



# Independent Evaluation

When operations evaluation began in 1978, it consisted of assessing after completion the extent to which projects had achieved their expected economic and social benefits. Now evaluation shapes decision making throughout the project cycle and in ADB as a whole.

*Independent Evaluation at the Asian Development Bank* ([www.adb.org/evaluation/documents/independent-evaluation/independent-evaluation-adb.pdf](http://www.adb.org/evaluation/documents/independent-evaluation/independent-evaluation-adb.pdf)) traces the early steps, describes recent accomplishments, and looks to the future.

The Operations Evaluation Department (OED) strives to help ADB become a learning organization. OED is able to do so because it is self-directed, avoids conflicts of interest, is insulated from external influence, and is organizationally independent. Its work demonstrates that ADB is prepared to be accountable for the results it produces. OED now reports to the Board of Directors through the Development Effectiveness Committee. (OED's reports to the committee are uploaded onto the ADB website at the time they are submitted to the committee.) The change has made evaluation a dedicated tool—governed by the principles of usefulness, credibility, transparency, and independence—for greater accountability and better development assistance (Enhancing the Independence and Effectiveness of the Operations Evaluation Department [www.adb.org/documents/policies/enhancing-oed.pdf]).

OED seeks to increase value added from its work. The chapter *Generating and Sharing Knowledge* (page 84) shows how ADB leverages operational and developmental wisdom and increases learning. Backed by perception surveys, OED also employs measures to become more strategic, extend its outreach and respond appropriately to client needs, measure success by value added and not by number of reports produced, distinguish between types of recommendations and make better recommendations, innovate in knowledge management, and be a more active global player in developing evaluation capacity and best practices.

## CONDUCTING AND DISSEMINATING STRATEGIC EVALUATIONS

OED's work program has shifted substantially from evaluation of individual projects to broader and more strategic studies. To select priority topics, OED consults with the Development Effectiveness Committee, Management, and the heads of departments and offices. OED's goals are to improve the quality of evaluations by using more robust methods; give priority to country and sector assistance program evaluations; increase the number of joint evaluations; validate self-evaluations to shorten the learning cycle; evaluate development impact more rigorously; develop evaluation capacity, both in ADB and in developing member countries; improve portfolio performance; evaluate business processes; and circulate findings and recommendations and see to it that these are carried out.

Influential evaluation studies in 2007 dealt with indigenous peoples safeguards; performance of technical assistance; private sector development and operations; ADB's energy policy; projects cofinanced by ADB and the Global Environment Facility; ADB's Japan Funds;

TABLE 37 Evaluation Results<sup>a</sup> for Sovereign Operations by Country

Country	Total Rated Projects/ Programs (no.)	Proportion (%)		
		HS/GS/S	PS	US
Bangladesh	102	58	34	8
Bhutan	12	83	8	8
Cambodia	12	92	8	0
China, People's Republic of	72	85	10	6
India	34	65	29	6
Indonesia	172	63	30	8
Kazakhstan	8	88	13	0
Kyrgyz Republic	14	93	7	0
Lao People's Democratic Republic	36	69	25	6
Malaysia	57	65	30	5
Maldives	8	75	13	13
Mongolia	17	76	24	0
Myanmar	11	64	27	9
Nepal	70	56	34	10
Pacific DMCs	92	48	34	18
Pakistan	121	59	33	8
Papua New Guinea	34	32	59	9
Philippines	112	46	37	17
Sri Lanka	66	53	39	8
Tajikistan	6	83	17	0
Thailand	64	89	11	0
Uzbekistan	5	40	60	0
Viet Nam	26	77	23	0
Graduate Economies	61	87	11	2
<b>Total</b>	<b>1,212</b>	<b>63</b>	<b>29</b>	<b>8</b>

DMC = developing member country, GS = generally successful, HS = highly successful, PS = partly successful, S = successful, US = unsuccessful.

<sup>a</sup> Based on aggregate results of project/program completion reports (PCRs) and project/program evaluation reports (PPERs) using PPER ratings in all cases where both PCR and PPER ratings are available.

Data source: PCRs and PPERs containing a rating circulated as of 31 December 2007.

ADB's support for public resource management programs; the effect of microfinance on poor rural households and the status of women; ADB's resident mission

**OED is self-directed, avoids conflicts of interest, is insulated from external influence, and is organizationally independent**



The Khulna-Jessore drainage project in Bangladesh showed the need to account for conditions outside a project's immediate area

policy and related operations; ADB's approaches to partnering and harmonization; the implementation of ADB's long-term strategic framework; managing for development results; Asian Development Fund operations; country assistance program evaluations for the People's Republic of China (PRC), India, Pakistan, and Sri Lanka; and sector assistance program evaluations for the energy and transport sectors in India and the road and railway sector in the PRC.

## HARMONIZING PERFORMANCE INDICATORS AND EVALUATION METHODOLOGIES

OED is a member of the Evaluation Cooperation Group (ECG), a community of practice organized in 1996 by the heads of evaluation of multilateral development banks to strengthen the use of evaluation for more effective and accountable development lending; share and spread lessons from evaluations; harmonize evaluation criteria, methods, and approaches; enhance professionalism and collaboration among their members; and pave the way for borrowing member countries to build their capacity to perform evaluations.

## Inclusive Development and Conflict Resolution in Sri Lanka

Sri Lanka is a middle-income developing member country with high social indicators, though there has been no significant poverty reduction to go with the social gains. An evaluation of ADB's country strategies and programs for Sri Lanka, covering 1986–2006, identified inclusive development and conflict resolution to be the major challenges. Read *Country Assistance Program Evaluation for Sri Lanka: Inclusive Development and Conflict Resolution: Major Challenges for the Future* ([www.adb.org/documents/capes/sri/in174-07.pdf](http://www.adb.org/documents/capes/sri/in174-07.pdf)).

**OED's work program has shifted substantially from evaluation of individual projects to broader and more strategic studies**

## Better Evaluation-Based Learning

The Operations Evaluation Department (OED) promotes the adoption of knowledge management concepts used in the corporate sector:

- **Concentration.** ADB's work plan has country, sector, and thematic areas of concentration.
- **Learning.** To become a learning organization, ADB is restructuring its management information systems. OED has leveraged its greater institutional independence and assigned more resources to knowledge management to better support learning.
- **Quality of evaluation.** OED's more sophisticated methods, increased orientation toward impact assessment, and broader evaluations suggest that more knowledge is being created and used to reinforce the concepts and quality of development and to increase external accountability. The quality of the lessons identified and the recommendations made must constantly improve.
- **Feedback.** With OED's help, the feedback system for evaluation-based learning and accountability is being systematized and institutionalized.
- **Information and documentation.** ADB is making increasing use of modern, Internet-based information and documentation systems, which cut information-gathering and search costs and strengthen institutional memory. But the systems could be made more functional, especially given the rising flood of data and information. ADB is networking the systems and encouraging upward feedback in a decentralized organization. OED manages the evaluation pages on ADB's website for better functionality, design, content, originality, professionalism, and effectiveness.
- **Internalization.** OED is looking into the possibility of using a more systematic and innovative way of internalizing lessons from evaluation in an overall strategic framework for knowledge management.
- **Monitoring.** OED promotes the monitoring of actions taken on evaluation findings and recommendations, using well-established monitoring and evaluation systems.
- **Disclosure.** Evaluation approach papers and the comments of external stakeholders are posted on the evaluation pages on ADB's website.
- **Partners and stakeholders.** ADB largely directs feedback to internal audiences, but increasingly recognizes the need for more active participation by in-country partners and stakeholders, including the media.
- **Broad-based evaluations.** OED continues to move from individual project evaluation to a broader country, sector, and thematic focus, increasing the potential impact of evaluation, especially when it is timed to coincide with policy review. Findings and recommendations from broad-based evaluations feed in straightforward fashion into ongoing projects, given the existence of relatively well-established monitoring and evaluation systems; if not, challenges present themselves.
- **Self-evaluation.** OED's advocacy and support for better self-evaluation by units responsible for programs and activities have encouraged better design and monitoring frameworks, monitoring and evaluation systems, and completion reports.
- **Growing interest in developing member countries (DMCs).** ADB now places a higher premium on achieving results and helps DMCs strengthen their abilities to measure and manage for results. DMCs themselves are showing greater interest in developing their evaluation capacity, as reflected in stronger demand for knowledge products and services from the International Program for Development Evaluation Training, and in the growth of evaluation associations.



ADB studied the effect of microfinance on the status of women in Nepal

### Emerging Practices in Policy-Based Lending

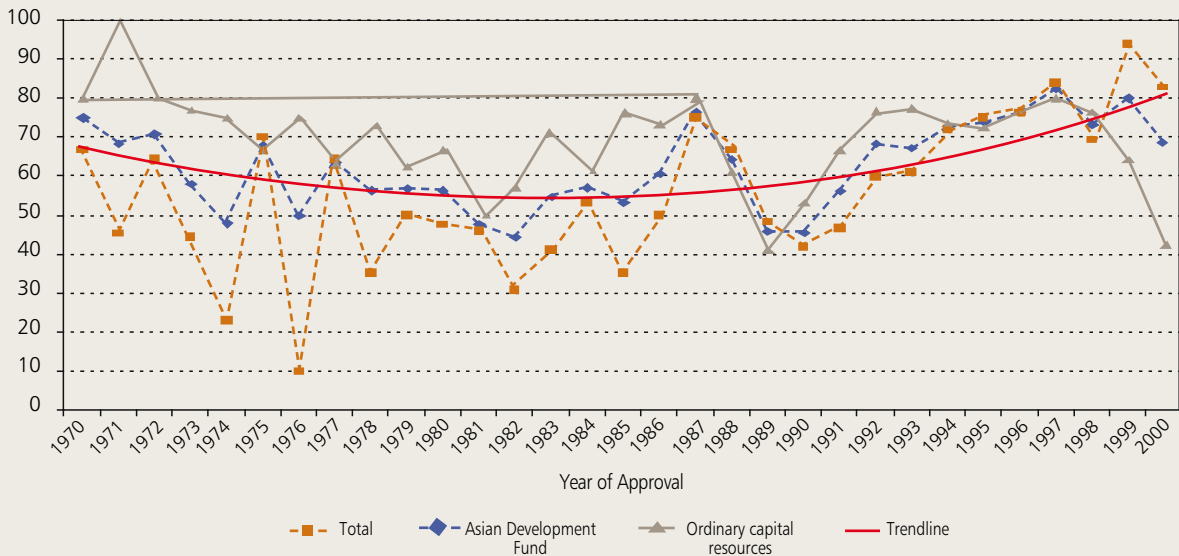
Policy-based lending, known as program lending in ADB, was introduced to ease the balance-of-payments difficulties of developing member countries. Over the last 30 years, it has also helped improve incentives, enabling environments and institutions, and more recently public resource management. At the end of 2006, program lending had taken up 24% of ADB's total public sector lending. Does experience disclose good practices? Can ADB's program lending policy be improved? Read *Special Evaluation Study on Policy-Based Lending: Emerging Practices in Supporting Reforms in Developing Member Countries* ([www.adb.org/documents/ses/reg/policy-based-lending/evu-oth-2007-18.pdf](http://www.adb.org/documents/ses/reg/policy-based-lending/evu-oth-2007-18.pdf)).

OED began to administer, maintain, and improve ECGnet ([www.ecgnet.org](http://www.ecgnet.org)) in 2006, and revamped the system in 2007. In June, the ECG also agreed to create a part-time secretariat to synchronize activities; continue to administer, maintain, and develop ECGnet; and provide support services to the chair. The secretariat is housed in OED.

### DEVELOPING CAPACITY IN EVALUATION AND EVALUATIVE THINKING

Since 1990, OED has helped develop evaluation capacity to raise awareness of the value of evaluation in

FIGURE 11 Proportion of Successful Sovereign Operations (Projects/Programs), by Source of Funds



Project/program implementation: 4–7 years  
 Completion report: 1–2 years after completion  
 Project/program evaluation: 3 years or more after completion

**TABLE 38 Evaluation Results<sup>a</sup> for Sovereign Operations by Sector**

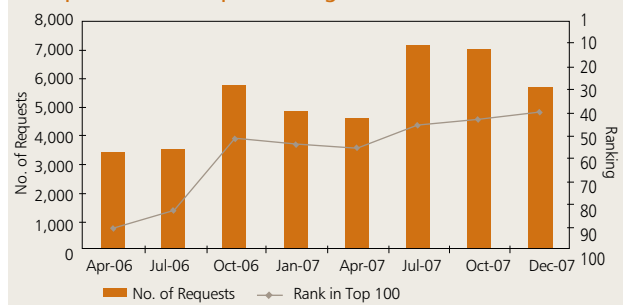
Sector	Total Rated Projects/ Programs (no.)	Proportion (%)		
		HS/GS/S	PS	US
Agriculture and Natural Resources	294	41	43	16
Education	86	73	26	1
Energy	183	80	18	3
Finance	101	54	39	8
Health, Nutrition, and Social Protection	40	55	43	3
Industry and Trade	71	63	25	11
Law, Economic Management, and Public Policy	23	48	44	9
Multisector	127	66	27	7
Transport and Communications	205	84	11	5
Water Supply Sanitation and Waste Management	82	61	34	5
<b>Total</b>	<b>1,212</b>	<b>63</b>	<b>29</b>	<b>8</b>

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**FIGURE 12 Evaluation Homepage at ADB.org in Top 100 Most Requested Pages**



Note: A request indicates the number of times a website page is accessed. A page is defined as any HTML document found on ADB.org and should be differentiated from downloads (which are PDF or files in other formats). ADB.org has a total of about 47,000 pages. Requests originating from ADB's headquarters are not included.

## Working the Internet

OED has intensified its efforts to make more effective use of Internet technology. The evaluation pages on ADB's website have been redesigned to emphasize content, navigational ease, appearance, load time, and cross-media accessibility. The results are telling. Requests for the department's evaluation homepage rose sharply in 2006 and have remained consistently high since then.

Source: [www.adb.org/evaluation/](http://www.adb.org/evaluation/)

transparent, accountable, results-oriented, and effective management systems. OED's projects have proved that sound monitoring and evaluation systems are beneficial to good governance and public sector reform, results-based management, and internal auditing.

ADB approved regional technical assistance, funded by the Regional Cooperation and Poverty Reduction Fund of the PRC, to help strengthen the skills, resources, and systems for results-based monitoring and evaluation in Cambodia, the Lao People's Democratic Republic, and Viet Nam. Part of the project will be research and special studies for capacity development and increased sharing of knowledge in monitoring and evaluation. The project supports the Shanghai International Program for Development Evaluation Training and is expected to propose a strategy for developing evaluation capacity.

**OED has helped develop evaluation capacity to raise awareness of the value of evaluation in transparent, accountable, results-oriented, and effective management systems**