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PEER REVIEWS AND EVALUATION SYSTEMS

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Introduction

1. The objective of this brief paper is to contribute to future peer reviews by helping to address current evaluation issues more effectively. Recent peer reviews have taken care to assess progress in evaluation systems. These reviews have included, in 2000 - France, Italy, New Zealand, Sweden, and Switzerland, and in 2001 – Belgium, Germany, the Netherlands, Portugal, and the United Kingdom. This paper is based on the findings of these reviews and reported to the DAC (see Box), but the discussion also draws on the valuable comments of the examining country representatives during the review process, therefore reflecting broader DAC perspectives.

Findings on Evaluation Systems from recent Peer Reviews

Positive findings

- General donor agreement on the importance of focusing on results rather than inputs. Several donors, in line with broader public sector reforms, have adopted results-based management.
- Shift of focus from project assessments to broader sectoral and thematic studies.
- Focus on lessons learned and recommendations relevant for present and future operations rather than descriptions of issues in the past. A few donors also make effective use of evaluation results to inform their own internal change processes.
- User-friendly and shorter reports.

Critical findings

- Impartiality and independence of evaluation systems from operational management is still lacking.
- Weaknesses persist in effective monitoring and self-evaluation. Some systems do not meet DAC principles and are understaffed.
- Imbalance between internal lesson-learning and external accountability.
- Insufficient attention to effective feedback, dissemination of results and learning processes, especially in partner countries and institutions.
- Delay between the assessment and the dissemination of the results, and the publication of evaluation reports is not always assured.
- Insufficient involvement of beneficiaries.
- Too few joint evaluations, especially given the present context of development co-operation.

Lessons learned

- Becoming a learning organisation, including the promotion of an evaluation or results-based culture, is challenging for all donors, with difficulties in creating system linkages between the field and the centre, and various institutional actors.
- Fundamental need to link monitoring and self-evaluation for organisational lesson learning strategically with independent evaluation for purposes of external accountability.
- While selected project evaluations remain essential building blocks, it is necessary to go beyond project analysis and include both sector, country and process evaluations.
- Joint evaluations are increasingly necessary.
- Need to develop appropriate methodological tools for assessing PRSP and sector programme aid aimed at providing information useful for action and decision-making in terms of its timeliness and the indicators used.
- Need to strengthen the role of communities and organisations of the poor, and the poor themselves, in monitoring and evaluation systems.

Summary analysis of key findings

2. The increasing adoption by donors of a results-based approach, rather than a focus on inputs, is a welcome development. However, it is clear that this orientation has not yet been transferred to the whole donor system, which does not generally display the characteristics of a learning organisation.

3. For all donors, there is a particular issue in achieving an appropriate balance between accountability and lesson learning. For the former, there is a need for a high quality evaluation unit, independent of the operational departments, and reporting to the Minister, or Agency Head, or Board of Directors. Recognising the need to strengthen its accountability systems, Belgium recently appointed a special evaluator with an independent reporting line. For the latter, there is a need for a system of internal lesson learning, based on good monitoring, and reporting to senior management. Germany has made efforts in recent years to bring the evaluation system into a stronger relationship with other mechanisms of quality assurance, which informs ongoing processes of internal change. However, from a quality perspective, almost all donors need to strengthen either their external accountability or their internal knowledge management or, in some cases, both.

4. Another issue common to many evaluation systems concerns the ineffective dissemination of results for the benefit of the whole development community. There are also few examples of other stakeholders being engaged in the evaluations. However there are some interesting experiments in cross-evaluation by donors. For example, France has evaluated a Japanese project while Japan evaluated a French project. Several donors have also agreed to conduct joint evaluations (e.g. France, Germany, Japan, and the UK). In partner countries there are increasing sector-wide collaborations of donors, leading to more joint evaluations. These exercises help to create a collaborative lesson learning environment for evaluation and help address questions regarding combined efforts.

5. Establishing effective evaluation systems is an issue for all donors. Often evaluation units are understaffed (e.g. Italy, the Netherlands and several others), and there are already efforts or plans to reform these systems (e.g. Belgium, Germany and Italy). There are particular difficulties for smaller aid agencies (e.g. Portugal) to establish effective evaluation systems. The overhead costs of such systems appear to be disproportionate for the amount of development co-operation funding. The New Zealand review showed how a small aid agency could be effective through attention to the objectives of the evaluation system, though it also mentioned that, to be more effective, more staff would be needed. Joint working, such as through the DAC, or the European Union, is potentially very useful for these smaller aid agencies. In the case of donors with multiple ministries and separate implementing agencies, there are ongoing problems of creating effective system linkages. This issue also arises for linkages between the field and the centre for all donors.

6. For larger donors, there is a challenge to scale up their evaluations from the project level evaluation to the whole programme level, which is increasingly important with PRSP and sector-wide approaches. At that level, there are difficulties in attributing results to the actions of individual donors involved in joint efforts. Some donors (e.g. Belgium, the Netherlands and the United Kingdom) have expressed readiness to “become invisible,” that is, to refrain from seeking to label their national activities within the joint effort. Although Germany has expressed willingness to “lower the flag,” it is more difficult to achieve in those countries that face a continuing problem of limited support for development co-operation among their population. It might also be argued that there is an inherent positive value in bilateral co-operation, building on longstanding relationships with partner countries, which could be eroded if national identity and community involvement were completely lost in the aid relationship.

Typical questions about evaluation systems in a peer review

7. In preparation for the Peer Review, the DAC sends the development organisation a questionnaire that contains a section relating to evaluation and the measurement of results. In addition to some standard questions derived from DAC principles and some specific questions on the particular situation of the DAC member under review, typical questions of a more general nature might be as follows:

- How is the organisation trying to develop a results-based culture within the overall development co-operation system? How does the organisation learn from the results and act on the information?
- What challenges have been encountered in measuring results?
- What are the monitoring and evaluation arrangements for different institutions within the system?
- How are other stakeholders involved in the monitoring and evaluation?
- What attention is given to dissemination of results to the public, partner countries, and other donor agencies?

Suggested issues for discussion

8. Given that the Peer Review is based on sets of questions for different stakeholders within the different donor development co-operation systems, it would be useful to focus attention on how future peer reviews might shape the set of questions about monitoring and evaluation systems. In this regard, the following issues are suggested for discussion:

- (a) Promoting learning organisations. How might the peer review support the role of monitoring and evaluation systems within agencies to promote the idea of the learning organisation?
- (b) Bearing in mind that DAC principles support the impartiality and independence of the evaluation function, does the DAC Working Party on Aid Evaluation have a view of the balance and interrelation between evaluation as an independent accountability function and as a mechanism for lesson learning? How might this issue be addressed in future peer reviews?
- (c) An urgent task is to build local monitoring systems and capacity to provide timely information on the new PRSPs that is useful for action. How could more appropriate methodological tools be developed to provide quick feedback on processes and outcomes of these poverty reduction approaches, and which could be used to inform decisions? How should the peer review assess the use of poverty monitoring tools?
- (d) Participation of beneficiaries. In the present development context where there is greater attention to policy dialogue, what approaches should evaluators be using to involve beneficiaries? Does this imply joint evaluations? What standards should the peer review use to assess this issue?
- (e) Focus on results and dissemination. Increasingly the development relationship implies collaborative efforts of donors. How can evaluation systems deal with this issue, both in assessing results and in dissemination? What should be the concern of the peer review?
- (f) Do smaller aid agencies face a particular issue regarding evaluation? Is the idea that there are “diseconomies of small scale” convincing? If so, how can collaborative working help these aid agencies? How can the Working Group help on this? Would specific recommendations by the peer review be helpful?
- (g) In the case of donors with multiple institutional actors, would there be a case for a more integrated/joint evaluation system? Would specific recommendations by the peer review be helpful?