

Evaluation Policy

For Iceland's International Development Cooperation

MINISTRY FOR FOREIGN AFFAIRS



Directorate for International Development Cooperation
Ministry for Foreign Affairs Iceland

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1. Background

Evaluations are considered a critical tool for learning, improving decisions and enhancing accountability in international development cooperation. An evaluation is a systematic and impartial scrutiny of an activity (e.g. programme or project), strategy, institution or operational activity, to assess success or utility. Evaluations should contribute to evidence-based policymaking, development and organizational effectiveness, as well as providing Icelandic tax payers and stakeholders in partner countries with information on the utilization of funds and results of Icelandic development assistance.

Iceland's policy for development cooperation is results-based and evaluations are an essential part of keeping track of and demonstrating results. The Evaluation Unit has the mandate to conduct evaluations looking at the whole portfolio of development initiatives and funding under Icelandic ODA. The main purpose of the evaluations is to provide, independent, objective and transparent assessments of development interventions, to strengthen accountability for development results and provide lessons learned for future planning and decision-making.

The Directorate adheres to the OECD DAC, internationally agreed definition of evaluations as a "systematic and objective assessment of an on-going or completed project, programme or policy, its design implementation and results in relation to specific evaluation criteria."

This evaluation policy shall be reviewed and updated periodically to ensure that the evaluations are up to applicable international standards. Separate operational guidelines will be provided to practitioners, for the purpose of ensuring high quality and standardized evaluation practice.

2. Evaluation Principles

Evaluations carried out by the Directorate follow the *OECD DAC Quality Standards for Development Evaluations*. As noted by OECD, the Standards aim to improve quality and ultimately to strengthen the contribution of evaluation to improving development outcomes. Evaluations shall be in line with the OECD DAC criteria of relevance, effectiveness, efficiency, sustainability and impact.

Evaluations shall generally be carried out as external and independent evaluations. Those may, however, be complemented by other forms, such as internal assessments.

Evaluations are normally to be carried out in collaboration with partner institutions and stakeholders and shall provide lessons learned for all engaged parties and inform decisions and actions. As may be applicable, evaluations may be carried out in collaboration with other development partners.

The evaluation of Icelandic development assistance shall be guided by the core principles of independence, transparency, quality and usefulness.

3. Scope and type of evaluations

All support under Iceland's ODA may be subject to evaluation. This includes bilateral programmes, CSO's, multilateral institutions and other relevant programmes that fall under ODA. The scope, potential and prioritization of evaluations shall be guided by criteria, including the following: policy relevance, accountability, usefulness and financial importance.

Different modalities in development cooperation may call for different approaches to evaluations. The difference between cooperation in bilateral partner countries and multilateral operations provides the

clearest difference. The suitable type and process of evaluation may therefore vary and include external independent evaluations and reviews, baseline studies, audits, internal or self-evaluations, and review of evaluation reports for and of multinational organizations. Evaluations may be carried out at different time stages in the project cycle and include, but not limited to, formative, mid-term, summative and ex-post evaluations.

The following are among important types of evaluations to be guided by this policy:

- Project mid term reviews and evaluations, within bilateral operations, planned as part of project cycle and budgeted for within the respective operational programming budget.
- Thematic and cross cutting evaluations which may be initiated as deemed necessary, including evaluation work on gender equality, environment, and capacity building.
- Evaluations of particular policies and their implementation and outcome.
- Evaluations of partnerships and development cooperation channels, including multilateral organizations, NGOs and partner countries. Evaluations of earmarked contributions to be implemented by multilateral organizations shall normally follow the evaluation standards of that organization, but may be complemented by additional evaluation by Iceland, if deemed appropriate.
- Internal or self-evaluations may be applicable in instances where the main objective is institutional learning, e.g. as part of the project cycle or as part of organizational improvements.
- Baseline studies and other reviews which are used to inform subsequent evaluations.

In evaluations of multilateral organizations and their use of core contributions, Iceland shall work within the partnership of contributing nations and the evaluation set-up of the multilateral organization in question, but may make its own assessment of institutions and operations, if deemed appropriate.

4. Cross cutting issues

The cross cutting issues of gender equality and environment shall be addressed in all evaluations, irrespective of whether they were mentioned in the underlying project documents.

5. Institutional set-up

Evaluations are initiated, prepared and managed by the central Evaluation Unit within the Directorate and the Director of Evaluation reports directly to the Director General. The Director of Evaluations has the primary responsibility to ensure that the DAC guidelines and procedures for evaluations, as well as other applicable standards, are upheld, that the evaluation function is fully operational and duly independent and that the evaluation work is conducted according to the highest professional standards.

The Evaluation Unit carries the responsibility of setting the evaluation agenda and shall be provided with adequate resources to conduct its work, in accordance with this policy. The Director of Evaluations shall commission, produce, publish and disseminate evaluation reports in the public domain without undue influence by any party. Evaluation reports shall also be submitted to the Development Committee which acts in an advisory capacity in matters of policy making regarding Iceland's international development cooperation in the long term and oversees its implementation.

The Evaluation Unit shall be staffed appropriately and opportunities shall exist to build proper capacity within the unit to prepare and implement quality evaluations. The evaluation unit shall participate in international cooperation related to evaluations, notably the DAC Network on

Development Evaluation (Evalnet). The operational staff of the Directorate, at HQ and country offices provide all due assistance to the Evaluation Unit as required to prepare and implement evaluations.

Following consultations with operational units and key partners the Director of Evaluation, shall submit for approval to the Director General, each year, an evaluation plan for the subsequent year as well as an indicative multiyear plan.

6. Selection and composition of evaluations teams

The evaluation team shall be selected through an open and transparent process, taking into account the required competencies for the respective assignment. Participation of evaluation experts from partner countries shall be encouraged in all evaluations as may be viable in each instance. The core team members should be experienced evaluators together with thematic experts as applicable. Procurement processes follow Icelandic laws on public procurement as applicable.

7. Quality assurance

Quality at entry: All ToRs for evaluations shall be reviewed by experts, who can either be appointed from within the Directorate or externally, depending on the level of expertise required for a review of the document.

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8. Independence and Credibility

Independence of evaluation is necessary for credibility. It influences the ways in which an evaluation is used and allows evaluators to be impartial and free from undue pressure throughout the evaluation process. Evaluators shall have the full freedom to conduct their evaluative work impartially and be able to freely express their assessment. In most instances independent external evaluations are the preferred type of evaluations, but is recognized that in certain instances the Director of Evaluation may instigate evaluations conducted by the evaluation unit itself.

Key elements of credibility are considered to include transparent evaluation processes, inclusive approaches involving relevant stakeholders and robust quality assurance at entry and exit.

9. Ethical considerations

All evaluations shall be carried out with ethical considerations in mind, respect for human rights, and sensitivity to local cultures and social values. Participants in evaluations shall be assured of confidentiality of information and anonymity. Should ethics approval be required for carrying out evaluations, it is the responsibility of the external consultants to identify such need and obtain approval from the appropriate institution.

10. Management Responses and Follow-up

A management response is prepared for all evaluations, addressing, findings, conclusions and recommendations from each evaluation. This response shall be prepared promptly in cooperation between the Director General and the Evaluation Unit after the evaluation is concluded, and shall include recommendations for follow-up. As a general rule, the management response is published alongside the evaluation report.

The evaluation unit shall work with the relevant operational unit at the Directorate and other stakeholders to ensure that recommendations from the evaluation reports are incorporated in the project cycle and addressed in future decisions and policy making. Key lessons from evaluations will be collected, analysed and shared on a regular basis.

11. Communication and dissemination

Disseminating results and recommendations from evaluation studies is vital to their usefulness. The Directorate recognizes this and has the following processes in place for communication and dissemination of results:

- Meetings with stakeholders where key messages from evaluations are clearly communicated and discussed.
- Publication of all evaluation reports and management responses on-line for public access. Reports are also embedded as an electronic link at the website of the OECD DAC's evaluation network.
- Press releases about key findings of evaluation results to the media, and relevant information portals at the Directorate and the MFA.