Midterm Project Evaluation Guidance Note

For EIF TIER 2 Funded Projects

October, 2013

This document is work in progress. Any queries/comments should be directed to the Executive Secretariat of the Enhanced Integrated Framework.

GUIDANCE NOTE FOR EIF TIER 2 PROJECT EVALUATION

1. INTRODUCTION AND CONTEXT

Project evaluation is key to understanding the success of EIF interventions at country level. Since EIF delivers most of its work through partner country projects, it is imperative to provide feedback on the appropriateness of the project design and implementation processes given the prevailing in-country conditions, and to determine the extent of results achieved through a midterm evaluation. The midterm project evaluation also helps to identify obstacles to performance and determine whether a project is contributing to the change that it is designed to result in, including serving the EIF guiding principles of accountability, learning and improvement.

This guidance note sets out the procedures governing the evaluation of EIF funded Tier 2 projects including guidelines for implementing and managing the evaluation[1]. The annex provides guidelines that should be adapted in producing the TOR and the evaluation report.

2. PREPARING FOR EVALUATION

Scope and Purpose

The MIE [2]should determine the purpose, scope, and main users of the evaluation outcomes. In determining the scope, MIE needs to clarify the level of effort and resources that will be allocated; sources of relevant information; which stakeholders should be involved, at what stage and how; and timeline for the evaluation. Consultation with stakeholders (NIA, donor facilitator, project beneficiaries, line ministry) to determine the scope of the evaluation is a good way of identifying some important issues for the evaluation. This consultation process also helps the MIE to accommodate the key stakeholders' priorities when drafting the Terms of Reference (TOR).

When determining the purpose of the evaluation, the MIE should emphasize assessment of the relevance of the project objectives and approach, how the project activities have proved efficient and effective, the extent to which the project has achieved its planned outcomes, and whether the project is likely to be sustainable.

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[1] MIEs will be informed if a mid-term evaluation is required.

[2] When the MIE is an entity different from the NIU (Agency or other Government or Non Government Entity), the TORs should be discussed with the NIU and cleared by the NSC (or its chair) and the EIF ES and TFM.

APPLYING THE PROJECT LOGICAL FRAMEWORK AS A REFERENCE POINT[3]

The reference for the evaluation are: (i) the project proposal document that includes the project logical framework which outlines the outcomes, outputs and activities, and corresponding indicators and assumptions; (ii) the MOU and specifically the Board approval letter in Annex A which indicates the approval conditions set by the Board for the implementation of the project; (iii) the monitoring and evaluation plan, progress reports and other relevant project documents such as supervision mission recommendations are also key sources of information for the evaluation process.

These documents will guide in addressing issues and formulating questions for the evaluation. Questions should be well articulated and of priority to stakeholders. The following are **some** indicative questions to be considered by the evaluators:

Project Relevance

- How does the project align with and support national development plans, the national poverty reduction strategy, national trade strategy and policy, national trade action plans, if any?
- How well the project is coherently articulated in terms of its goal and outcomes?
- How well does the project complement other trade related projects/programmes in the country, including projects in the relevant sector?
- How well does the project address the specific issues of the targeted sector/sub-sector

Project progress and effectiveness

- Is the project results framework/logframe well-conceived to achieve the project objective? Were baseline data established to measure progress?
- Have the quantity and quality of the outputs produced so far been satisfactory? Are the outputs transforming into or likely to transform into outcomes?
- In which areas does the project have the least achievements? What have been the constraining factors and why? How can they be overcome?
- Is the project making sufficient progress towards achieving its planned objectives?

[3] Both qualitative and quantitative data should be collected and analyzed involving stakeholders both at MIE and field levels. Methods of data collection should be elaborated by the consultants in an inception report which could include desk/document reviews and interviews (key informants, focus groups, surveys). Data analysis could be descriptive and inferential statistics to the extent possible.

Effectiveness of management arrangements

- Does project governance facilitate good results and efficient delivery? Is there a clear understanding of the roles and responsibilities by all parties involved?
- Does the project receive adequate political, technical and administrative support from its national partners?
- Do stakeholders have a good grasp of the project approach?
- How effective is communication between the MIE, NIU (if relevant), the private sector, donors and agencies, other stakeholders and the related government line ministries?
- Is a monitoring and evaluation system in place and how effective is it to measure progress towards results?
- Is an internal control system of financial and fiduciary arrangements in place?
- How effective is the sharing and utilization by the MIE and stakeholders of M&E results, including lessons learned?

Project Efficiency

- Have resources (funds, human resources, time, expertise, etc.) been allocated strategically by EIF, Government and other donors (if relevant) to achieve outcomes?
- Have project funds and activities been delivered in a timely manner?
- In general, do the results being achieved justify the costs?

Potential Impact

- To what extent is the project making significant contribution to broader and longer-term national development impact? Or how likely is it that it eventually will?
- Can any unintended positive or negative effects be observed as a consequence of the project’s interventions?
- Will the project be likely to achieve its planned objectives upon completion? Can observed changes be linked to the project’s intervention?

Sustainability

- How effective has the project been in establishing national ownership? How have in-country stakeholders, including the private sector been involved in project implementation?
- Are the project results likely to be durable and anchored in national institutions?
- Are government and related national institutions likely to maintain the project financially once external funding ends?
- Has the project prepared for an exit plan to ensure a proper hand-over to the national government and institutions after the project ends?

- Are national partners able, willing and committed to continue with the project?
- Are project human resources institutionalized to ensure continuity of project impacts and achievement of objectives?

3. IMPLEMENTING and MANAGING THE EVALUATION

During project implementation, the MIE[4] ensures that mid-term evaluation takes place in a timely manner. MIE plays the important role of supervising and monitoring the progress of the mid-term evaluation. This process could be led by the MIE M&E contact person/unit. In preparing for the mid-term evaluation, the MIE is required to:

- Determine the key evaluation questions the evaluation should answer and the target audience for the evaluation;
- Prepare draft TOR for the evaluation, review it in-country, secure clearance from the NSC (or its chair) and send a copy of the TOR to the Executive Secretariat (ES) and the Trust Fund Manager (TFM) for endorsement;
- Search and identify, through the appropriate procurement process, the independent evaluation consultant(s), and obtain final approval for their recruitment from the MIE decision making body;
- Support implementation of the evaluation: collect information, provide logistics and practical support to the evaluation team and ensure a smooth organization of the evaluation process;
- Ensure proper stakeholder involvement in the entire evaluation process, including the ES and TFM;
- Manage the process of preparing the evaluation report (including circulating the draft report, collecting comments from in-country stakeholders, ES and TFM and ensuring follow-up);
- Submit the final evaluation report to the MIE policy and decision body and send copies to relevant national stakeholders, including the ES and TFM; and
- Ensure proper follow-up on the recommendations, and dissemination of results and lessons learned;
- Communicate to the ES and TFM planned actions to be taken in response to the MTE, including modifications to the project activities or budget.

[4] Where the MIE is non-national, the process should be followed in consultation with national stakeholders. Where the MIE is national the process should follow country procedures similar to Tier 1.

Preparing Terms of Reference

The TOR is the key guide/tool for the evaluation. It clarifies the reasons for the evaluation, highlights issues that have become apparent, indicates the general depth, scope and methodology required, and the mix and qualifications of the consultants on the evaluation team. The MIE is responsible for ensuring that clear and focused TOR guides the evaluation. The draft TOR should be reviewed by the NIA and ES/TFM before its final form is circulated to the EIF for endorsement and the NSC for approval.

ES/TFM will assist, where necessary, including reviewing the TOR, helping with the consultants' selection process such as reviewing the short list etc. **(See annex 1 for TOR requirements)**

Procuring Evaluation Services/Hiring Consultants

Qualified evaluators and trade and/or development experts should undertake the evaluation. It is **strongly** recommended that local experts be part of any country level evaluation team.

The procedure for hiring/procuring evaluation services should follow MIE and/or country systems for procuring the services of an external consultant. If country procedures are followed, the process must be an open tender process and the service providers must be independent of the MIE, being particularly aware of any conflicts of interest.

Upon completion of the evaluation of the bids, the MIE/NIU shall send to the ES/TFM the bid evaluation report and proposed evaluators' Curriculum Vitae for endorsement for clearance. .

The evaluator(s) should have the following skills:

- Be skilled in implementing evaluations, particularly in trade-related programmes and projects;
- Good knowledge of trade, particularly Aid for Trade, sector-specific issues, and development issues; good understanding of the EIF will be an added advantage;
- Knowledge of, and experience in, applying qualitative and quantitative evaluation methods;
- Data analysis and interpretation skills;
- Good report writing skills; and
- Adherence to good evaluation practices and ethical principle

4. EVALUATION REPORT

The evaluation report is the key output of the evaluation. The evaluation report (draft and final) will provide answers to the project-specific evaluation questions, derived from an assessment of the relevance, effectiveness, efficiency, potential impact and sustainability of the project. The evaluation report should not usually exceed 30 pages, excluding annexes **(See Annex 2 for sample structure and explanations)**. The following are procedures for producing both the draft and final report.

Draft Report

For the draft report:

- The evaluators prepare a complete report according to the TOR and submit this **draft report** electronically to the MIE;
- The MIE submits the draft, without changes, to the key stakeholders of the evaluation, including the ES and TFM;
- The stakeholders review the report and submit comments on the content of the draft report to the MIE, by a date specified by the MIE;

Final Report

- The MIE forwards the consolidated comments to the evaluators to prepare the final report. As much as possible, comments should be anonymous;
- The evaluators are expected to incorporate the comments into the report, as appropriate. The evaluators have the final decision on the content of the report and the MIE should ensure that no pressure, by any individual or group, is exerted on the independent evaluators to modify the report in a particular direction.
- The evaluators complete the **final report** and submit it electronically to the MIE;
- The MIE submits the final evaluation report to the ES/TFM for endorsement; and
- The MIE forwards the final evaluation report (without modifications other than formatting) to key stakeholders who have participated in the evaluation and to the MIE decision making body for approval.

Feedback on Evaluation Report

The evaluators should present the main findings and recommendations to the key national stakeholders at the end of the evaluation mission, after incorporating comments into the draft report. This can be done in individual meetings, a workshop or a public presentation to a larger group. It is a forum of opportunity where stakeholders and project management obtain feedback that may not appear in the evaluation report. The evaluation team should also give the project management a de-briefing that focuses on methodological and process issues, including suggestions on how the evaluation report could be implemented.

5. FOLLOW-UP ON EVALUATION RESULTS

The midterm evaluation does not end with the production of the final report. The outcome of the evaluation process should enable the MIE and partners to take informed decisions. After the evaluation, the MIE is advised to prepare and implement a follow-up plan that focuses on capturing lessons learned and making them accessible to interested users.

The MIE is also encouraged to disseminate the executive summary, or an evaluation summary report prepared from the final evaluation report that highlights the most important lessons learned from the mid-term evaluation. Disseminating results is easier if a dissemination plan is developed before the final evaluation report is produced. The executive summary of each evaluation report is registered in the monitoring and evaluation database and posted on EIF Website to ensure accessibility to interested users.

6. KNOWLEDGE MANANAGEMENT AND DISSEMINATION

The MIE should store evaluation reports in a safe place so that the knowledge generated in evaluations will be systematically fed into the design of new projects or another phase of a project. The MIE should consult previous relevant evaluation reports when developing technical tools and designing new projects and approaches.

The most commonly used dissemination formats are written reports, oral presentations, press releases, fact sheets, email, newsletter, PowerPoint presentations, website posting. These formats differ in length, detail and the amount of technical information.

The ES/TFM will assist in disseminating relevant lessons learned to interested EIF partners.

ANNEXES

Annex 1: PREPARING THE TERMS OF REFERENCE FOR THE EVALUATION

Procedure for drafting and circulating the TOR

- The MIE prepares the first draft of the Midterm Evaluation TOR;
- During the process, the MIE consults with, and receives inputs from, the project staff, and other key stakeholders;
- The draft TOR is then submitted to the ES and TFM for comments within a specified time frame;
- The MIE integrates the comments into the draft TOR, as appropriate, and submits the TOR to the MIE decision making body for final approval and to the ES/TFM for endorsement.

Structure and content of the TOR

The content of the TOR should follow the outline as explained in detail below:

1. Brief background on project and context
2. Purpose and scope of the evaluation
3. Suggested evaluation questions
4. Methodology
5. Main outputs/deliverables
6. Competencies of evaluators
7. Management arrangements, work plan, and timeframe
8. Ethical codes of conduct
9. Annexes

Brief background on project and context

It provides a summary of the project's context, management and development over time. A clear description of the project goals, objectives and the intended outcomes, how and when it started should be stated. Reference should also be made to the national socio-economic and political contexts of the project and to the EIF context. It should also explain why the evaluation is to be done and what triggered it.

Purpose and scope of the evaluation

The purpose describes the reason for the evaluation and the project stakeholders. The scope specifies the coverage of the evaluation, i.e., whether the evaluation is looking at the whole project, or some components. It further specifies key issues and aspects on which the evaluation should focus as suggested by the key stakeholders including the ES and TFM. It includes the timeframe to be covered by the evaluation**.** The scope should be realistic; it needs to be feasible given the budget[5] and time available for the evaluation.

Evaluation questions[6]

It suggests evaluation questions addressing the major issues that should be explored by the evaluation. The questions should relate to the purpose, specific objectives and scope of the evaluation, with the project level logframe as reference point. The questions could be organized around the chosen evaluation criteria of relevance, effectiveness, efficiency, sustainability and impact. Evaluation questions could be modified by the evaluators in the inception report, though any modification should be agreed with the MIE.

Methodology

Methodology refers to the data collection and analytical methods to be used to answer the questions, the stakeholder groups to be consulted and their main interests and concerns about the project. Including the methodology in the TOR ensures transparency and accountability. Specifically the methodology should include:

- Information needs and sources of information (documents, filed information, institutional information systems, financial records, staff, funders, experts, government officials and other stakeholders);
- Determine the instruments and methods for collecting the needed information (e.g. interviews, observations, focus groups, literature, survey, case studies, etc.);
- Plan for communication and reporting of evaluation outcomes; and
- The involvement of the key stakeholders in the implementation of the evaluation, including the finalization of the report.

Main outputs/deliverables and timeline

It should identify the main outputs of the evaluation, how and when (indicative timeline with deadlines for each major step in the process and the budget limit for the evaluation, if permitted under the procurement process) they should be delivered. The main output of the midterm evaluation is a final evaluation report aimed at decision-makers inside and outside the project.

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[5] The total cost for the evaluation will depend on the nature of the project which includes coverage in size (number of components), number (beneficiaries) and location (sites).

[6] To be developed consultatively with project stakeholders

If a certain format or layout of the evaluation report is required, these should also be specified. State the language in which the deliverables are to be written. Throughout the midterm evaluation process, intermediate deliverables could include:

Inception report: If required, the winning bidder should produce a methods paper/inception report before signing the contract. An inception report specifies the midterm evaluation objectives and scope, description of evaluation methodology, evaluation questions, method of data collection and analysis, work plan and reporting requirements. It is advised to hold a briefing meeting or workshop with the consultants for the MIE to discuss the project, logical framework as well as information availability. This meeting can inform the drafting of the inception report.

Briefing presentation made by consultants, which is usually a PowerPoint presentation of preliminary findings to the project key stakeholders. The comments made by stakeholders should inform the draft report.

Draft midterm evaluation report which should be delivered within adequate time to allow stakeholder discussion of the findings, recommendations and lessons learned.

Final report to be produced after receiving comments from stakeholders and ES/TFM (see annex for.

A validation workshop/retreat may be considered to present and adopt the evaluation report by key stakeholders, including decision on next steps.

Competencies of evaluators

The TOR should outline the skills, experience, qualifications and language capabilities that will be needed to effectively conduct the midterm evaluation. Specifically, it has to:

- delineate the composition and competencies required;
- specify the size of the team required and an estimate of the number of person-days required;
- has to indicate that proof of similar evaluation (one or two samples of recent reports) is required;
- Indicate that the team should demonstrate:
  - technical competence in trade and development issues, particularly Aid for Trade;
  - knowledge of and a strong record in designing and leading evaluations (both qualitative and quantitative evaluation methods);
  - Facilitation skills and analytical skills;

- Language proficiency and In-country experience.

Management arrangements

This section of the ToR describes the role of the MIE in managing the midterm evaluation. A task manager should be dedicated to coordinate the midterm evaluation process. It specifies whether the midterm evaluation will have a reference group or any other mechanism to engage key stakeholders in the midterm evaluation process. It should also mention the name of the responsible person in the MIE to whom members of the evaluation team report and or direct questions including leadership and reporting lines within the evaluation team.

Ethical code of conduct

This section outlines the code of conduct for evaluators in conducting the midterm evaluation. Evaluators should avoid conflicts of interest, the acceptance of gifts, and adhere to the highest technical and ethical standards of evaluation. They should fulfill the criteria of professionalism, impartiality and credibility:

- ensure honesty and integrity of the entire evaluation process;
- respect the security, dignity and self-worth of the respondents, project participants, and other stakeholders with whom they interact;
- articulate and take into account the diversity of interests and values and protect the rights and welfare of individuals and institutions involved in the evaluation;
- produce and convey accurate information about the project's merit and value, provide information in confidence and report impartially.

Annexes

These are support material that provide additional information to the consultants to compete in the bidding process and could be used in the overall conduct of the midterm evaluation. The following documents could be appended to the ToR or collected at the MIE:

- Project document;
- Criteria for selection of proposals.

Annex 2: SAMPLE STRUCTURE AND CONTENT OF AN EVALUATION REPORT [7]

1. Cover page
2. Executive summary
3. Brief background on the project
4. Purpose and scope of the evaluation and clients of evaluation
5. Methodology
6. Review of project implementation
7. Presentation of findings
8. Conclusion
9. Recommendations
10. Lessons learned
11. Annexes

Cover page

- Key project data: Project title, project number, project start and completion dates, plan and final cost of project, country;
- Key evaluation data: Type of evaluation, start and completion dates of the evaluation mission, names of the evaluators/firm, date of submission of evaluation report.

Executive summary (Maximum of 3-5 pages)

- Concisely states the purpose, most important findings, conclusion, and recommendations of the evaluation; and
- Should be read and understood as a stand-alone document.

Brief background on the project

- Brief description of the project's goal and rationale;
- Summary of the project's context, management and development over time; and
- Clear description of the project objectives and the intended outcomes.

Purpose, scope and stakeholders of evaluation

- Type of evaluation and reason for the evaluation;
- Brief description of the focus and scope of the evaluation;
- Specify key stakeholders for whom the evaluation was conducted and others that it may be useful to; and
- Recapitulation of the evaluation questions.

[7] It is advised that the report should include these 11 aspects in content and sequence.

Methodology

- A brief narrative of the evaluation design, the methods used, and the limitations;
- Types and sources of data, data collection technique including data limitations; and
- Remarks on problems encountered in data gathering and analysis, if any.

Review of Project design and implementation

- Brief review of project design and governance processes;
- Brief review of the main stages in the implementation of the project highlighting main milestones and challenges; and
- Stakeholders involved, institutional context.

Presentation of findings

- Findings should be based on the evaluation questions;
- Findings should cover the evaluation criteria(relevance, effectiveness, efficiency, potential impact, and sustainability) but concentrating on key issues and specific concerns; and
- Analysis and discussion of quantitative and qualitative information

Conclusions

- Reflecting evaluators' assessment and interpretation of the findings; and
- Main message(s) of the evaluation.

Recommendations

- Recommendations should be based on evaluation findings, including possible proposals for review of project processes;
- Recommendation should be provided in simple language aimed at improving the ongoing project, future projects, and general EIF operations; and
- Presented in a clear, concise and actionable manner, making concrete suggestions for improvements i.e., "who should do what to improve what".

Lessons learned

- This highlights experiences about what has been tried that produced good results and why it worked well. It reflects good practice in project implementation that could be generalized and/or replicated; and
- It includes observations, insights, and practices extracted from the evaluation that are of general interest beyond the domain of the project and contribute to wider organizational learning.

Annex

- Offer additional material that explains evaluation methods, data collection instruments, schedules, documents reviewed;
- Should include the TOR and list of persons contacted and interviewed; and
- Can include any other relevant information, i.e., statistical tables with supplementary data, survey questionnaires, etc.