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**DEVELOPMENT CO-OPERATION DIRECTORATE
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Working Party on Aid Evaluation

**COMPLEMENTING AND REINFORCING THE DAC PRINCIPLES FOR
AID EVALUATION**

Follow-up to the Review of the DAC Evaluation Principles

This note is submitted for CONSIDERATION to the Working Party on Aid Evaluation at its 31st meeting on 27-28 January 1999.

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COMPLEMENTING AND REINFORCING THE DAC PRINCIPLES FOR AID EVALUATION

Follow-up to the Review of the DAC Evaluation Principles

Background

1. Members of the Working Party on Aid Evaluation recently completed a review of the DAC Principles for Evaluation of Development Assistance. The review was conducted in two phases: a self-assessment by evaluation units in Member countries (Phase I), and a survey of users of evaluations (Phase II). A set of conclusions and recommendations resulted from this review, which stated that although the Principles remain valid and sound, there is a need to complement and reinforce them to improve evaluation practices. The full report bringing together the separate review reports and the conclusions and recommendations is now available as a compilation document entitled "Review of the DAC Principles for Evaluation of Development Assistance".

2. It was agreed at the May 1998 meeting of the Working Party on Aid Evaluation (WP-EV) that follow-up work to this review will focus on two clusters of activities. The first set will centre on encouraging and improving compliance with the Principles, in cases where adherence is still lacking. This is mainly the responsibility of Member countries. The second cluster of activities, with which this note is more specifically concerned, will aim to complement and reinforce the Principles with guidance in key areas such as: feedback and communication practices; country programme evaluations; humanitarian aid; joint evaluations; partnerships in evaluations; and performance management systems and evaluation.

3. Work is already progressing in some areas, notably in the fields of humanitarian assistance, joint multidonor evaluations, and country programme evaluations. This note focuses on the new fields identified as important by the review of the Principles and by Member countries at the last Working Party meeting. These include: partnerships in evaluation; feedback and communication practices to promote organisational learning, and performance management and evaluation.

Overall goal

4. The overall goal of this work is to contribute to improved evaluation practice in development co-operation. This, in turn, will increase the use of evaluation results in decision-making and inform the debate about development effectiveness.

Approach

5. It is proposed that work to complement and strengthen the DAC Principles for Evaluation of Development Assistance will start with an analysis of practices in the following areas: partnerships in evaluation; performance management systems; and feedback and communication practices to promote organisational learning.

6. For each of these key areas, the Secretariat will lead and co-ordinate the work. The approach will differ somewhat, however, for each area, as points of departure of the undertakings differ. The respective objectives and approaches are, thus, outlined in separate sections below. The work will benefit from links and connections existing between the proposed key areas.

7. The Secretariat will integrate this analysis with work previously developed by the Working Party on Aid Evaluation (for details, see separate sections below), and results from Peer Reviews, to draw out, where possible, good practices. It is not proposed to add new policy principles or “baby principles” but to focus on good/effective practices and key elements. This work will be organised in collaboration with participants of the WP-EV.

8. An alternative approach to Secretariat leadership would be to have a Member, or a group of Members, taking the lead and pooling resources to undertake this work. While this is generally a successful way to conduct joint evaluations and produce syntheses of lessons learned from evaluations, several Members expressed the view that these tasks would be better placed with the Secretariat, as the work requires continuous consultations with both Members and internally in the Secretariat to gather relevant experience from other work such as peer reviews and indicator work.

Outputs

9. For each of the areas, it is intended to prepare a publication in a new series entitled *Aid Effectiveness Series* by the Working Party which will be widely distributed.

Time-frame

10. Each of the key areas will require a substantial amount of Secretariat work and consultations with Members to extract, analyse and define effective practices. Taking into account the fact that the WP will meet three times in 1999-2000, it will be necessary to phase this work over a relatively long time period. In addition, some time will be required for preparing the publications. The goal is to complete all tasks by end 2000.

11. Several Members suggested that the time-frame was somewhat short for the work envisaged and expressed concern about available capacity in capitals to contribute to all projects simultaneously. The Secretariat, therefore, proposes to re-organise the work envisaged in the first draft. It is suggested that the three projects will not be run in parallel and that instead work will start with evaluation partnerships. When this is finished, work will continue with feedback and communication practices. The performance management project will be run over a longer time-frame, and in tandem with the two projects to permit further experience in this new field will be factored in. Moreover, the Secretariat will need to show restraint in its requests for Member participation while at the same time drawing upon their experience and guidance.

12. To ensure a smooth completion of the three projects (partnerships in evaluation, performance management and evaluation, feedback and communication practices), it is suggested to set up a reference group consisting of volunteer Members who would take a more active role in providing guidance to the work on the follow-up.

13. It should also be noted that the work suggested is not to add new sets of principles or “baby principles” to the main body of principles, but rather to draw out effective/good practices. This means that there will be less need for negotiation and agreement than there will be with policy principles. The emphasis here is on effective practices based on experiences that would provide useful guidance rather than strict principles with a compliance requirement.

Resources

14. Voluntary contributions will be needed to accomplish the tasks proposed, and some Members have indicated their willingness to support this work. Financial support will cover consultancy assistance, selected in-depth consultations with Members and some experts, and work to prepare the results for publications.

Links

15. The three work areas suggested are related to each other. In fact, there are both links and tensions among them. For example, work under the performance management topic on promoting results-oriented management in development agencies has evident connections with the work on promoting organisational learning under the feedback and communications topic. At the same time, there are tensions between some largely donor-driven performance measurement systems and partnership and ownership. However, while there are connections, links and tensions, the topics are sufficiently distinct from each other to warrant specific attention individually, as suggested in the conclusions of the review of the Principles. Attention will be given to bring results and benefit from work in one area to another, and to the use of appropriate cross references to link the products.

Questions

16. In discussing the proposed work, Members may wish to consider some specific issues:
- Are the objectives and the outputs for each of the key areas satisfactory?
 - Are there further issues or topics which Members would like to bring into consideration for each of the proposed key areas?
 - Do Member countries feel comfortable with the proposed time-frame (see para. 11)?
 - Members are invited to indicate interest to participate in the proposed reference group (see para 12)
 - Members are invited to express possible interest in hosting an expert meeting or workshop to advance work in any of the proposed key areas.

The work proposed in the keys areas covered by this note will be developed as follows:

I. Partnerships in evaluations

17. The review of the DAC Principles for Evaluation of Development Assistance stressed the need for further efforts to strengthen partnerships with recipient countries and beneficiaries in evaluation. Moreover, the 1998 Senior Level Meeting identified, as one of the main points, the need to further develop and apply the practice of joint monitoring and evaluation of development programmes by donors and recipient partners with a view to learning together from achievements and failures [see DCD/DAC(98)13].

18. Although the review recognised that the Partnership Principle is sound, it identified some obstacles to Members' implementation of it. The main explanations cited were: recipients unwillingness, or lack of interest, in participating in joint evaluations; time constraints and high costs; communication problems; increased complexities and delays; and, occasionally, political obstacles. However, this does not mean that officials, professional organisations, beneficiaries or affected groups in recipient countries do not participate, at least to some degree, in many evaluations and in various stages of the process.

19. To obtain more significant results, efforts to strengthen partnerships need to be promoted and guided by good practical experiences. Evaluation capacity building is taking place both through direct technical assistance but also through participation in evaluations. The focus of this work would be on partnerships which would include the capacity development function of joint evaluations. Building capacity to effectively participate in various stages of the evaluation process is a prerequisite for partnership.

20. It was suggested that sometimes evaluations are motivated by the need to show what an individual donor is accomplishing, which is a legitimate domestic donor concern and not necessarily always of primary interest to a partner. Donor countries also use evaluation as an instrument of control (and not only a management tool or a organisational learning mechanism). In such cases, full participation of partner institutions may not always be considered a right or desirable. These arguments raise the question as to whether there are limits on partnerships in evaluation which would need to be examined in this work.

Objective

21. The objective of this work is to extract and define good evaluation partnership practices, based on the experience of Members and partners, which could be applied more generally in development co-operation.

Output

22. The product will be a set of good practices to be published and widely distributed.

Approach and time-frame

23. The planned work should examine the various relations and connections which are established between recipient partners and donor countries in evaluations, and analyse issues of ownership and partnership in the whole evaluation process, from planning and design through to implementation and follow-up.

24. In a first phase, it is proposed that the Secretariat will review experiences and identify obstacles, solutions and opportunities for promoting evaluation partnerships. The analysis will be based on:

- results from the Regional Seminar on Monitoring and Evaluation Capacity Building in Africa, which was hosted by the African Development Bank, in Abidjan, on 16-19 November 1998. The seminar outcome will be useful for assessing challenges for the development of monitoring and evaluation capacity and joint evaluations in African countries;
- past work on evaluation capacity building (ECB) (see past seminars held in different regions e.g. Africa, 1990; Asia, 1992; Latin America and the Caribbean, 1993; and *Evaluation Capacity Building: Donor Support and Experiences*, 1996) which identified useful opportunities and actions for building evaluation capacity in the respective regions; ECB activities and experiences by the multilateral development banks ;
- recent and ongoing work by the Working Party and some Members on ownership of evaluation findings (e.g. work by Finland, Sweden, World Bank);

25. In a second phase, the results of the review work will be used to prepare good practices for partnership in evaluation activities, which will be presented and discussed among both donor and partner countries. For this purpose, it is proposed to organise an expert meeting/workshop with the participation of both donor and partner countries during late 1999 or beginning 2000 to define key elements and good evaluation partnership practices.

II. Performance management and evaluation

26. Several DAC Members are in the process of introducing or reforming their performance management systems and measurement approaches as part of a stronger emphasis on managing for results in development co-operation. This raises a number of questions and challenges for development co-operation agencies such as defining performance; designing and devoting resources to the system; determining the interaction of programme evaluation and performance management systems.

Objective

27. The objective of this work is to provide guidance, based on Members' experience, on how to develop and implement results-based management in development agencies and make it best interact with evaluation systems.

Output

28. The product will be a publication which will identify core elements/good practices in performance management/managing for results in development co-operation.

Approach and time-frame

29. The Secretariat will, in a first phase, review past and current experiences in developing performance management systems to provide an analytical framework and identify useful applications. This review will be based on work previously developed, notably *Measuring and Managing Results: Lessons for Development Co-operation*, UNDP/Sida (1997) and *The Role of Rating System in Aid Management Experience of DAC Member Organisations*, (1996) and the results from the workshop on performance management, held in October 1998, sponsored by Sida and UNDP.

30. The work will include analysis of experience on issues such as how to:

- set up a structure which will best enable an effective interaction between evaluation, performance measurement and other learning and accountability systems;
- promote a results-oriented management culture in a development agency;
- divide responsibilities with regard to performance measurement and evaluation between donor and partner countries.

31. In a second phase, the Secretariat will focus work on the elaboration of core elements and/or good practices of result-oriented management systems for development co-operation agencies. Some Members have indicated that good practices may be a too ambitious objective in view of the fact that many Members have limited experience and experimentation is going on. However, there seems to be some useful agency lessons available and a need for mutual learning as experience accumulates and it would therefore seem feasible to at least make an attempt to arrive at core elements based on several agencies experiences. The Web site of the Working Party could also be used for sharing agency experiences and methodologies. Moreover, it is proposed to run this project over a longer time frame (1999-2000) to allow for incorporation of lessons learned by Members. Hence, it is proposed to attempt to present core elements and/or good practices for discussion in the Working Party on Aid Evaluation by mid-2000. Some members have suggested a workshop in 2000 when experiences with actual implementation have gone further and a member country may wish to host such an event.

III. Feedback and communication practices

32. The review of the DAC Principles for Evaluation of Development Assistance clearly stated that feedback and communication practices would need to be improved to strengthen the use of evaluation results. Better use of evaluation results, in turn, is important for improving present and future aid policies and programmes. To ensure effective use of results, it is important to balance independence and involvement with stakeholders in order to gain ownership of findings and recommendations.

33. This activity will review current feedback and communication practices and identify innovative approaches, which can facilitate a better use of evaluation results in both donor and recipient countries drawing on the outcome of the evaluation partnership activity described under I as well as links with II. It is suggested that more attention will be given to feedback and communication for organisational learning and to domestic stakeholders since partner country feedback is an integral part of activity I.

Objective

34. The objective of this activity is to strengthen the use of evaluation results via improved feedback and communication practices.

Output

35. The product will be a publication on good/innovative practices for improved feedback and communication in evaluation.

Approach and time-frame

36. Work will focus on identifying good/innovative practices which:

- promote organisational learning;
- address the question of balance between independence and participation to ensure ownership of recommendations and follow up;
- ensure that relevant lessons from past evaluations have been considered and addressed in policy development and new programme proposals.

37. This work will be carried out in two steps: a first step will be to collect and analyse recent experience of Member countries; and a second step will elaborate on good practices.

38. During the first phase, a review of current feedback and communication practices will be undertaken. This will be based on Members' practical experience and on work previously developed by the Expert Group on Evaluation ("Good Feedback Practices", DCD/DAC/EV(85); "A review of Donors' Systems for Feedback from Aid Evaluation", OECD/GD(90) and by the European Commission, "A review of Feedback Mechanisms in Member States and the EEC Commission", 1991). The Secretariat will use the inputs and investigate if analytical frameworks of evaluation use developed in academic work can provide further insights. The Secretariat will aim to promote participation from partner countries in this activity, if funding permits, as participation and ownership are key to effective implementation of recommendations emanating from evaluations.

39. In the second phase, a set of good practices will be prepared by spring/mid-2000. The draft will first be presented to an informal experts meeting and then submitted to the WP-EV later in 2000.