



Advancing the Standards, Practice, and Use of Evaluation

MANILA, PHILIPPINES – On 21–24 April 2008, the **Evaluation Cooperation Group** met in Tunis. Its working groups discussed the standards, practice, and use of evaluation vis-à-vis the private sector, country strategies and programs, technical assistance, and the public sector. They examined rating scales and criteria, the framework for the review of evaluation functions, and communications. A plenary session deliberated these and a workshop looked at public-private partnerships.

The ECG was set up in 1996 by the heads of evaluation in seven **multilateral development banks** to promote harmonization of evaluation approaches, and develop guidelines and good practice standards for the conduct of evaluations. It includes the **African Development Bank**, **ADB**, the **European Bank for Reconstruction and Development**, the **European Investment Bank**, the **Inter-American Development Bank**, the **International Monetary Fund**, and the **World Bank Group**. The **United Nations Evaluation Group** and the **Development Assistance Committee Working Group on Evaluation** became permanent observer members in 2001 and were joined at the meet by three new observers and prospective members: they are the **Council of Europe Development Bank**, the **International Fund for Agricultural Development**, and the **Islamic Development Bank**. The ECG meets every six months: participation is voluntary and decisions are consensual. The Chair rotates each year.

The gathering was a landmark. First, it reversed a decision not to increase membership because of concern that meetings founded on consensus might become unmanageable. Second, it confirmed that the process of developing a comprehensive and coherent suite of evaluation good practice standards is nearing completion. Third, the earlier decision to appoint a part-time secretariat (hosted by ADB) and the associated revamp of the group's communication platform (www.ecgnet.org) has swelled pre-meeting

communications and led to a more complete level of meeting documentation. Fourth, members have committed to a greater number of working groups, with a wider participation than was previously the case. Fifth, the group has taken steps to increase its visibility and contribution to the wider evaluation and development community. Sixth, members agreed to substantially increase effort put into identifying and carrying out joint evaluations.

ADB has led the development of *standards* for the evaluation of country strategies and programs for more than two years. A final version is expected to be submitted for members' approval by mid-May 2008.

Members agreed that the standards for public sector evaluations (the first developed by the ECG being approved in 1999) should be revised to (i) distinguish generic standards that relate to evaluation in general (including standards for independent and self-evaluation), and (ii) harmonize with other standards, in particular those for private sector operations. An addendum to the standards is the more recent for evaluation of policy-based lending (the development of this led by ADB), which are not likely to require much revision. The World Bank is leading the preparation of standards for the public sector and the European Investment Bank that of general standards.

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The **International Finance Corporation** tabled standards for technical assistance evaluations—the working group considered that these need further work, which the Inter-American Development Bank will lead.

The standards will provide a suite that the ECG can use to improve evaluation work in its members, and can promote in the wider evaluation community.

Having approved standards, members commit to independent *benchmarking* of their performance (and in the interim, to self-assessment). The members agreed that the first benchmarking against the private sector standards will take place in the first half of 2009. It was requested that, at the next ECG meet, ADB propose a first benchmarking against the standards for policy-based lending in the second half of 2009.

Some members of the working group on the private sector expressed concern about the *integrity and use of data* in the **Common Performance Assessment System**. The European Bank for Reconstruction and Development and the International Finance Corporation will conduct a detailed review and feed back. A thematic session of this working group considered the evaluation of *environmental and social effects* of private sector operations. Possible thematic topics for the next ECG meet are the *evaluation of additionality* and a discussion on *disclosure policies*. ADB undertook to canvass the interest of members in a meta-evaluation on microfinance. The first step will entail a stocktaking exercise on the body of ECG member evaluation work on microfinance.

The work of the group on *rating scales and criteria* (led by the European Investment Bank) proved to be most interesting. Much of the work of the ECG to date followed a "top-down" approach to harmonization. The group took a "bottom-up" approach by examining how members currently evaluate the performance of operations to identify similarities and differences. This work should greatly aid the conduct of joint evaluations and also provide the basis for reactivating the exercise on creating a common database on results of evaluations. The group revealed that many indicators and criteria are common and can be aggregated across institutions.

The ECG is committed to the principle of *joint evaluations* and its members now conduct more such exercises. The next ECG meet will draw on the work of the **Organisation for Economic Co-operation and Development** evaluation network to decide if separate standards are needed for their conduct. In this regard,

the group on rating scales and criteria is expected to make the preparation of joint reports easier.

The ECG has a particular interest in ensuring the *independence* of its members' evaluation offices. A discussion on this has become a regular feature of the plenary session. The generic standards for independent and self-evaluation mentioned above will be the means by which ECG sets standards for independence of the evaluation function in multilateral development banks. The International Monetary Fund provided interesting information on steps it has taken to enhance not only the fact of its independence but also perceptions of its independence. Its Independent Evaluation Office reports directly to the Executive Board of the Fund, is completely independent of Management, and operates "at arm's length" from the Board.

No ECG member has yet committed to a *peer review* of its evaluation function although the African Development Bank is still expected to be the first. Discussion covered the use of the term "peer" with the potential implication of a "back scratching" or non-independent review. In fact, the proposed peer review panel includes an independent panelist. A decision was taken to drop the term "peer" as this did not accurately reflect the proposal.

The ECG resolved not to formalize a working group on *communications* because of the work load this entails. However, a stepped-up level of external communications will be a responsibility of the Chair with support from interested members (ADB expressed its interest in helping this activity).

Lastly, an opportunistic approach will be taken to communicate an ECG view on topical issues. For example, the Chair undertook to work on a 2–3 page letter for circulation to decision makers at the **Third High Level Forum on Aid Effectiveness** to be held in Accra on 2–4 September 2008.

See Also:

Evaluation News: Evaluating for Development Results. Available: www.adb.org/documents/oed/news/2008/evaluating-development-results.pdf

Evaluation News: Japan Holds 7th ODA Evaluation Workshop. Available: www.adb.org/documents/oed/news/2008/japan-7th-oda-evaluation.pdf

Monitoring and Evaluation News. Available: <http://mande.co.uk/>