# *Appendix C: Draft Generic TORs for Donor/agency HQ evaluations*

## Joint Evaluation of the Paris Declaration, Phase 2

## Draft Generic Terms of Reference (ToR) for Donor/Agency HQ Evaluations[1]

**Guidance to Readers**

This Generic ToR has been drafted as a basis for discussion with the coordinators of the planned individual evaluations and the Evaluation Management Group and International Reference Group so as to provide a common basis for the Donor/Agency HQ Evaluations processes.

It reflects the overarching Evaluation Framework, Work-plan and Timetable for the Phase 2 Evaluation[2], which in turn have carefully reflected all the preparatory work to date under the auspices of the International Reference Group for the Evaluation, as well as the experience of Phase 1. The present version reflects inputs from a workshop with donor agencies, held in London on 23 September, 2009 and subsequent input from the Evaluation Management Group and an advisor to that Group.

Recognizing the demanding schedule for all Evaluation Teams to get their evaluations underway in good time to meet the Seoul High Level Forum deadline, the draft Generic ToR make clear proposals to expedite the discussion to produce a set of Generic ToR to guide Donor/Agency HQ Evaluations to be agreed upon (with those for Country Evaluations) by the International Reference Group by 1st December, 2009.

[1] The imperfect term "donor" is used here as in both the Paris Declaration and Accra Agenda for Action to avoid confusion; it denotes providers of Official Development Assistance, and sometimes other resources. The term “agencies” is also used to refer to some multilateral providers. The term “Donor/Agency HQ evaluations” is consistent with terms used in Phase 1; they are evaluations carried out on the programmes of individual donors or agencies, at the level of headquarter policies and operations, but also drawing on the field perspectives of in-country offices.
[2] Full document (reviewed by the Management Group) to be finalized and circulated as soon as editing and translation time can be freed from regional workshop preparations.

## Contents



**Appendices**

## 1. Background and Rationale: the Overall Phase 2 Evaluation

1. The Paris Declaration expresses a broad international consensus developed in the 15 years that preceded 2005, stipulating that new partnership relationships and ways of working between developed countries and partner countries are essential if development results are to be assured, aid well spent and aid volumes maintained.

2. The Paris Declaration[3] was endorsed at the 2nd High Level Forum held in Paris in 2005 by 52 donors/agencies and partner countries and 30 other actors in the development cooperation field (UN and other multilateral agencies & NGOs). The Declaration consists of 56 “Partnership Commitments,” and aims to strengthen “partnerships” between donor countries and countries receiving aid (partner countries) in order to make aid more effective and to maximise development results.

3. The requirement for monitoring and independent evaluations was built into the original Declaration and reinforced in the Accra Agenda for Action in 2008.[4] The first phase of the Evaluation[5] ran from March 2007 to September 2008 and aimed at providing information on the “HOWs and WHYs” of the early implementation process of the Paris Declaration, looking at inputs and early outputs. It was designed to deliver practical lessons and help take stock of implementation performance at the 3rd High Level Forum on Aid Effectiveness held in Accra, Ghana in September 2008. Monitoring Surveys were carried out in 2005 and 2007, covering 34 and 55 countries respectively. Eleven Donor/Agency HQ studies were carried out as part of the Phase 1 evaluation and these contributed to “Deepen[ing] our understanding of the lessons emerging from the PD Baseline Survey” as one of the key objectives.

4. The second phase of the Evaluation will run from the 3rd High Level Forum in 2008 up to the 4th High Level Forum in Korea in 2011. This second phase will emphasize outcomes and results and offer answers to the critical policy question of whether the intended long-term effects of the Paris Declaration are being achieved or advanced. The evaluation is expected to analyze results in context, taking into account preconditions or enabling conditions that may lead to or inhibit positive development results supported by aid.

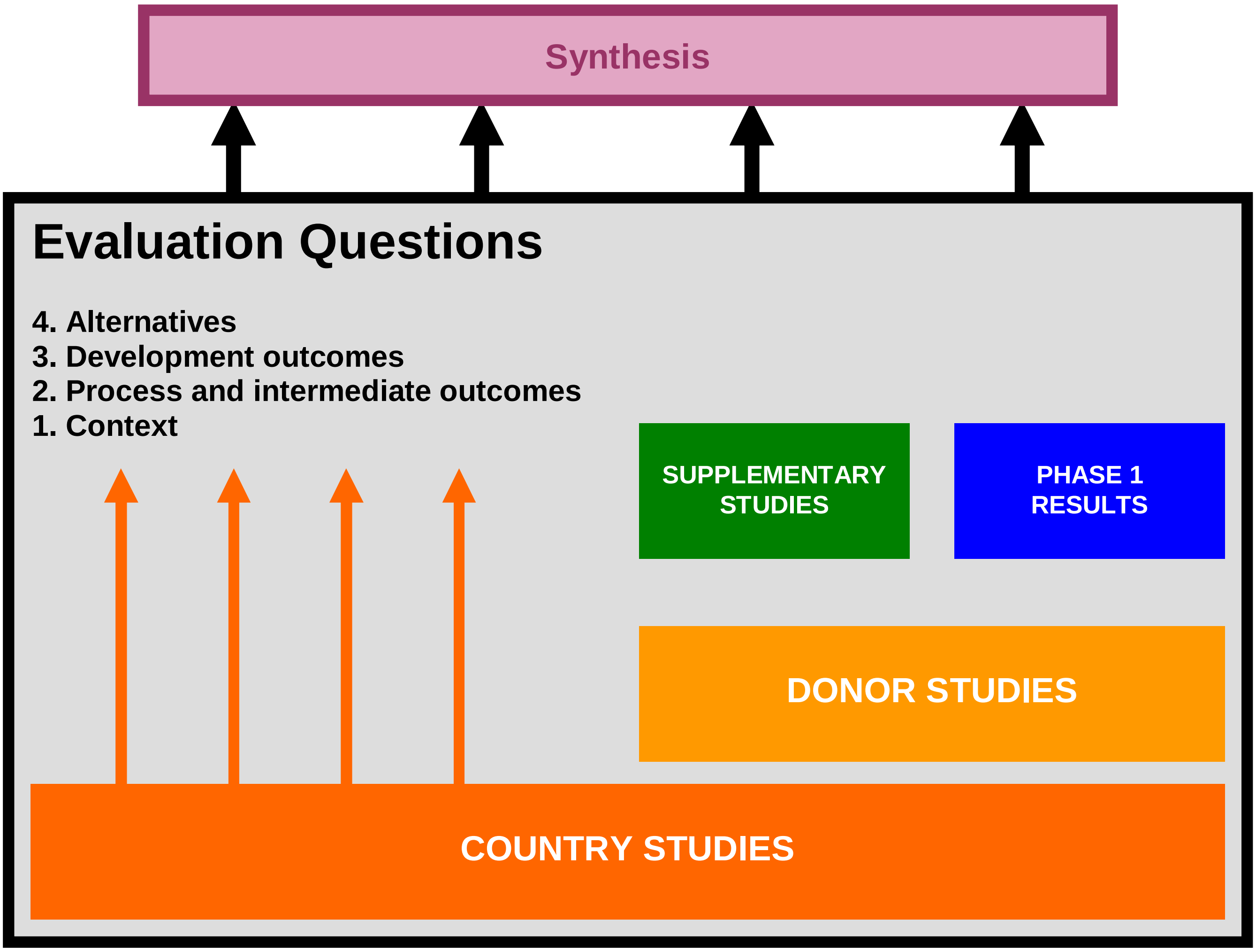
The building blocks for the Phase 2 Evaluation are illustrated in the Figure below.

[3] The full Declaration can be found at: http://www.oecd.org/dataoecd/11/41/34428351.pdf and the Accra Agenda for Action at http://www.oecd.org/dataoecd/58/16/41202012.pdf

[4] The Evaluations complement the monitoring of the implementation of the Paris Declaration, undertaken through the Cluster D of the OECD DAC Working Party on Aid Effectiveness “Assessing Progress on Implementing the Paris Declaration and the Accra Agenda for Action.”

[5] Wood, B; D. Kabell; F. Sagasti; N. Muwanga; Synthesis Report on the First Phase of the Evaluation of the Implementation of the Paris Declaration, Copenhagen, July 2008. The report can be found at: http://www.diis.dk/graphics/Subweb/paris_evaluation_web/index.htm

**Building blocks of the Paris Declaration Evaluation Synthesis**




5. ***The Core Evaluation Team***: The Core Evaluation Team has overall responsibility for the synthesis of evaluation results generated at Country and Donor/Agency HQ levels as well as any supplementary studies, and for preparation of the overall Evaluation Synthesis Report. The team, consisting of six international consultants as Core Evaluation Team members and a number of associated team members for specific tasks, was competitively recruited through the Evaluation Management Group.

6. The Core Evaluation Team contributes to the Phase 2 evaluation across all components at all stages: at planning and set-up; on an ongoing basis to ensure consistency and solve problems that may arise; and in the final stages when it will be expected to bring together all evaluation findings in a free-standing Synthesis Report. The Core Evaluation Team reports and is responsible to the Evaluation Management Group through the Evaluation Secretariat.

## 2. Donor/Agency HQ Evaluations: Purpose and Objectives

7. ***Purpose:*** The purpose of the Donor/Agency HQ Evaluations, most of which have been conducted during Phase 1, has been to assess what constitute better practices for Donor/Agency headquarters in implementing their Paris Declaration commitments in order to

contribute to increased aid effectiveness. The emphasis is on learning, by asking the twin questions: are we doing the right things and are we doing things right? The series of evaluations, 11 studies in Phase 1 and an anticipated 7 new studies in Phase 2, with the possible addition of some updating of earlier Phase 1 studies, will serve:

- To deepen our understanding of the findings and results emerging from Monitoring Survey inputs;
- To facilitate global learning on aid effectiveness through the evaluation processes and to facilitate more efficient implementation of the Paris Declaration;
- To make specific recommendations to development agencies and to the global aid community for improving aid effectiveness;
- To supplement and strengthen the basis for the main focus of the Phase 2 evaluation, a strong set of Country-level Evaluations.

8. ***Objectives:*** Specific objectives of the HQ Evaluations include:

- To enable donors/agencies to clarify, improve and strengthen policies and practice consistent with the Paris Declaration in pursuit of aid effectiveness and development effectiveness.
- To highlight barriers and difficulties that may have limited the implementation of the Paris Declaration and its effects and impacts – and ways that these barriers and difficulties may be overcome.
- To enable sharing and exchange of experience among stakeholders, countries and partnerships so as to facilitate reflection, lesson-learning and policy improvement.

9. The Accra Agenda for Action further specified some of the Paris Declaration's commitments with the aim in particular of strengthening country ownership; building more inclusive partnerships; and sharpening the focus on development results. The Phase 2 evaluation will therefore pay particular attention to assessing implementation of these Accra commitments, which address the current concerns of many stakeholders. These Accra commitments should be reflected in the execution of the Donor/Agency HQ ToR to the extent possible.

## 3. Scope, Focus and Questions

10. Since the endorsement of the Paris Declaration in March 2005, most agencies have made major efforts to implement the Paris Declaration within their organisations and communicate its importance to their staff. However, as the Evaluation of Phase 1 showed, these corporate commitments are not always matched by practices. Three explanatory dimensions – "enabling conditions" - that are key to shaping donor/agency behaviour were examined during Phase 1:

a) Commitment to the Declaration principles,
b) Capacity to implement it, and
c) Incentives to do so.

These three dimensions continue to constitute the main focus and scope of the Donor/Agency HQ Evaluations in Phase 2.

11. While the focus on Phase 1 was on input, output and enabling conditions, the focus of the second phase of the evaluation is on development outcomes and effectiveness. These effects will, however, mainly be captured by the country studies. Therefore, as in the first phase, the focus of the HQ Evaluations conducted during the second phase will be on the

input level, through the assessment of the enabling conditions: *commitment, capacity and incentives* in terms of their alignment to the PD commitments. Some outputs will also be captured, inter alia, through assessing field office behaviour.

12. The three concepts were explained to some extent in the ToR for Phase 1. However, in the absence of clear and authoritative definitions, differences in understanding and interpretation of the concepts were identified as a weakness of Phase 1. In order to address this, and to build on the considerable intellectual investment made by some of the 11 donors/agencies in clarifying the concepts, the present ToR is providing the following guidance to understanding and applying the concepts, drawn from good practices in the Phase 1 evaluations:

***Commitment and Leadership***

13. Identified as key enabling factors in the Monitoring Survey and in Phase 1 of the evaluation, donor/agency commitment and leadership can be analyzed from several angles. A useful option used in some of the Phase 1 reports (see for example France[6]) is to address it at two levels, focusing on internal and external factors:

- Internal factors will depend on the specific agency context, but include for example impetus from the political level, strategic/policy influence, and operational implications
- External factors include peer pressure, EU Code of Conduct (for some), impetus or constraining factors from civil society, inter alia.

***Capacities***

14. The German report introduces the useful distinction between institutional and systemic capacity[7.] The former lends itself to classic organizational analysis (see also Finland's report[8]), while the latter is based more on systems thinking and highlights the factors that support or constrain the implementation of the Paris Declaration Principles:

- Institutional capacity (such as information, knowledge, resources, training, procedures and guidance, institutional set-up including decentralization)
- Systemic capacity, i.e. factors that extend beyond the individual organization or organizations that are responsible for the donor country's aid programme (such as for example the status of an organization or the fact that a large number of agencies are involved)

***Incentives and Disincentives***

15. This dimension can be understood at different levels and a range of different analytical perspectives are used in the Phase 1 reports. Several reports (the Dutch, Danish and New Zealand reports, for example) address incentives at the level of individual staff and at agency level. These and the UK report all raise the strong linkage with the agency's performance management system and results culture. The New Zealand report also includes political incentives, at the level of government. As many countries are increasingly thinking of development assistance as a policy coherence issue, i.e. a "whole of government" concern,

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[6] Evaluation de la mise en œuvre de la Déclaration de Paris par la France, Rapport Final – Version révisée

[7] The Paris Declaration: Evaluation of the Implementation of the Paris Declaration: Case Study of Germany, http://www.diis.dk/graphics/Subweb/paris_evaluation_web/files/pdf/original/BMZ-Ev032e_print_0508.pdf, page 56

[8] Evaluation of the Paris Declaration, the case of Finland, page 15

and in view of the evaluation's formative nature, more information and evidence on this dimension would be useful and consistent with the Country Evaluations' focus on aid context.

It is therefore proposed to address incentives at three levels:

- At individual level: career, agency's performance management system, professional satisfaction/personal commitment, peer pressure
- At agency level: domestic political pressure, international peer pressure, performance/disbursement obligations, resources, visibility, culture
- At level of government: political incentives and policy coherence

16. ***Evaluation Questions*****:** As mentioned above, the Donor/Agency HQ Evaluations will focus on learning by asking the twin questions: 'are we doing the right things?' (Relevance of the choices agencies have made to deliver on the Paris Declaration commitments) and 'are we doing things right?' (Effectiveness of the actions taken). The evaluation will be particularly interested in examples of where potential obstacles to implementation of the Paris Declaration have been identified, how these have been overcome, and with what results (in terms of for example behaviour, "transaction costs", aid modalities, division of labour etc.). While these outputs and outcomes will also be captured in country studies, it is envisaged that at a minimum, outputs will also be addressed through questions and evidence from the field level in the Donor/Agency HQ studies.

Given the above, the outlined evaluation questions below shall be taken as explorative starting points for the assessments.

***Contextual factors***

17. One weakness of the reports in Phase 1 was the lack of clear and comparable analysis of the contextual factors. This is being addressed through specific questions at the country level, but it would be useful for donors/agencies too, to provide some comparable factual information and contextual analysis. In this respect it is proposed that the evaluations draw, inter alia, on annual reports, the latest DAC Peer Review, and the Monitoring Survey to provide basic factual information on the following:

- Staff
- Budget
- Geographic spread of programme
- Multi/bilateral share, share provided to vertical funds, and aid modalities (project, programme, budget support, TA etc.)

Furthermore, it is proposed that the organizational structure be described, including the degree of de/centralization and the performance management system, along with existing Action Plans or policies and guidelines that are Paris Declaration related.

18. Specific analysis should be made on policy coherence. This should answer the following key questions:

- What is the range and sphere of direct influence of the Paris Declaration on government policies (aid and other policies such as policies affecting trade, monetary variables, immigration, etc.) with implications for developing countries?
- Who are the key actors in the donor country (or constituency for multilateral agencies) involved in the aid arena, taking major decisions on aid flows, priorities, activities, programs and projects?

- How are their perceptions and decisions influenced by the Paris Declaration and the Accra Agenda for Action?

***Assessing commitment and leadership***

- How has the Paris Declaration's emphasis on demand-driven development cooperation been reflected in donor/agency development policies, programmes and procedures? Has the implementation of the Paris Declaration affected donor/agency priority-setting for development cooperation? Have the roles of Donor/Agency HQ/field offices been adapted to the aid effectiveness agenda? If not, why not?
- How is the Paris Declaration owned at Donor/Agency HQ level (e.g. what strategic directions are given to staff by top management)? How is the Paris Declaration acknowledged at the governing body/parliamentary level and by civil society? What are the potential conflicts with other governmental institutions and political / administrative systems, and what is being done to resolve these?
- Are donor/agencies content that they are fulfilling their Paris Declaration commitments, including implementation of the DAC Principles for Good Engagement in Fragile States? If they have concerns, what are the reasons for these? Are the concerns linked to the relevance and coherence of the Paris Declaration commitments and indicators? Are there ways in which these might be overcome?

***Assessing capacity***

- What is the level of staff knowledge and understanding about aid effectiveness and its operational implications, particularly in the field?
- Have specific instructions, guidelines, operational directives and evaluation criteria been disseminated to staff to stimulate implementation of the Paris Declaration implementation plan? Are the levels and skills of staff available to implement appropriate and adequate?
- How is delegated authority structured, and why? Have there been any changes to procedures to meet Paris Declaration commitments? Is the development co-operation organisation/agency sufficiently decentralised (staff, resources, delegation of authority) to address field-based aid management in line with the Paris Declaration?

***Assessing incentives***

- Are there specific incentives provided by the agency – e.g. for recruitment, placement, performance assessment, promotion and training – for management and staff to comply with the Paris Declaration objectives of ownership, harmonisation, alignment, results orientation and mutual accountability?
- Are there any perceived disincentives, in respect of other agency priorities (e.g. excessive pressures for disbursement)?

19. The above were mostly questions included in the Phase 1 of the Evaluation. However, lessons from Phase 1, the commitments emphasized at Accra, as well as the country level evaluations and overarching evaluation framework for Phase 2, all call for some additional evaluation questions. In particular, the Country-level Evaluations may ask questions that can be "mirrored" on the donor/agency side, in areas where it would enhance the depth of the evaluation if there was evidence from both levels. Two key questions were suggested in the Approach Paper, and are being tested in the course of regional workshops in October/November 2009:

- Have “transaction costs” of delivering aid actually been reduced and/or shifted because of implementation of the Paris Declaration? If so, how, and what are the effects of such changes?
- What would be the likely implications for development results if donors were to shift a majority of aid to either general or sector-specific budget support?

Consultation will be required, once the Country Evaluation ToR are confirmed, about which if any “mirror” questions should be pursued.

20. Lastly, there is a general recognition (expressed in the Monitoring Survey and in the London meeting with the Evaluation Coordinators) that there is insufficient knowledge about the two commitments Managing for Development Results and Mutual Accountability. Therefore it is proposed to make the following two questions explicit in the Phase 2 Donor/Agency HQ Evaluations:

- What is the main problem facing donors/agencies in fulfilling the Paris Declaration commitment to Manage for Development Results?
- What arrangements or mechanisms for Mutual Accountability have been in place and how well are they working? (See Phase 1 Synthesis Report for orientation.)

## 4. Evaluation Approach and Methods

21. ***Rigour and Comparability***: The robustness of the approach and methodology for each evaluation and its results will be ensured by:

a. A consistent stance in the evaluation that does not assume attribution of results to the Paris Declaration, but rather takes a critical approach and examines both alternative explanations and an evolution of donor practices pre-dating the Paris Declaration;

b. A set of support mechanisms available to Evaluation Coordinators, Reference Groups and teams, particularly from the Core Evaluation Team, both directly and through research resources and interactive internet facilities [See Section 6];

c. Verification of evidence emerging through ongoing triangulation between the multiple data sources and methods employed;

d. Step-by-step validation of evaluation results by donor/agency study teams (with peer review among them encouraged) by the Core Evaluation Team, Donor/Agency Reference Groups, the Evaluation Secretariat and Management Group, possibly high level external reviewers, and the International Reference Group;

e. Quality assurance processes that are built in to each component evaluation (as well as the preparation of the final Synthesis Report) – all should meet the DAC Evaluation Quality Standards or UNEG Standards;

f. Selection and contracting of Evaluation Teams by established procedures, with protection for the independence and professional integrity of their work, and assuring that all are free of potential conflicts of interest;

g. Using a set of agreed working definitions for key terms to avoid confusion and inconsistent treatment.

22. ***Mixed Methods*:** Methods for pursuing the evaluations include:

a. *Literature and documentation review (*policy documents, instructions, guidelines, annual plans)

b. *Syntheses* and *meta-analyses of existing evidence (*i.e. secondary sources such as policy, evaluations and research);

c. *Semi-structured interviews* and *focus groups* (key respondents at HQ level and relevant field staff, either by phone or video conference or through selected field visits)

*d. Structured surveys and questionnaires focused on the embassies / country offices located in those of the countries which have volunteered to conduct a country level evaluation*

## 5. Management of the Evaluation: Responsibilities and Accountabilities

23. The points below draw and build on the 'Guidance for Management of Country-level Evaluations' Note issued by the Secretariat in September 2009, and Annex 3A to the HQ level ToR from Phase 1: "Guidance for Managing Development Partner HQ Level Evaluations", dated 25th April, 2007.

24. ***Management considerations***: The key management considerations for an HQ Evaluation are:

- Effective donor/agency management arrangements
- Clarity on roles, responsibilities and accountabilities
- Communication with stakeholders
- Progress reporting

25. ***Evaluation Coordinator***: Each evaluation should be led by the agency's evaluation department or by an independent body which will act as the Evaluation Coordinator. The Evaluation Coordinator is supported by a Reference Group. The Evaluation Coordinator will be responsible for initiating, facilitating and managing the Donor/Agency HQ Evaluation as well as for providing feedback to the overall management and Reference Groups. He/she will:

1. Act as focal point for contact to the overall management and Reference Group for the evaluation.
2. Select, set up and then schedule and convene meetings of the Reference Group;
3. Develop final ToR for the evaluation in consultation with the Reference Group; incorporating (if required) a module with donor/agency-specific evaluation questions;
4. Provide at least bi-monthly reporting on the progress of the evaluation in line with an agreed common format;
5. Conduct quality control; assuring that the evaluation is of acceptable quality in reference to identified relevant national, regional and/or international standards and drawing on the pro-active and responsive services of the Core Evaluation Team and the Evaluation Secretariat.
6. Ensuring the submission, by the agreed deadlines, of emerging findings, draft and final reports to the Core Evaluation Team for inclusion in the Evaluation synthesis work;
7. Sign off on evaluation report (i.e. approve after consultation with reference/advisory group) prior to payment of consultants.
8. Submit evaluation report to the overall management group for issuing and publishing.

This management role will require significant inputs of ‘dedicated management time’ over the whole evaluation process, with concentrated effort anticipated during the start-up period, inception, 1st draft report and final reporting milestones.

26. ***Reference Group*:** The purpose of this group is to ensure stakeholders’ buy-in to the evaluation process and results and to assure the independence of the evaluation. The Reference Group is expected to include other relevant government agencies, major stakeholders from civil society, media, academia, and possibly representation from political level. Members are required to make timely inputs into a number of the critical (early) management processes led by the Evaluation Coordinator; namely,

1. Approving the design (the questions to be addressed) of the evaluation. In doing so making a judgement that the scope and scale of the evaluation is ‘doable’ given the resources that are confirmed as being available for the Evaluation Team to work with.

2. (Based on the approved design as above) deciding on selection criteria for the Evaluation Team and selecting the Evaluation Team in a way that is consistent with the selection criteria (safeguarding against conflicts of interest, covering relevant professional areas, reflecting gender balance and in accordance with national competitive procurement or tender rules).

These roles will require a series of dedicated inputs of time from the individual members of the Reference Group building on a clear and shared understanding of what the Donor/Agency HQ Evaluation is aiming to achieve and its role within the overall Evaluation.

27. Evaluation management builds on self-monitoring of progress with the evaluation, and periodic reflection at Reference Group meetings. These meetings will assess the extent to which the evaluation remains ‘on-track’ and actions to be taken if and when ‘gaps’ appear.

28. ***Clarity on roles, responsibilities and accountabilities.*** The success of this collaborative exercise will be heavily influenced by initial clarity and ongoing discipline on who is expected to deliver on what and by when, and who is accountable. Key accountabilities in the process are:

i. *Competent independent HQ Evaluation Team selected, contracted and resourced by latest 1st March 2010*: The Evaluation Coordinator is accountable for this milestone being reached with the support of the Reference Group, and for the independence of the evaluation being maintained throughout the process.

ii. *HQ Evaluation Report delivered on time*: The Team Leader [or contracted institution for whom the TL works] of the HQ Evaluation Team is accountable for the organisation and co-ordination of the work of the Evaluation Team (and through this ensuring the quality and relevance of team member contributions) and assuring the delivery of emerging findings, conclusions and recommendations, as well as a comprehensive final report which meets evaluation standards, within the contracted timeframe/ specifications.

iii. *HQ Evaluation Report of an acceptable quality submitted to the Core Evaluation Team for use in preparing the Synthesis Report and publishing*; The Evaluation Coordinator through successive processes of quality control is accountable for delivery of a report of acceptable quality for the Synthesis stage.

29. ***Communication with stakeholders:*** Each HQ Evaluation is expected to develop and implement a Communication Plan through which stakeholders for the evaluation within the country/agency will be kept informed through a variety of media of progress with the

evaluation and through this be encouraged to be informed by and engage in discussion on the Evaluation findings, conclusions and recommendations. Ensuring this takes place and in a form that fosters stakeholder interest and 'buy-in' to the evaluation process would be a responsibility of the Reference Group.

30. ***Progress reporting:*** The Evaluation Coordinator, in his/her role as focal point for the Phase 2 Evaluation will provide the Secretariat (copied to the Core Evaluation Team) with bi-monthly updates – starting end of December 2009 - on the status of the HQ Evaluation process. This will use a simple pro-forma to be developed by the Evaluation Secretariat in consultation with the Core Evaluation Team which will facilitate the updating by the Core Evaluation Team of the 'master sheet' on progress across the various Evaluations, both HQ and country, which will be held on the extranet.

31. ***Development of specific Donor/Agency HQ Level ToR***: These generic Terms of Reference provide a core set of questions that should be incorporated into all Donor/Agency HQ Evaluations. Evaluations can, however, go beyond the core questions to identify local evaluation questions of relevance to the donor/agency. These ToR will be developed by the Evaluation Coordinator. Thus major efforts should be made to adapt the common framework in ways that suit donor/agency specific circumstances, so that agency learning needs are met as fully as possible.

32. ***Financing Donor/Agency HQ Level Evaluations*****:** Each Donor/Agency HQ Evaluation is estimated at €80.000. This does not include cost of possible fieldwork in partner countries. The Donor/Agency HQ Evaluations should be financed by the donor/agency in question.

## 6. Support Arrangements for Donor/Agency HQ Evaluations

33. ***Services to HQ Evaluations.*** The Core Evaluation Team has been in place since September 2009 and in respect to ensuring the integrity of the Donor/Agency HQ Evaluations within the overall Phase 2 Evaluation Synthesis is charged with providing the following set of support services to the evaluation processes:

- Design for the approval of the Evaluation Management Group and the International Reference Group a "Generic Terms of Reference" for Donor/Agency HQ Evaluations that will serve to guide data gathering in a way that will enable comparison and the synthesis of findings.

- Provide professional advice to the Evaluation Coordinator and members of the Reference Group on the basis for and processes of selection, contracting and briefing of HQ Evaluation Teams.

- Provide ongoing advice and support to HQ Evaluation Teams to ensure the coherence of the evaluation and the comparability of its different elements.

34. To make best use of the resources at the disposal of the Core Evaluation Team a series of engagement points - pro-active and reactive - has been identified (see Table below) between the Team and the processes of the HQ Evaluations. These are designed to help lay solid foundations and clear tracks for HQ Evaluations to follow, support adherence to evaluation standards as the evaluation progresses, provide guidance if/ where Evaluation Teams run into problems, and facilitate peer-to-peer sharing and learning between HQ Evaluation Teams. Support will be mainly web-based, remote support, but can also be face-to-face on a selective basis.

**Table: Points of identified engagement – a member/ members of the Core Evaluation Team with the Donor/Agency HQ Evaluation Process**

| Activity/ Event | Persons involved (from donors/agencies undertaking evaluation) |
|---|---|
| Initial Workshop  (September 2009) | Evaluation Coordinators |
| Inception Report Presentation (event) – *1 month into the process* | HQ Evaluation Team presentation to Evaluation Coordinator and the Reference Group |
| Team analysis 'stage' – *August* | HQ Evaluation Team |
| Draft report to National Reference/ Advisory Group (event) | HQ Evaluation Team presentation to Evaluation Coordinator and the Reference Group |
| Possible Emerging Findings peer exchange events | HQ Evaluation Team and Evaluation Coordinator |
| Final Report to Reference Group | HQ Evaluation Team presentation to Evaluation Coordinator and the Reference Group |

35. The Core Evaluation Team is developing a web based knowledge management system – an "Extranet" – for the Phase 2 Evaluation. The National Evaluation Coordinator, HQ and Country Evaluation Teams and Reference Group members will have access to this facility and it will provide the channel for the sharing of guidance and progress updates between the Core Evaluation Team and the country and donor/agency processes. The structure of the extranet provides a shared space and also a part of the site that can be dedicated to a particular Country Evaluation, HQ Evaluation or Supplementary Study process.

## 7. Audiences, Stakeholders and Usefulness of the Evaluation

36. The focus of Phase 2 is on a results oriented evaluation, with the synthesis and component evaluation reports to be presented to the High Level Forum 4 in 2011. It is equally intended that the evaluation process will spur interest and improvement efforts in the participating countries and agencies.

37. Key constituencies include the executive and legislative branches of government in the partner countries, their bilateral development partners, and governing authorities and senior managements of development agencies. Also crucial are those tasked with implementing the Paris Declaration: government, donor, civil society and private sector stakeholders in the partner countries as well as donor agencies. The findings are also expected to be of direct interest to many citizens of both the host countries and of countries providing international development assistance.

38. The wide dissemination and use of the evaluation by its intended audiences should influence:

a. Process and products at every stage of the evaluation;
b. Keeping the overall questions and key audiences constantly in sight;

c. Open internal communications – as in the planned knowledge-sharing system within and among teams;
d. Linguistic sensitivity: specific work to ensure availability of key materials in the languages required;
e. Minimizing acronyms, jargon and unnecessary technical language in **all** products;
f. Building in time for peer exchanges, edits, strong summaries;
g. Meeting deadlines.

39. These new HQ Evaluations will, together with the eleven conducted in Phase 1, supplement the Country-level Evaluations. Additional light will furthermore be shed by a small number of “supplementary studies” that can ensure adequate coverage of important issues. Together, these elements are intended to provide adequate depth and breadth in the evaluation.

## 8. HQ Evaluation Timeline

The table below charts the sequence of events for the HQ Evaluations.

<table>
<tr><th colspan="3">Evaluation of the Paris Declaration Phase 2<br>Critical Milestones: Donor/Agency HQ Evaluations</th></tr>
<tr><th>Period/Date</th><th>Activity for Donor/Agency HQ Evaluations</th><th>International</th></tr>
<tr><td>Oct/Nov 2009</td><td>Name Reference Group, secure Evaluation funding, plan procurement/ team recruitment processes</td><td>Development of Draft Generic Terms of Reference based on London discussions</td></tr>
<tr><td>1 Dec 2009</td><td colspan="2">IRG approves Generic Terms of Reference</td></tr>
<tr><td>Dec 2009/ 1st March 2010 (latest)</td><td>Select and contract Evaluation Teams</td><td>Core Evaluation Team support to Evaluation Coordinators as required</td></tr>
<tr><td>15th April 2010</td><td>Country and Donor/Agency HQ Teams submit inception reports</td><td rowspan="2">Core Evaluation Team maintains liaison with Donor/Agency HQ-level Teams including responding to queries from these teams, sharing experience/good practice/model instruments across teams</td></tr>
<tr><td>Mar – Sep 2010</td><td>HQ Evaluation Teams conduct Evaluations, with regular reporting to Reference Group as specified in their Terms of Reference</td></tr>
<tr><td>15th Sep 2010</td><td>Submission of first draft report including summary of findings by each Country Team and Donor/Agency HQ-level Team to Evaluation Management Group and Core Evaluation Team</td><td>Core Evaluation Team prepares consolidated emerging findings by 15 October</td></tr>
<tr><td>26th-28th Oct 2010</td><td colspan="2">Meeting/workshop of Country and Donor/Agency HQ study team leaders, Core Evaluation Team and International Reference Group to discuss emerging findings and the plan for the Synthesis</td></tr>
<tr><td>Nov-Dec 2010</td><td>Production/submission of Country and Donor/Agency-level reports (deadline 31st Dec 2010)</td><td></td></tr>
<tr><td rowspan="2">Jan-Apr 2011</td><td></td><td>Drafting Synthesis Report</td></tr>
<tr><td colspan="2">Circulation of first draft Synthesis Report for a 10 day period for validation/comment by the Donor/Agency HQ Evaluation Teams, with the opportunity for first inputs by HQ Reference Groups as well as the International Management and Reference Groups<br><br>Circulation of refined (second) draft Synthesis Report to International Reference Group 14 days before meeting with the opportunity for further inputs by Donor /Agency HQ and Country Teams and Reference Groups</td></tr>
<tr><td>Apr 2011</td><td colspan="2">Meeting of the International Reference Group to comment on the draft Synthesis Report</td></tr>
<tr><td>Apr-May 2011</td><td>Dissemination of Evaluation results</td><td>Finalisation of Synthesis Report</td></tr>
<tr><td>May-Sep 2011</td><td colspan="2">Dissemination activities/inputs to preparations for High Level Forum</td></tr>
<tr><td>Sep-Oct 2011</td><td colspan="2">4th High Level Forum in Seoul</td></tr>
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## Appendix A

**First Draft Outline for Donor/Agency HQ Evaluation Reports**
October 2009

No outline was proposed during Phase 1, but it has proven useful to encourage a certain standardization to ensure full coverage of key evaluation questions and facilitate the synthesizing of findings. This outline is proposed as a "minimum" list of what the report should ideally contain.

**Preface**
**Acknowledgement**
**Acronyms**

**Executive Summary (Max. 5 pp.)**

- Purpose and background
- Overall conclusions (on common and country-specific questions)
- Key lessons (on common and country-specific questions)
- Key recommendations if applicable (on common and country-specific questions)

**A. Introduction (Max. 4 pp.)**

- The Paris Declaration and Accra Agenda for Action: Engagement of Donor/Agency X
- Purpose and scope of the Phase 2 Evaluation
- Approach, methodology and limitations

**B. Methodology and Limitations (Max 2 pages)**

**C. Donor/Agency HQ Findings (Max. 25 pages)**

*Contextual factors*

*Overall assessment*

- ➢ Ownership
- ➢ Alignment
- ➢ Harmonization
- ➢ Managing for Development Results
- ➢ Mutual Accountability
- ➢ Explanatory factors

*Assessing Commitment*

- ➢ Internal factors (political level, strategic level, operational level, M&E)
- ➢ External factors (peer pressure, EU Code of Conduct (for some), civil society)

*Assessing Capacities*

- ➢ Institutional capacity (such as information, knowledge, resources, training, procedures and guidance, institutional set-up including decentralization)
- ➢ Systemic capacity, i.e. factors that extend beyond the individual organization or organizations that are responsible for the donor country's aid programme (such as for example the status of an organization or the fact that a large number of agencies are involved)

*Assessing Incentives and Disincentives*

- For individuals (career, professional satisfaction, personal commitment, peer pressure)
- At agency level (domestic political pressure, international peer pressure, performance/disbursement obligations, resources, visibility)
- At level of government (policy coherence)

**D. Key Conclusions, Lessons and Recommendations regarding the Generic Evaluation questions (if applicable)** (Breaking out conclusions, lessons & recommendations) **(Max. 5 pp.)**

Are we doing the right thing?
Are we doing it right?
Are we doing it in the best way?

**E. Findings on the Donor/Agency Specific Evaluation Questions (if adopted) (Max. 15 pp.)**

**[Possible sub-headings]**

**F. Key Conclusions, Lessons and Recommendations (if applicable) around the Donor/Agency-Specific Evaluation Questions (if adopted)** (Breaking out conclusions, lessons & recommendations) **(Max. 5 pp.)**

**G. Possible Key Implications beyond the Planned Term of the Paris Declaration. (Max. 3 pp.)**

**Annex 1: Paris Declaration on Aid Effectiveness**
**Annex 2: The Accra Agenda for Action**
**Annex 3: Terms of Reference for Donor/Agency HQ Level Evaluation**
**Annex 4: Selected Additional References**

## Appendix B

Guidance Note for Extranet Users: Phase 2 Evaluation Knowledge Management System

*(under preparation)*

## Appendix C

C: Glossary of Agreed Definitions for the Evaluation
*(under preparation)*

## Appendix D

**Questions on transaction costs for possible inclusion in both Donor/Agency HQ Studies & Country Studies**

<table>
<tr><td>Transaction Costs Definition</td><td colspan="4">Understanding Aid Transaction Costs as those administrative and financial costs which are necessary for aid-financed activities to be implemented but which add nothing to the benefits generated by those activities ........,</td></tr>
<tr><td>1. a) Trends in Aid Transaction Costs</td><td colspan="4">From 2005 to 2010, how would you judge that annual aid transaction costs per $ of aid in your country/ agency have changed?<br><br>☑ They have increased substantially.<br>☑ They have increased modestly.<br>☑ They have not changed significantly.<br>☑ They have reduced modestly.<br>☑ They have reduced substantially</td></tr>
<tr><td rowspan="5">1. b) Incidence of costs</td><td colspan="4">For each of these categories of stakeholders, how do you judge that the burden of transaction costs which they bear has changed?</td></tr>
<tr><td>Partner government: Managerial & technical cadres</td><td>o Burden has increased</td><td>o No significant change</td><td>o Burden has decreased.</td></tr>
<tr><td>Partner government Administrative Cadres</td><td>o Burden has increased</td><td>o No significant change</td><td>o Burden has decreased.</td></tr>
<tr><td>Donors: Managerial & technical cadres</td><td>o Burden has increased</td><td>o No significant change</td><td>o Burden has decreased.</td></tr>
<tr><td>Donors: Administrative Cadres</td><td>o Burden has increased</td><td>o No significant change</td><td>o Burden has decreased.</td></tr>
<tr><td>2. a) Relative influence of the Paris Declaration</td><td colspan="4">Over 2005 to 2010, how do you think the implementation of the Paris Declaration has influenced the overall trends in Aid Transaction Costs in your country/agency? Specifically, how has it influenced aid transaction costs relative to what they would have been in its absence?<br><br>☑ It has increased them substantially beyond what they would have been.<br>☑ It has increased them modestly beyond what they would have been.<br>☑ It has not significantly influenced Aid Transaction Costs.<br>☑ It has reduced them modestly below what they would have been.<br>☑ It has reduced them substantially below what they would have been</td></tr>
</table>

<table>
<tr><td rowspan="4">2. b) Source of influence from the Paris Declaration</td><td colspan="4">What has been the respective impact on Aid Transaction Costs on a given country or Donor/Agency of the different aspects of the Paris Declaration?<br>(NB. Bear in mind the definition of transaction costs presented above.)</td></tr>
<tr><td>Efforts to harmonise practices across Donors</td><td>o Have increased transaction costs.</td><td>o Have had no influence</td><td>o Have decreased transaction costs.</td></tr>
<tr><td>Efforts to align to Country systems</td><td>o Have increased transaction costs.</td><td>o Have had no influence</td><td>o Have decreased transaction costs.</td></tr>
<tr><td>Efforts to introduce results-based mutual accountability</td><td>o Have increased transaction costs.</td><td>o Have had no influence</td><td>o Have decreased transaction costs.</td></tr>
<tr><td rowspan="3">3. Future trends and potential for change</td><td colspan="4">a) What effect do you think the implementation of the Paris Declaration will have in the next two years with no significant change in the methods of implementation?<br><br>o It should begin to/ continue to reduce Aid Transaction Costs for countries and donors/agencies.<br>o It will stop increasing Aid Transaction Costs for countries and donors/agencies but not reduce them.<br>o It will continue to increase Aid Transaction Costs for countries and donors/agencies.</td></tr>
<tr><td colspan="4">b) What sorts of changes do you think are necessary in order for the implementation of the Paris Declaration to have more substantial positive effects on Aid Transaction Costs?<br><br>o No significant changes are needed: it is simply a question of implementing the Paris Declaration more intensively and thoroughly.<br>o Radical changes will be needed in the internal incentives of Donor Agencies.<br>o Radical changes will be needed in the internal incentives of Partner Governments.<br>o Please explain your answer.</td></tr>
<tr><td colspan="4">c) Can you provide any examples of specific good practices or policy adjustments by Donors or Partner Governments which have already helped to generate a positive impact on Aid Transaction Costs?</td></tr>
<tr><td>Feedback to:</td><td colspan="4">Andrew.lawson@fiscus.org.uk ; or by telephone to +44 1865 437231</td></tr>
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