



ROOM DOCUMENT 6

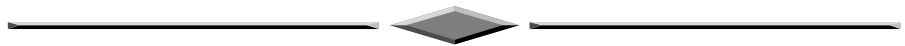
DAC Network on Development Evaluation

A NEW APPROACH TO EVALUATING MULTILATERAL ORGANISATIONS' PERFORMANCE

A Brief Status on Progress

Item :

This note has been prepared by Denmark for consideration at the meeting of the DAC Network on Development Evaluation on 9 – 10 November, 2004.



2nd meeting
9 – 10 November 2004

A New Approach to Evaluating Multilateral Organisations' Performance

Brief Status on Progress

1. At the DAC Evaluation Network meeting in January 2004, Denmark tabled a proposal for a New Approach to evaluation of multilateral organisations. The basic principle proposed was that in the future - instead of carrying out an ever increasing number of multiparty evaluations of multilateral organisations - such evaluations should be primarily based on the evidence and documentation produced by the multilateral organisations' own monitoring and evaluation systems. This would, however, require a higher level of understanding and trust in these systems from bilateral agencies.
2. Based on the endorsement from DAC Evaluation Network Danida commissioned three documents as background for discussion of the next steps in developing the 'New Approach':
 - A brief assessment of selected bilateral donors' requirements for performance information from multilateral organisations (S, N, NL, UK and DK);
 - Proposed approaches and methodologies for assessing multilateral agencies' capacity to deliver evaluations and regularly report on their performance;
 - A pilot study documenting application of the proposed approaches and methodologies on the UNDP.

The consultants also looked at performance reporting in multilateral agencies as part of the process, especially the linkages between the evaluation and RBM (the latter partly an internal Danish exercise).

3. The process included visits to five bilateral donors (May – June) and two visits to UNDP HQ (June and October).
4. The work on donor requirements showed that bilateral donors are still in the process of defining their more specific needs. While it was useful in the process to look at both evaluation systems and performance reporting, this work and the work on donor requirements should be carried forward in a more relevant forum, such as the DAC Working Party on Aid Effectiveness's Task Team on Agency Effectiveness to avoid duplication of work.
5. The work on approaches and methodologies and the concurrent testing with UNDP clearly showed that a number of outstanding issues needs to be addressed prior to finalising the methodology and subsequently the pilot review. One part of the issues deals with technical aspects, especially mutually agreed norms and standards against which evaluation capacity can be assessed. The other part deals with aid architectural

issues and whether, and how, the approach needs to be formally integrated into the wider range of work influencing bilateral – multilateral relationship, including interaction with multilateral agency governance structures.

6. The workshop on 23 November 2004 in Copenhagen will therefore focus on the identified issues. A proposal for a generic broad approach will also be presented but it needs further work and development – the specific outcome will depend on in which direction we should move on the identified issues. The objective of the workshop is therefore: i) to agree on the main orientation of each of the issues and ii) commitment to participate in the further work.