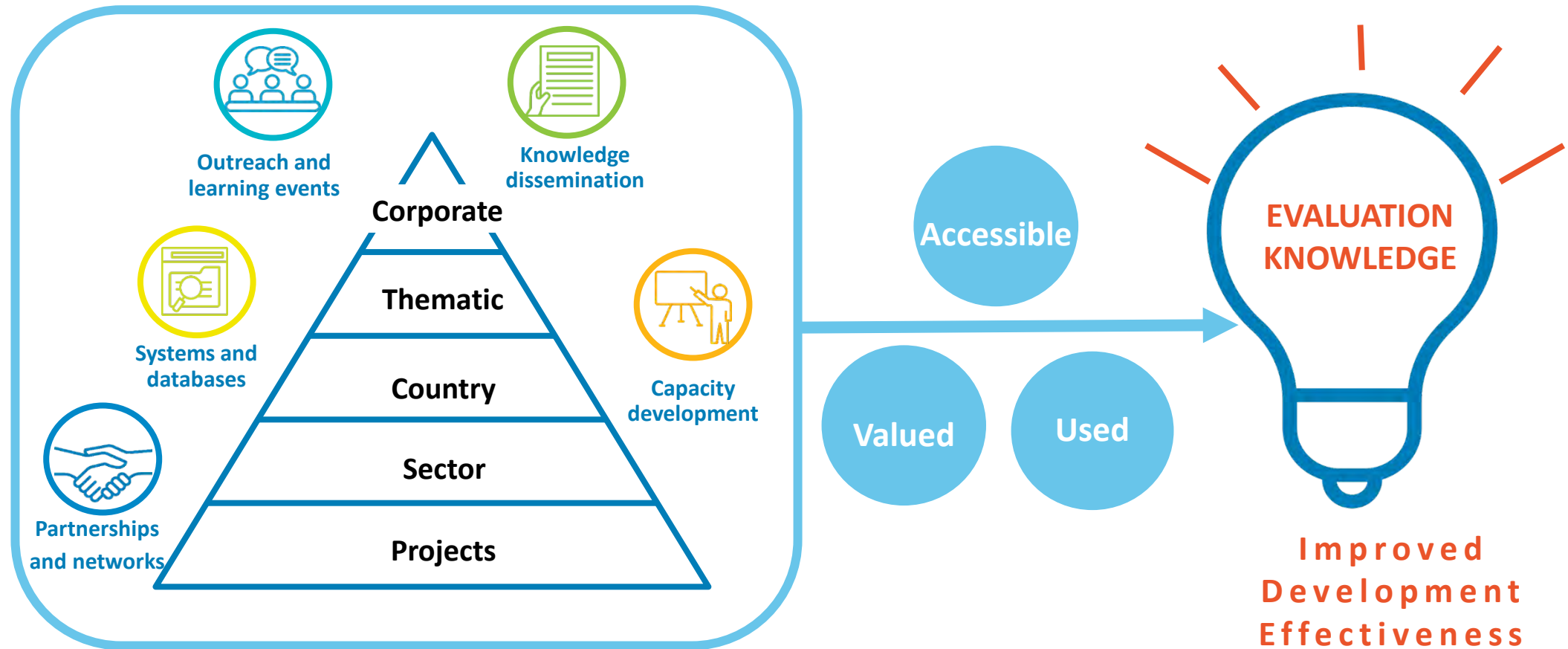
Business Cycle in ADB Operations



Independent Evaluation: Scope of Work



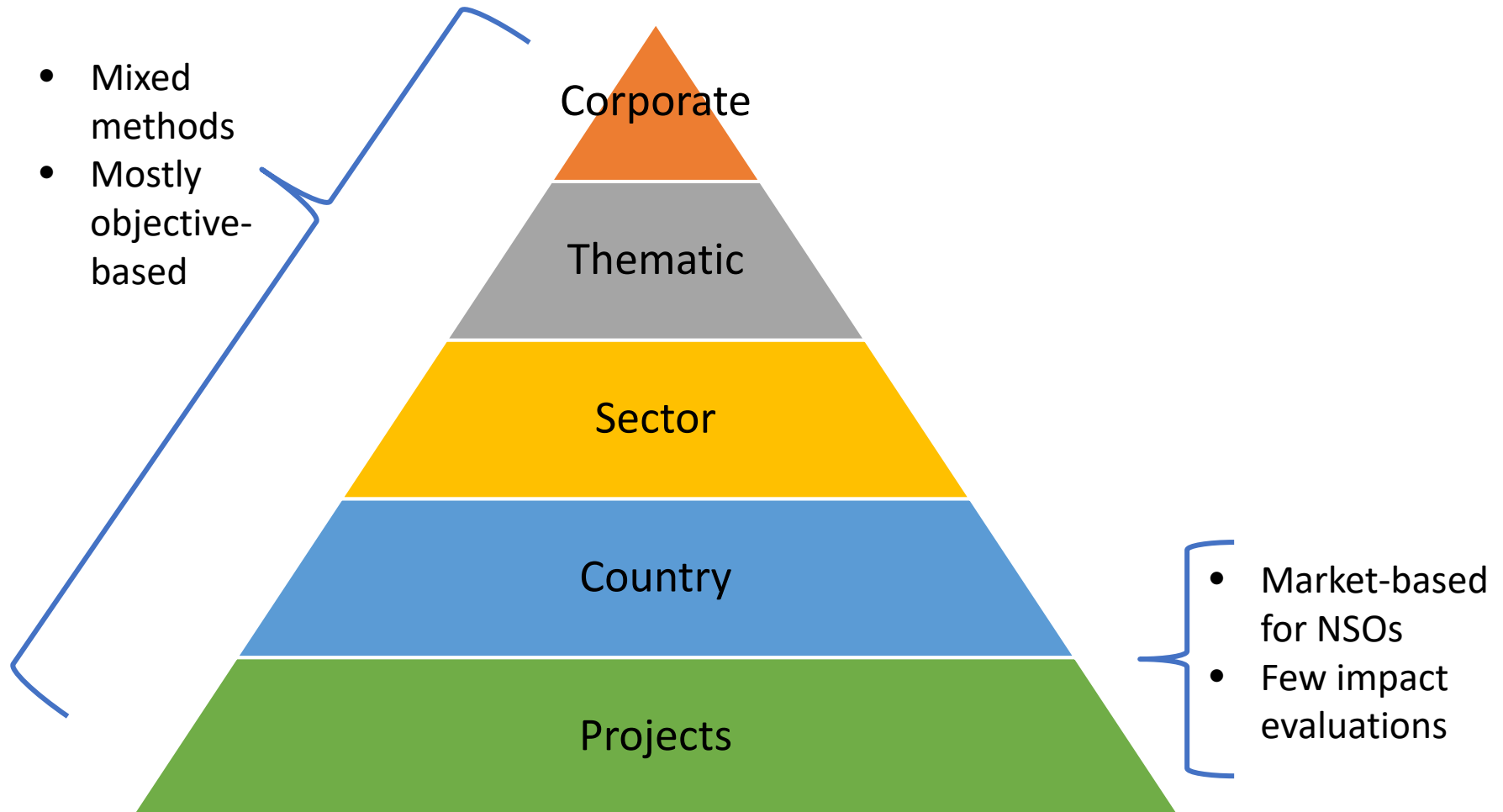
Evaluation Knowledge: What Do We Want to Achieve?



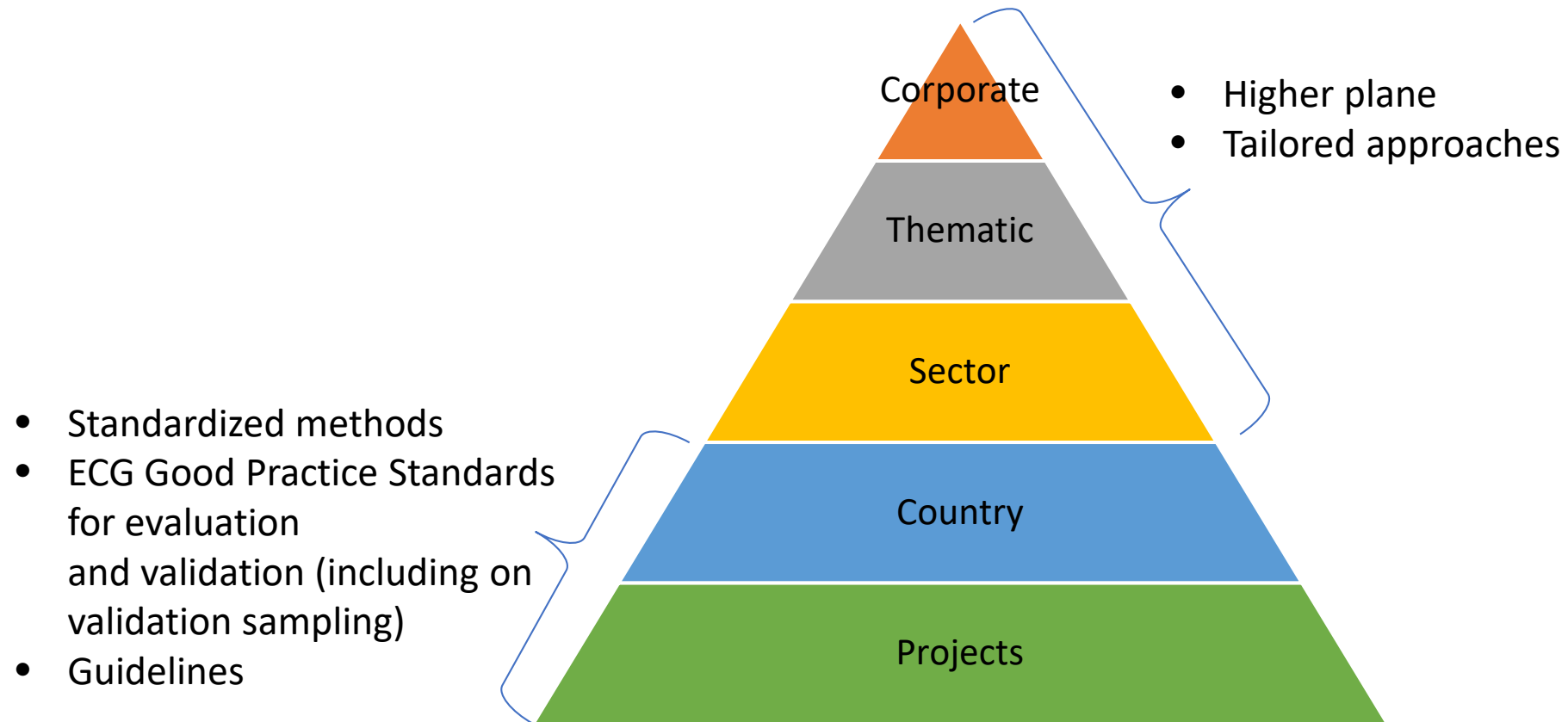


How do we do Independent Evaluation?

Evaluation of ADB Operations



Evaluation Methods and Standards



Evaluation Standards

- IED - mandate for establishing ADB evaluation standards
- IED has guidelines for evaluating:
 - Country assistance strategy and program performance
 - Public sector operations performance
 - Private sector operations performance
 - Technical Assistance Completion Report Validation
- Evaluation framework and guidelines are consistent with Good Practice Standards of multilateral development banks
- Public sector standards use OECD-DAC criteria for evaluating development assistance

Original and Adapted Criteria

Original OECD-DAC

- Relevance
- Effectiveness
- Efficiency
- Sustainability
- Impact

Adapted in December 2019

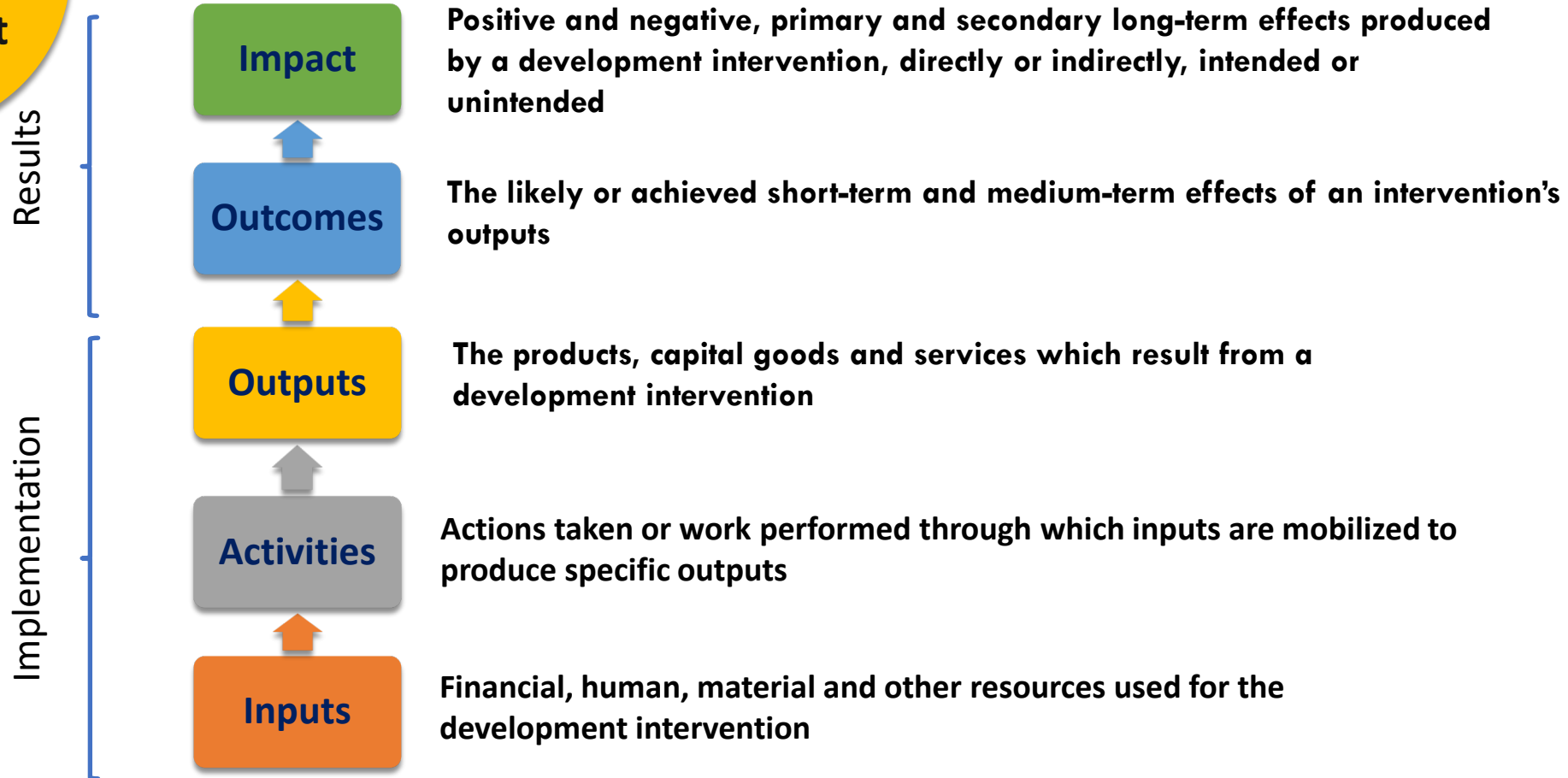
- **Coherence**
- Relevance
- Effectiveness
- Efficiency
- Sustainability
- Impact

*New criterion on **Coherence** included in December 2019 revision by OECD-DAC, after extensive consultation with ECG, including ADB. Guidance note forthcoming.

Results Framework

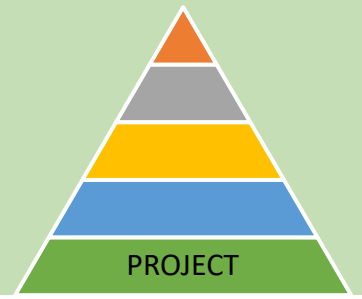


Sovereign Project Assessment



Evaluation Criteria

Sovereign Project Assessment



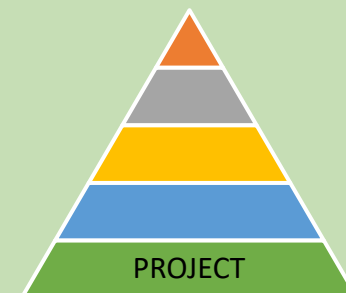
Core Criteria

- Relevance
- Effectiveness
- Efficiency
- Sustainability

Other Criteria

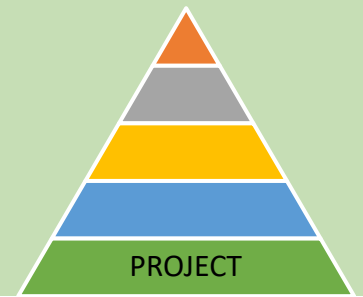
- Development impacts
- ADB's (and cofinanciers) performance
- Executing agencies performance

Criteria Definitions

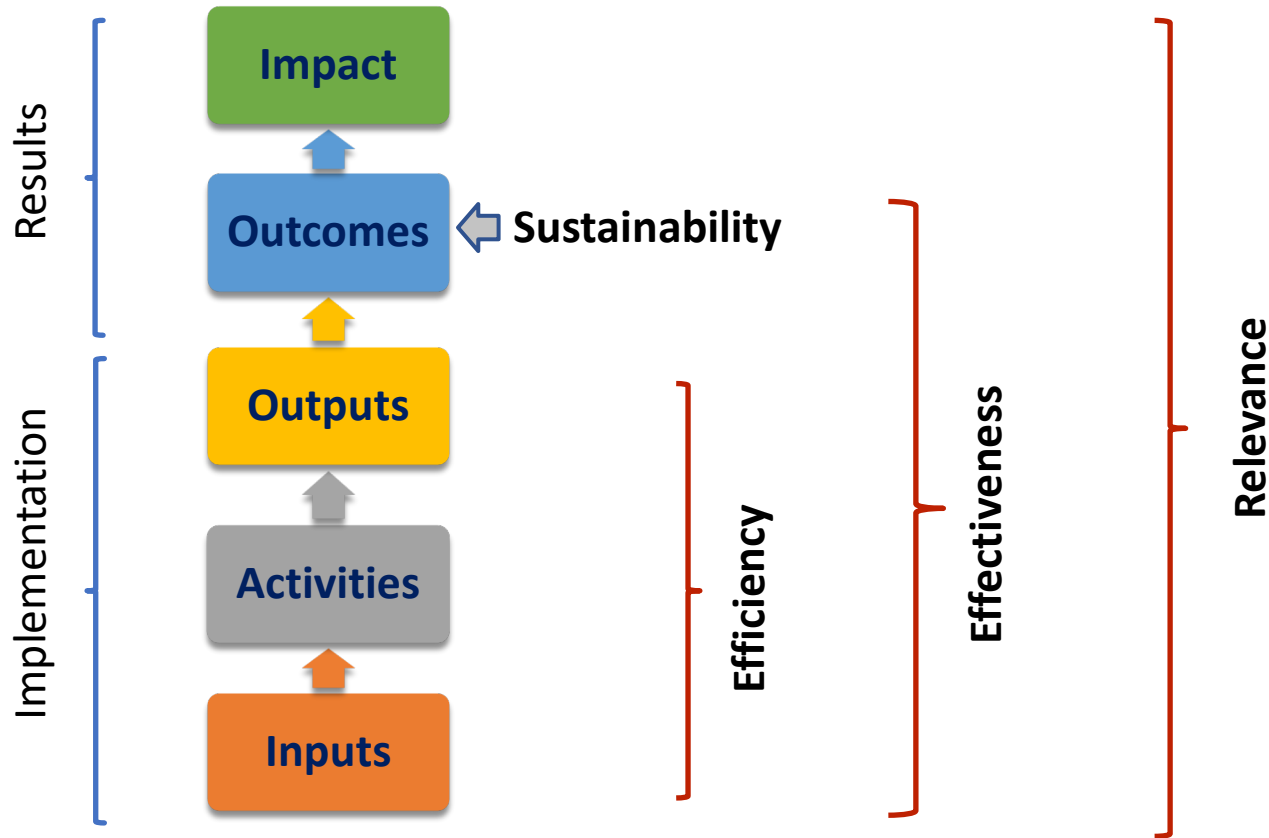


RELEVANCE	EFFECTIVENESS	EFFICIENCY	SUSTAINABILITY	IMPACT
Consistency of a project's impact and outcome with the government's development strategy, ADB's lending strategy, and the adequacy of the design.	The extent to which the outputs and outcomes, as specified in the project document, either as agreed at approval or as subsequently modified, were achieved.	How resources were economically converted to results, using indicators such as the economic internal rate of return, cost-effectiveness, and process efficiency.	The likelihood that institutional, financial, and other resources are sufficient to maintain the outcome over its economic life using indicators such as the financial internal rate of return.	Contributions to higher level development outcomes, ADB corporate goals, longer-term development outcomes. Unintended positive and negative impacts

Criteria and Results Framework



**Sovereign
Project
Assessment**

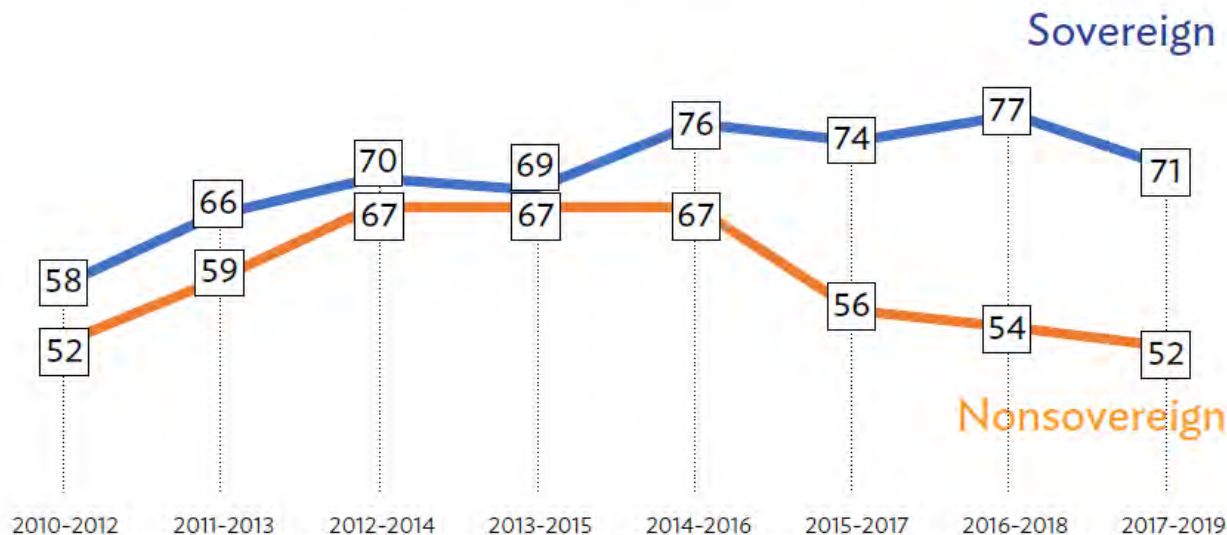


**Assessment
of Project
Performance**

Performance of Sovereign Operations



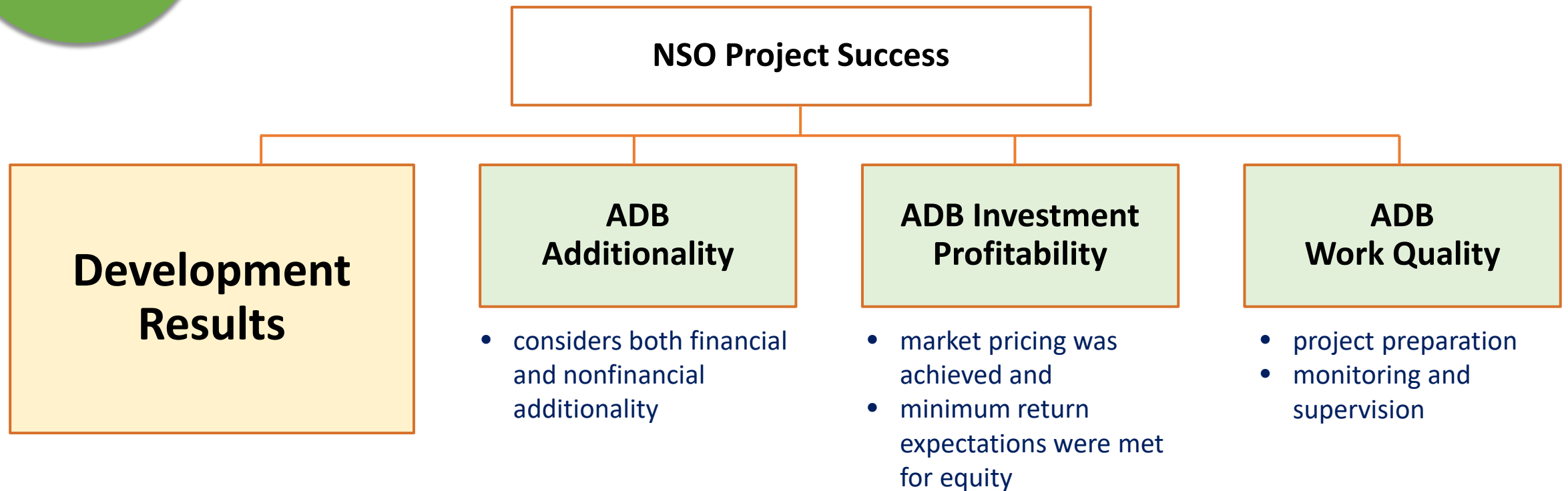
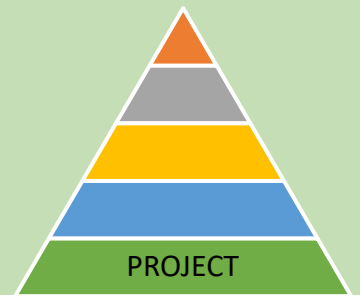
Development Performance of Sovereign Operations (3-year moving average)



- Performance of sovereign operations declined from 77% in 2016-2018 to 71% in 2017-2019
- Performance declined against all evaluation criteria except for efficiency
- Except for East Asia, performance fell in all regions
- Performance in the Pacific remains the weakest: 42% of operations successful in 2017-2019

For further details, refer to:
Annual Evaluation Review 2020

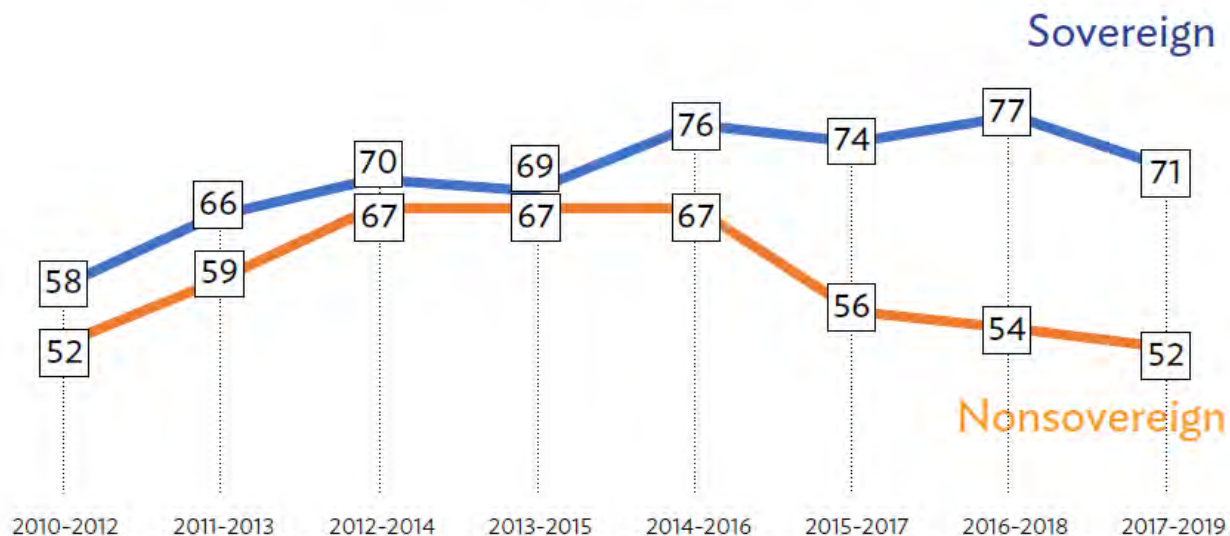
Evaluation Criteria



Performance of Nonsovereign Operations



Development Performance of Nonsovereign Operations (3-year moving average)

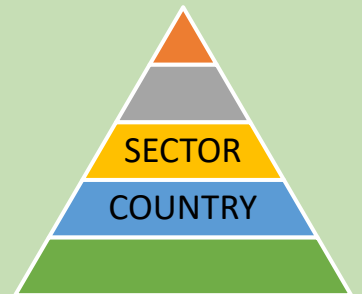


- Nonsovereign operations continue to underperform
- Success rate in 2017-2019 fell further to 52%, continuing the decline seen since 2014-2016
- Performance fell on all criteria except investment profitability
- Development results performance has declined since 2014-2016
- Additionality performance has declined since 2010-2012

For further details, refer to:
Annual Evaluation Review 2020

Country Assistance Program Evaluation: CAPE and Validations

Sector and
Country
Operation
Assessment



Core criteria

- Relevance
- Effectiveness
- Efficiency
- Sustainability
- Development impacts

Other criteria

- ADB performance
- Borrower and EA performance

- ▶ New Guidelines issued 2015
- ▶ More attention to thematic assessments—equal weights to sector assessments
- ▶ Matrix approach to Sector and Thematic work

Country Assessments

Sector and
Country
Operation
Assessment

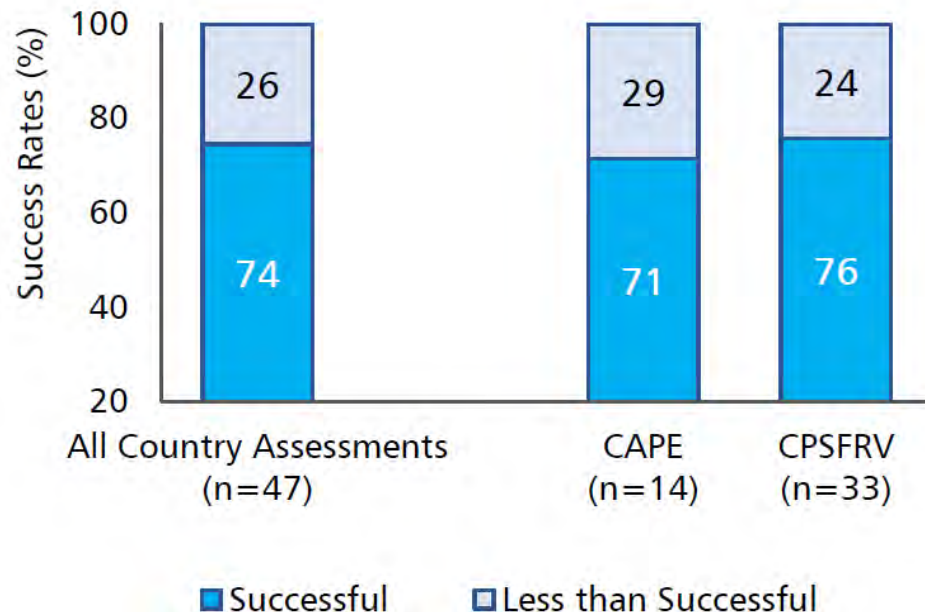


- ▶ Country Assistance Program Evaluations (CAPEs) have separate assessments for the major sector programs
- ▶ Equal weighting of the 5 core criteria to rate the success of the country program/partnership
- ▶ Matrix approach: Equal weighting for Sectors and Cross-cutting Strategic Objectives

Performance of Country Operations



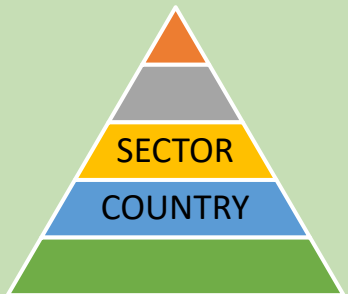
Country Program Performance, 2010-2019



- Of 47 country programs, 74% assessed as successful over the 2010-2019 period
- Based on a three-year moving average, the success rate in 2017-2019 stood at 83%
- Success rate for OCR-only countries in 2010-2019 was 89%
- Success rate for Concessional Assistance (CA) only countries at 74% and Blend countries at 50% over the 2010-2019 period

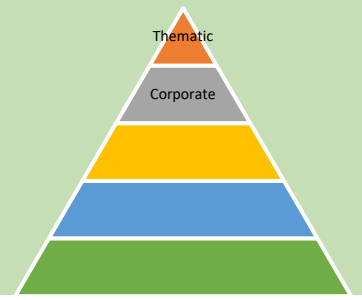
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Sector Assessments



- ▶ Sector evaluations, such as
 - ▣ Sector-wide evaluations: sector evaluations across countries
 - ▣ Sector Assistance Program Evaluations (SAPes): country-level sector assessments
- ▶ Separate assessments for the major sector programs for CAPEs
- ▶ Country Partnership Strategy final review validations have no separate assessments, but they have mini sector program assessments

Thematic and Corporate Evaluations



Thematic and Corporate Assessment

Policy/strategy
evaluations

Business process
evaluations

- ▶ Approach Paper lays down methodology to be used
- ▶ Often follow structures like assessing relevance, efficiency, effectiveness
- ▶ Look at responsiveness of operations to policy directives and overall results
- ▶ Performance ratings can be used

2020: Thematic and Corporate Evaluations



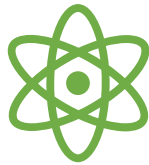
**Knowledge Solutions
for Development
(completed)**



**Safeguards Policy
Statement
(completed)**



**Public Private
Partnerships
(under finalization)**



**Energy Sector
Operations
(completed)**



**Transport Sector
Operations
(completed)**

Knowledge Management

- **Communication Products:** Evaluation Briefs, Evaluation Illustrated (infographic), Evaluation Bytes (videos), Videos, Social Media, Press Releases
- **Knowledge Events:** What Works (ADB headquarters and in countries), brown bags with ADB's operations, ADB Annual Meeting
- **Knowledge Partnerships and Peer Learning:** Asia-Pacific Finance and Development Institute (AFDI); Evaluation Cooperation Group (ECG); Asian Development Bank Institute (ADBI); Green Climate Fund (GCF);

Communications and Outreach



- **ADB Evaluation Academy:**
 - Evaluation training workshops – ADB and in countries
 - Shanghai International Program for Development Evaluation Training (SHIPDET) with AFDI
- **Asian Evaluation Week (with AFDI)**
- **Knowledge Partnerships:**
 - Asia-Pacific Finance and Development Institute (Ministry of Finance, PRC)
 - International Initiative for Impact Evaluation (3ie)

Evaluation Capacity Development



Key Takeaways



Development evaluation can be conducted for a planned, ongoing or completed intervention. Independence of the entity conducting the evaluation is important for credibility.



The independent evaluation function helps ADB continuously improve its development effectiveness and accountability to stakeholders



Use of generally agreed evaluation criteria to assess performance of development interventions can support both accountability and learning



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