Asian Development Bank
Evaluation Principles

This document is being disclosed to the public in accordance with ADB’s Access to Information Policy.
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I. RATIONALE AND OBJECTIVES OF THE ADB-WIDE EVALUATION PRINCIPLES

1. Evaluation is essential to good corporate governance in multilateral development banks (MDBs). The Asian Development Bank (ADB) has a mature and credible system of independent and self-evaluation in place. Its independent evaluation policy,1 adopted by the Board of Directors (Board) in 2008, and ADB’s comprehensive set of guidelines govern the conduct of independent and self-evaluation functions across the institution. The ADB’s evaluation system compares positively to those of other MDBs and has facilitated the delivery of credible, timely, and influential evaluations. Operational manuals, project administration instructions, protocols, and other institutional documents developed by relevant ADB departments including the Independent Evaluation Department (IED) provide clear and comprehensive guidance to these functions. The overall architecture of ADB’s project-level self-evaluation system is robust, credible, and aligned with international good practice, serving both accountability and learning in ADB.2

2. In September 2017, the Board commissioned an external review to assess the effectiveness of IED.3 Among its recommendations, the review suggested that IED, the Development Effectiveness Committee (DEC), the Board, and Management launch a participatory process to develop a new, ADB-wide evaluation policy. To complement the existing independent evaluation policy and set of guidance documents, IED and Management jointly agreed to develop this ADB-wide evaluation principles document to clarify how self- and independent evaluation work together across the institution and the principles that guide Management and IED in their respective and complementary roles.4

3. This ADB-wide evaluation principles document sets the overarching principles that guide self- and independent evaluation in ADB. These principles were developed based on existing ADB policies, procedures, and technical guidelines with reference to standards and practices used by results management and evaluation functions of MDBs. This document seeks to enhance the culture of evaluation across ADB, built on common understanding of key values, principles, and evaluation approaches. It also aims to strengthen dissemination and utilization of evaluation findings and lessons within ADB and by developing member countries (DMCs).

4. This document outlines the key principles guiding ADB’s evaluation system for accountability and learning. Evaluation is an ADB-wide function based on separate and mutually reinforcing responsibilities of (i) the Board, through the DEC, (ii) IED, and (iii) Management and staff. The attention to evaluation as an ADB-wide function for both accountability and learning is aligned with the direction of Strategy 20305 to strengthen ADB’s role as a knowledge provider through the use of evidence and findings from both self- and independent evaluations when designing new strategies, policies, processes, programs, and projects. It is also consistent with the objective to support DMCs based on in-house knowledge in various areas, including results management and evaluation.

5. This ADB-wide evaluation principles document is designed to: (i) confirm ADB’s commitment to evaluation, for accountability and learning, as part of its governance system to

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4 A joint task team was established to (i) conduct a stocktaking on the evaluation policies and practices across MDBs and other relevant institutions; (ii) learn from the experiences of other MDBs and relevant institutions in preparing their respective evaluation policies; and (iii) recommend an approach for the development of a new evaluation framework for ADB.
better address global challenges and ADB’s long term strategy; (ii) assert the key overarching evaluation principles that are common to ADB self- and independent evaluation functions (iii) ensure effective coordination and synergy between self- and independent evaluation, using a common language and harmonized approaches for better development outcome; and (iv) reaffirm the principles to ensure enabling environment for self- and independent evaluation functions contained in the existing policy.  

6 These evaluation principles do not replace, but complement existing or future evaluation related policy, instructions, and day-to-day working guidelines, which provide guidance to ADB staff in their respective areas of work. This document will be updated as appropriate, to incorporate developments in latest discussions around evaluation principles in the global development community. IED and the Strategy, Policy, and Partnerships Department are responsible for updating these evaluation principles, in consultation with relevant departments and Board members (through the DEC). This document will also contribute to the ongoing corporate reforms, particularly the organizational review and cultural transformation initiatives. Overarching objective is to set the development impact (towards SDG) as the primary measure of ADB’s success which should be driven by common strong development culture, purpose and leadership commitment, with joint accountability at all levels on achieving Strategy 2030.

II. PURPOSES OF EVALUATION IN ADB

7 For ADB, evaluation is central to improving its operational effectiveness. To ensure that it invests responsibly, ADB continually reviews its operations to assess their effectiveness, to learn from past experience, and to improve the development of future projects. The Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD-DAC) defines evaluation as “an assessment, as systematic and objective as possible, of an ongoing or completed project, program or policy, its design, implementation, and results. The aim is to determine the relevance of objectives, coherence, efficiency, effectiveness, sustainability, and development impact. An evaluation provides information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors.” The Evaluation Cooperation Group (ECG), states that “determined effort should be made to harmonize performance indicators and evaluation criteria, taking into account the different circumstances of each institution.” ADB evaluation principles and practices align with those of the OECD-DAC and the ECG, while taking into account the specificities of this institution and of the region.

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6 This includes human resources and staffing, access to information and disclosure, budget, and capacity development.

7 OECD-DAC promotes cooperation to implement the 2030 Agenda for Sustainable Development by providing analysis, guidance and good practice to assist its members and the donor community in enhancing innovation, impact, development effectiveness, and results in development cooperation, among others. It has 30 members, including many of the largest providers of aid. See http://www.oecd.org/dac/development-assistance-committee/ and http://www.oecd.org/dac/thedevelopmentassistancecommitteesmandate.htm.

8. Evaluation is central to good corporate governance and institutional capacity, and to a knowledge organization. The purpose of evaluation at ADB is to promote accountability and learning:

(i) **Accountability.** Evaluation provides an objective and transparent assessment of ADB’s performance and development results. Evaluation provides accountability for relevance, institutional legitimacy, coherence, results achieved (impact and effectiveness), efficiency, and sustainability.

(ii) **Learning.** Through evaluation, ADB learns what worked and why, what did not work and why, and captures lessons that inform how to enhance development effectiveness and contribute to the development of DMCs. Evidence, knowledge, and lessons learnt help ADB to adopt a new strategy and direction. Evaluation serves as a tool to enhance the learning culture within ADB and externally for its DMCs.

9. Both self- and independent evaluation operations focus on measurable outcomes, based on their respective roles and as reflected in their respective results frameworks.

### III. ADB EVALUATION GUIDING PRINCIPLES

10. Consistent with international best practices in evaluation, evaluations in ADB adhere to six core principles in the three areas of (i) expertise and methodology; (ii) enabling environment; and (iii) utilization, with quality as a key characteristic (Table).9

11. **Quality of evaluation.** The high quality of evaluation work is an indispensable characteristic of a sound evaluation system. Quality depends on three areas:

(i) **Expertise and methodology.** These refer to the evaluators’ competencies (i.e., proficiency, and analytical and technical skills) and experience guiding them in undertaking evaluation work, as well as to methodologies underpinned by a high degree of rigor, particularly related to validity, reliability, and replicability.

(ii) **Enabling environment.** This refers to the institutional underpinnings of evaluation functions, and assurance of structural and functional independence of the independent evaluation function. This works hand-in-hand with strong expertise and rigorous methodology as well as commitment to effective evaluation across the institution.

(iii) **Utilization.** These refer to meeting of expectations and knowledge needs of users and stakeholders for them to be able to use the findings as inputs to the decision-making process and to apply good practices and lessons. These cover both the supply of and demand for evaluation knowledge and include solid evaluation capacity across the organization and effective evaluation findings and lessons dissemination and utilization.

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9 Unless otherwise specified, all the evaluation principles apply to both self- and independent evaluations.
### Table: Key Evaluation Principles

<table>
<thead>
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<th>Principles</th>
<th>Definition</th>
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<tr>
<td><strong>I. Expertise and Methodology</strong></td>
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<tr>
<td>(i) Competencies and capacities</td>
<td>Skills and expertise, sufficient experience to conduct any evaluation</td>
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<tr>
<td>(ii) Evaluability</td>
<td>Extent in which an activity or a program can be evaluated in a reliable and credible fashion</td>
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<tr>
<td>(iii) Use of internationally agreed standards</td>
<td>Agreed standards and methodologies as basis for conducting evaluation</td>
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<tr>
<td>(iv) Credibility</td>
<td>Evaluation credibility grounded in rigorous and transparent methodology; the expertise and experience of evaluators; the quality control processes; and the veracity and integrity of the evidence and analyses.</td>
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<td><strong>II. Enabling Environment</strong></td>
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<tr>
<td>(v) Independence</td>
<td>Freedom from any material threats to objectivity to provide credibility and legitimacy to the evaluation and minimizing potential for conflict of interest; independence covers organizational or structural, functional, and behavioral independence.</td>
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<td><strong>III. Utilization</strong></td>
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<tr>
<td>(vi) Utility</td>
<td>Relevance and timeliness of processes and findings to organizational learning, decision-making, and accountability for results.</td>
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### A. Expertise and Methodology

12. **Competencies and capacities.** Evaluations require a range of expertise that may be technical, social, economic, cultural, ethical or gender sensitive. Units or bodies commissioning evaluations are responsible for selecting evaluators with sufficient experience and skills in the appropriate fields and for adopting a rigorous methodology for the assessment of performance and results.

13. **Evaluability.** Evaluability is the extent to which an activity or a program can be evaluated in a reliable and credible fashion. Effective evaluation requires that the objectives of the activities be defined and that results be monitored in a way that allows for subsequent evidence-based verification. Departments and offices designing and administering projects, programs, and initiatives are responsible for ensuring their evaluability.

14. **Use of internationally agreed standards.** ADB ensures that its evaluation methodologies are aligned with international standards but adapted to organizational needs and structure, to support both self- and independent evaluation functions.

15. **Credibility.** Credibility of evaluation is grounded on the use of rigorous and transparent methodologies; the expertise and experience of evaluators; the quality control processes; and the veracity and integrity of the evidence and analyses. Evaluation is conducted ethically and meets

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10 OECD-DAC's Glossary of Key Terms in Evaluation and Results Based Management.  
strict quality standards as recommended by the evaluation community of practice. Evaluation reports provide substantial findings after considering all stakeholders’ views on the draft report. Findings are based on evidence and sound analysis and presented in a manner that is readily understood by target audiences. Recommendations are clear, well-substantiated by evaluation findings, and actionable. Evaluators need to avoid bias in selection and methodology, findings, analyses, and conclusions. At key stages of the evaluation process, evaluators ensure transparency and clearly communicate the decisions regarding purpose, scope, evaluation approaches, and methodology; the engagement of key stakeholders and the criteria applied. Evaluations are widely available and easily accessible, for transparency and legitimacy in line with ADB’s Access to Information Policy.¹¹

B. Enabling Environment

16. Independence. Credibility and usefulness require that the evaluation process is free from undue organizational pressure and influence. Independence is achieved through an enabling environment, institutional, structural and organizational means, and intellectual independence of evaluators. Independent evaluation in ADB adheres to three types of independence.

(i) **Organizational or structural independence** refers to the independent evaluation function being positioned independently from management functions. Organizational independence requires the evaluation function to extend to all operations of the organization, and ensures that the evaluation unit and its staff are not under the control or influence of decision makers who have responsibility for the activities being evaluated. It involves the capacity of the IED Director General to set IED’s own agenda, work plan, finalization and disclosure of completed assessments. IED staff composition will include an appropriate mix of internal and external recruits. The IED Director General is responsible for the final selection of IED personnel, in accordance with ADB personnel guidelines. BPMSD will handle the administrative processes, and its role with respect to IED staffing decisions should be primarily that of a facilitator. In addition, the budget is developed by IED, in consultation with DEC and the Budget, People and Management Systems Department.

(ii) **Functional independence** refers to the ability of evaluators to set priorities, design processes, and define products, as well as to decide on the design, conduct, and content of evaluations, reach judgments, and disclose its evaluations. The key responsibilities of the director general, IED includes managing IED as an effective, efficient and independent department. This also includes managing IED’s personnel, budget and work program under the oversight of the DEC, and in accordance with ADB rules and procedures.

(iii) **Behavioral independence** implies professional integrity and absence of bias in the attitude and behavioral conduct of the evaluator. It refers to the avoidance of conflict of interest and ensures that current, immediate future, and prior professional or personal relationships and considerations do not influence the evaluators’ judgment or create a perception of subjectivity.

17. The principle of functional independence applies in some cases to self-evaluation in ADB, such as when a unit decides to undertake an evaluation on a specific topic. The principle of

behavioral independence can apply to self-evaluation in ADB, such as by ensuring evaluators are not subject to bias and vested interests.

C. Utilization

18. **Evaluation utility** refers to relevance and timely use of evaluation findings to organizational learning, decision making, and accountability of development results. An effective self-evaluation system, including evaluability of its policies, strategies, programs, and operations, adequate monitoring, and timely delivery of post-operation completion reports.

19. In order to bring about positive changes in perception, attitude, ways of working, decision and processes, ADB evaluations provide relevant knowledge, in a timely manner, to the intended audiences; engage stakeholders throughout the evaluation process for consultation, dissemination, and outreach; and ensure a collaborative and constructive approach among evaluators and key stakeholders. It requires open and honest communication between the evaluators and the evaluatees and implies evaluators ask relevant questions, take stakeholders’ needs and insights into consideration, and take into account the experience and expertise of stakeholders when designing and conducting the evaluation.

IV. SELF- AND INDEPENDENT EVALUATION: AN ADB-WIDE EVALUATION FUNCTION

20. ADB’s evaluation system covers self- and independent evaluations. Self-evaluation is the role of Management and is performed mainly by ADB operational departments. Independent evaluation is performed by IED.

21. Effective learning, functioning accountability, and sustained transparency are best achieved by complementary and mutually reinforcing systems of self- and independent evaluations. Self- and independent evaluation in ADB cover project, country, sector, thematic, and corporate levels, and follow the same evaluation criteria and ratings system, as provided in the IED evaluation guidelines.

22. Self- and independent evaluation align with international evaluation best practices and policies, and draw on international norms and standards. As member of the ECG and OECD DAC Eval-Net, IED acts as the guardian of evaluation methods internally and represents ADB externally in discussions related to evaluation criteria and good practices. IED is responsible for updating ADB’s evaluation guidelines and practices in line with global best practices. Management is responsible for aligning and updating its self-evaluation instructions and guidance with IED evaluation guidelines as they are updated.

23. Constructive exchanges between Management and IED are at the heart of active institutional learning and quality improvement. IED’s independence does not mean that IED works in isolation from other parts of ADB, and a consultative and collaborative process should prevail.

24. **Roles of self-evaluation and independent evaluation.** There are two components of evaluation in ADB: (i) self-evaluation conducted by those responsible for designing and implementing policies, country strategies, programs, or projects; and (ii) independent evaluation undertaken by IED.
1. **Self-evaluation**

(i) Self-evaluation is an integral part of ADB’s broader results-based management architecture. ADB has an integrated series of processes supporting systematic and comprehensive self-evaluation at the operations, portfolio, and corporate levels. ADB’s self-evaluation framework is established by evaluation guidelines, and operations manuals and associated staff/project administration instructions.

(ii) Self-evaluation of ADB operations is conducted by the units responsible for the concerned sovereign and nonsovereign operations, including technical assistance, country and regional partnership strategies, and may also include reviews of policies and procedures, and sector and thematic operational plans that govern ADB operations. Self-evaluation is primarily undertaken upon completion (sovereign operations) or at early operating maturity (nonsovereign operations).

2. **Independent Evaluation**

(i) Independent evaluation entails the systematic evaluation of ADB policies, strategies, operations, and special concerns that relate to organizational and operational effectiveness. Independent evaluation helps ADB Board, Management and staff as well as member country stakeholders understand whether resources have been well spent, and whether the planned outcomes have been achieved. It contributes to achieving development effectiveness of ADB operations by providing evaluation feedback on performance, and generating and disseminating evidence-based findings and lessons.

(ii) In ADB, independent evaluation is the responsibility of IED which conducts independent evaluation and reports to the ADB’s Board through the DEC as defined in the independent evaluation policy (footnote 1). The Board appoints IED’s Director General upon the recommendation of the DEC, in consultation with the ADB President. DEC ensures that ADB has an effective and efficient evaluation function. This would include overseeing the selection process for the director general, IED and providing relevant guidance and feedback to IED Management, as appropriate.

(iii) Independent evaluation in ADB follows the principles of independence, impartiality, and integrity. Drawing on the good practice standards of evaluation agencies, independent evaluation has recognized and adopted four dimensions of evaluation independence: (a) behavioral autonomy; (b) organizational independence; (c) insulation from external influence, and (d) avoidance of conflicts of interest.

25. **Evaluation stakeholders.** Evaluation at ADB involves a range of actors, both internal (Board, DEC, IED, Management and staff), and external (governments and private sector entities [borrowers/recipient], development partners, and beneficiaries), having interconnected and complementary roles and responsibilities.
1. **Coordination with the Board of Directors and the Management**

(i) The Board oversees ADB’s evaluation work and assesses the development effectiveness of ADB’s activities as documented in evaluation reports;

(ii) The DEC assists the Board in enhancing the ability of the Board of Directors to assess the overall quality and impact of ADB’s programs and activities, ensuring that ADB has an effective and efficient evaluation function, discussing and endorsing IED’s annual work program and budget, ensuring that the agreed upon recommendations are implemented and that lessons learned from evaluation activities are reflected in ADB’s policies, procedures and operations. DEC also reviews the annual Development Effectiveness Review and provides formal comments on the report to the Board;

(iii) Management and staff of operational and non-operational units conduct self-evaluations to assess their own performance and generate lessons; and use findings and recommendations from independent evaluation to improve ADB’s policies and operations.

(iv) ADB’s Management and staff are consulted at different stages of the independent evaluation process. ADB’s Management responds to independent evaluation findings and recommendations. ADB Management’s responses and the DEC Chair’s Summaries of Discussions are appended to evaluation reports and disclosed as they become available.

2. **Interaction with other Stakeholders**

26. Other stakeholders, such as below, may participate in the evaluation process by preparing their own evaluation, conducting evaluation jointly with ADB, or using ADB’s evaluation findings and recommendations:

(i) Governments, including executing and implementing agencies, and private sector entities (borrowers/recipient);

(ii) Development partners such as multilateral and bilateral institutions, including cofinanciers and partner institutions; and

(ii) Beneficiaries, including targeted populations directly affected by ADB support, and the general public.

V. **EVALUATION KNOWLEDGE MANAGEMENT**

27. **Evaluation and knowledge management.** Evaluation forms part of the formal knowledge solutions and operations cycle in ADB. Evaluation knowledge needs to be accessible, valued, and used. ADB evaluation findings, lessons, and recommendations need to be systematically captured, organized, shared, and applied within the organization and are disseminated internally, as well as externally. Applying effective and organized knowledge management processes in order to leverage the substantial amount of knowledge from evaluations is key to improving results
on the ground. ADB should ensure that its evaluations actively contribute to enhancing ADB’s internal feedback loop, helping the organization and its staff to learn from success as well as failures.

28. **Evaluation capacity development.** ADB promotes evaluation capacity development internally and externally (i.e., in its DMCs) to help further develop a culture of evaluation and knowledge building; and evidence-based decision-making. ADB puts a premium on results and helps its staff and DMCs develop strong systems for monitoring and evaluation to track the progress of operations and policy interventions and assess development effectiveness. This responsibility is shared by self and independent evaluation. In accordance with the independent evaluation policy, IED’s mandate includes evaluation capacity development in ADB and DMCs through the conduct of workshops, seminars and other training activities, in collaboration with other ADB departments and/or with external partners. Capacity building on evaluation methods and processes offers an avenue for improving performance in terms of the quality, quantity, and targeting of development goods and services. Evaluation capacity development interventions also enrich the quality of ADB’s own monitoring and evaluation.

VI. **RESOURCES**

29. ADB ensures that institutional processes are sufficient, and resources are appropriate to support an effective bank-wide evaluation system and foster a learning-oriented culture within ADB.

VII. **ACCESS TO INFORMATION, DISCLOSURE, FOLLOW-UP AND DISSEMINATION**

30. **Access to information.** Management and staff cooperate actively in the evaluation process and ensure unrestricted access to documents and other information required for the evaluation on a timely basis except for personal and confidential business information that is typically restricted. The accessibility of such information to evaluators is built into the ADB business processes in a way that informs strategic and operational learning and decision-making. This includes granting access to databases on data generated or collected throughout the project cycle.

31. **Disclosure.** IED drafts and is responsible for the final content of all IED reports, press releases, and other IED documents or public statements as stated in the independent evaluation policy. IED ensures that all completed evaluation documents and information are disclosed to the public and widely disseminated in line with ADB’s Access to Information Policy (footnote 11). Public disclosure supports ADB stakeholders’ learning, and promotes the use of evaluation information in policy and funding decisions.

32. **Follow-up.** Both ADB Management and Director General IED are responsible for ensuring that the implementation of evaluation recommendations as agreed to by Management is periodically tracked and reported to the DEC, with a copy to the Board. Director General IED also has the responsibility to regularly monitor and report to the DEC on the activities of the department and other relevant evaluation findings.

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13 Footnote 3, paras. 3 and 45; and footnote 12.
14 Footnote 1, paras. 14 and 15.
33. **Dissemination.** Evaluation findings, recommendations, and lessons learned are made public and communicated to target audiences in a timely manner using a variety of approaches. Dissemination activities include publications, blogs, videos, and events via different media and the use of information technology.