

***EVALUATION OF COMMISSION'S AID  
DELIVERY THROUGH DEVELOPMENT  
BANKS AND EIB***

Final Report

Volume IIb – Annexes 11 and 12  
on Evaluation Methodology

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*Evaluation for the European Commission*







Aide à la Décision  
Economique  
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This evaluation was commissioned by:

**the Evaluation Unit common to:**

EuropeAid Co-operation Office,  
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*The evaluation was managed by the evaluation unit EUROPEAID*

*The opinions expressed in this document represent the authors' points of view which are not necessarily shared by the European Commission.*



# Introduction

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The present Volume IIb is specifically dedicated to the Evaluation Methodology used in this evaluation. It is composed of two parts:

- Annex 11 includes the main elements presented in the draft final report on the methodology used in this evaluation and provides further details on the evaluation process and structure, the evaluation approach and information sources, and the challenges and limits encountered. It also contains two appendices, one on the intervention logic reconstructed during the first phase of the evaluation, the other providing an example of an outline sent to the Commission Delegations for the country visits.
- Annex 12 provides description of the evaluation tools used for this evaluation and, where relevant, a check list for these tools.

This evaluation methodology and the tools used are in accordance with the guidelines and toolbox of the Joint Evaluation Unit.



# Annex 11 – Evaluation methodology

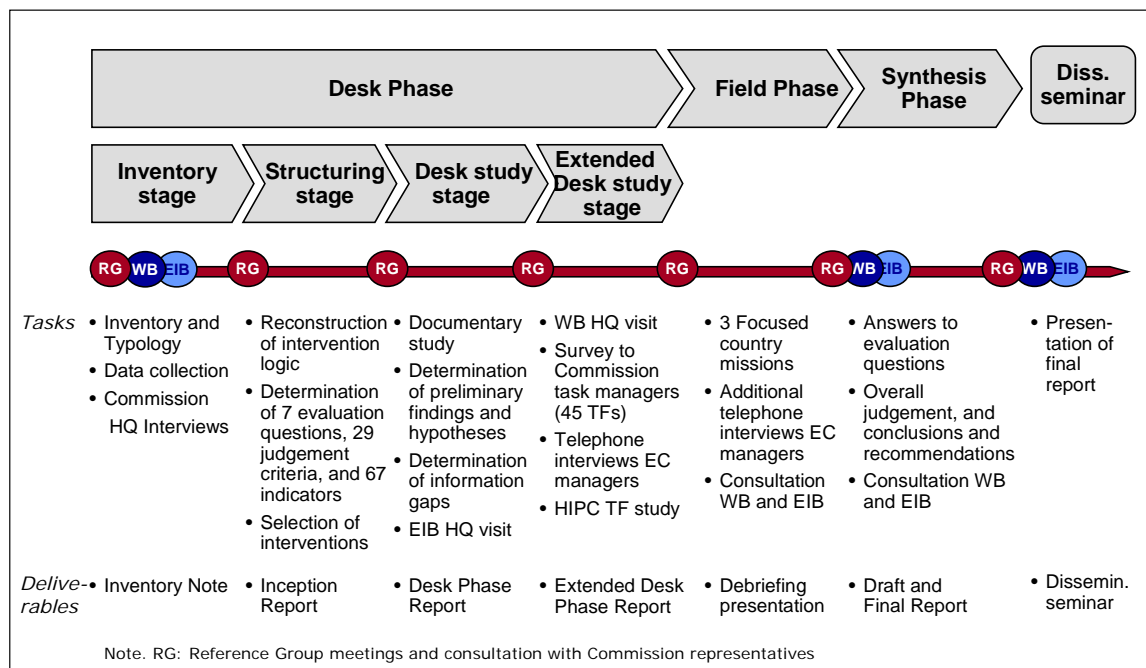
The evaluation employs a carefully-designed approach. The methodology and tools used were in accordance with the guidelines and toolbox of the Joint Evaluation Unit<sup>1</sup>.

This evaluation was innovative in that it was evaluating an *aid delivery modality*, consisting of delivering aid through other agencies, in this case Development Banks and the EIB. The requirement was to examine the degree of achievement of the Commission’s objectives in terms of development aid, but also – and indeed foremost – the *process* of channelling aid funds through Banks. This challenge was addressed by specific measures, as detailed below.

## 1. Evaluation process and structure

The **evaluation process** was structured in different phases. Figure 2.1 below provides an overview of these phases, specifying for each the activities carried out and the deliverables produced.

Figure 1 – Evaluation process



The activities are further detailed in section 2. During the process the following reports were delivered:

<sup>1</sup> The overall approach to this evaluation was defined in the ToR. It was further specified in the evaluators’ Launch Note, and also partially revised after the desk phase, notably in respect of undertaking a Survey and focused country missions (see Annex 1).

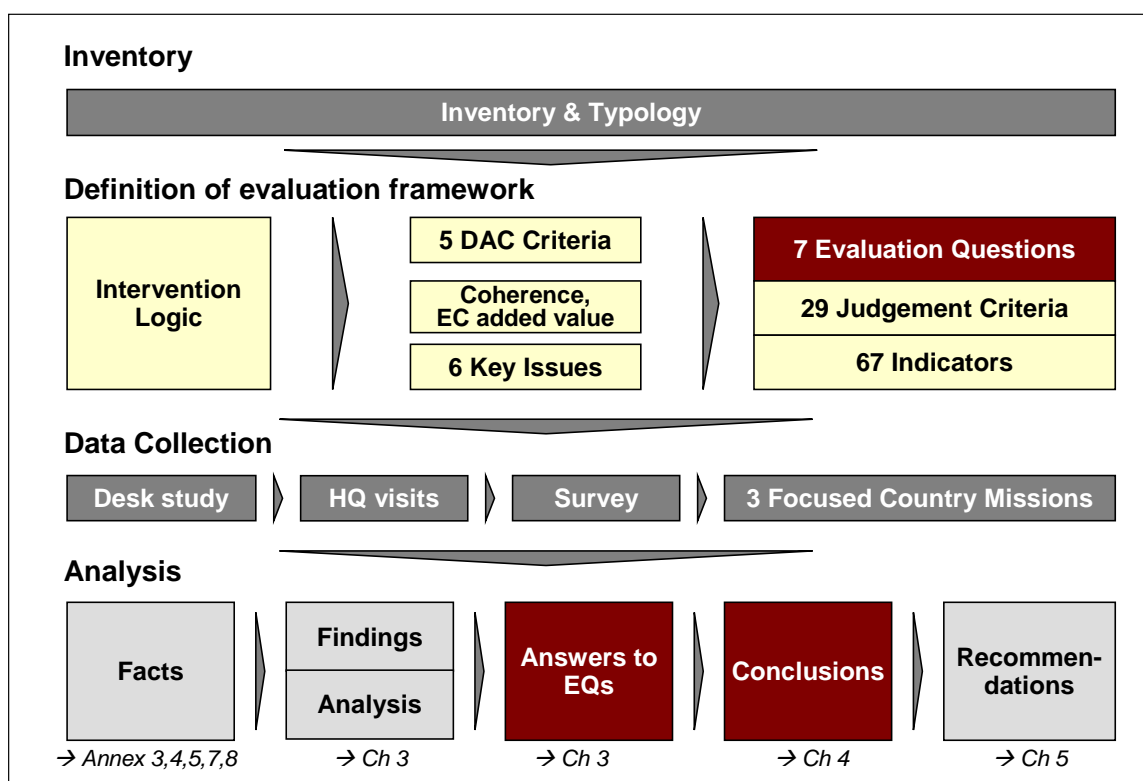
- **Inventory Note**, containing an inventory and typology of the funds channelled by the Commission between 1999 and 2006 ;
- **Inception Report**, focusing on the methodological framework of the evaluation ;
- **Desk report**, providing, following a documentation analysis, preliminary findings, hypotheses to be tested, and details of information gaps to be filled for each Evaluation Question ;
- **Extended desk report** on request of the Reference Group, including the results of a Survey launched subsequent to the desk report, as well as a specific study on the contribution to the HIPC initiative ;
- **Draft final report**, presenting the answers to the Evaluation Questions, an overall assessment, and the Conclusions and Recommendations.
- **Final report.**

The evaluation was supervised by the Joint Evaluation Unit and followed by a Reference Group (RG) chaired by the Joint Evaluation Unit and composed of members of the Commission’s DGs RELEX, DEV, AIDCO, and ECFIN. In addition, consultative meetings were organised with the WB and EIB at key stages of the evaluation process, as described below in Section 2.

## 2. Evaluation approach and information sources

### 2.2.1 A structured approach

Diagram 1 – Structured Evaluation Approach





As shown in the diagram above, the evaluation employed a carefully-designed approach consisting of structured stages aiming at providing sound evidence-based answers to the Evaluation Questions, and useful conclusions and recommendations. The main elements can be summarized as follows:

- The first step aimed at obtaining a comprehensive overview of the subject of the evaluation. To this end a **detailed inventory and typology** of funds channelled through Development Banks and the EIB was constructed ;
- The second step aimed at defining precisely the issues to be investigated as well as the manner in which they needed to be tackled. This was based on two elements, constituting the basis for the **evaluation framework**. First a reconstruction of the objectives the Commission pursued through its channelling of funds and, second, the identification of targeted evaluation questions on this basis. The exact data to be collected for answering the evaluation questions was also predefined by specifying the judgement criteria and indicators on which answers to the evaluation questions would be based;
- The third step consisted in the **data collection** as such, which took place through four stages :
  - First **desk study** was undertaken, based on document and data analysis, as well as interviews at EC headquarters;
  - **Headquarters visits** were also undertaken to the WB and EIB;
  - Then, an extensive **Survey** among Commission task managers was organised (complemented by telephone interviews with respondents), with targeted questions building on the preliminary findings and hypotheses from desk study and headquarters visit;
  - Finally, three **focused country missions** were organised to fill remaining information gaps and test preliminary findings and hypotheses from previous stages with experience at country-level.
- The last step was dedicated to the **analysis** of the data collected with a view to construct answers to the evaluation questions. For each evaluation question, the team constructed balanced answers using the building stones that are the indicators and judgement criteria. Information from mainly document analyses, the Survey and interviews conducted at different levels were combined and cross-checked; this served as basis for developing the argumentation. The findings obtained in this manner were tested on their factual accuracy with representatives of the Commission, the EIB, and the WB. On that basis conclusions and recommendations were formulated and an overall assessment provided.

The factual information on which the evaluation is based is provided into detail in a number of documents, namely:

- Annex 3 – Description Fiches for the selection of interventions
- Annex 4 – Data Collection Grid for the selection of interventions
- Annex 5 – Study of the EC contribution to the HIPC Initiative
- Annex 7 – Survey results
- Annex 8 – Country missions' debriefing presentations
- Inventory Note

## 2.2.2 Detailed description of the different building stones of the evaluation

### *Inventory*

As mentioned above, the evaluation started with an in-depth inventory of the funds channelled through Development Banks and the EIB in order to gain an understanding of the funding being evaluated. The resulting Inventory Note provided a detailed inventory and typology of these funds and is a separate output of the evaluation.

This work was particularly challenging since no such overview and typology had existed previously, and since the information required for this task was hard to retrieve (*see section 3 Challenges and limits*).

In order to provide this inventory and typology, three types of information source have been used:

- Databases:
  - from the Commission: Common RELEX Information System (CRIS), On Line Accounting System (OLAS), Accrual Based Accounting (ABAC);
  - from the WB.
- General documentation was reviewed mainly to develop an overall understanding of the administrative and legal framework, and the system of governance for channelling of funds to the Development Banks and the EIB. It also proved useful for achieving first insights into the types of intervention funded and for filling in some of the information gaps in the databases.
- Interviews with key persons at the Commission and in the WB Group permitted better understanding of the information extracted from the databases and from the first documentary analysis.

With the information collected, the evaluation team drafted an Inventory Note which formed an integral part of the deliverables of this evaluation.

### *Definition of the evaluation framework*

The backbone of the evaluation consisted of a reconstructed intervention logic aimed at determining the objectives pursued by the Commission when delivering aid through the WB and the EIB. As this evaluation concerned an *aid delivery modality* the evaluation team reconstructed a **two-dimensional intervention logic**, with objectives in terms both of delivery of aid to beneficiaries and of the cooperation process with the WB and EIB.

The intervention logic is presented in a diagram which shows the hierarchy of **objectives** pursued by the Commission when channelling its aid through the DBs or EIB. This is then mirrored by a hierarchy of **impacts** representing, for each level of objectives, the corresponding expected impacts or outcomes. These diagrams and an explanation of how the intervention logic was reconstructed are presented below in Appendix 1 .

This intervention logic constitutes the basis for defining a set of Evaluation Questions (EQ), furthered structured with the aid of a set of Judgement Criteria (JC) and Indicators. The full set of EQ, JC and Indicators is presented in Annex 2.

For the present evaluation seven Evaluation Questions were formulated and are presented in the box overleaf:

### Box 1 - The Evaluation Questions

<b>EQ 1 on Guiding Criteria</b>
To what extent are decisions to channel aid explicitly motivated and based on formal guidance criteria (guidelines, policies, Communications...)? Do these formal guidance criteria provide the rationale for the observed evolution of channelled aid?
<b>EQ 2 on Scaling-Up</b>
Did the channelling contribute to scaling-up of development aid?
<b>EQ 3 on Results/Impact</b>
To what extent did channelling through IFIs contribute to achieving sustainably the intervention objectives the Commission targeted when channelling its funds?
<b>EQ 4 on Expertise</b>
To what extent did channelling through IFIs enable the Commission to offer a broader range of expertise and instruments to the beneficiaries?
<b>EQ 5 on Cost Reduction &amp; Implementation</b>
To what extent did the Commission's channelling of funds contribute to swifter implementation and lower transaction costs?
<b>EQ 6 on Visibility</b>
To what extent did Commission channelling contribute to the visibility of the EC support vis-à-vis its taxpayers, the beneficiaries, the partner countries, its MS and the international community? To what extent did it enhance its ability to promote EU policies and priorities?
<b>EQ 7 on Coordination &amp; Complementarity</b>
To what extent did aid channelling improve coordination between the Commission and EU MS and complementarity between the Commission and other donors?

The EQs also addressed the five **evaluation criteria** (**relevance, efficiency, effectiveness, impact and sustainability**) of the Development Assistance Committee (DAC) of the OECD, along with **coherence**<sup>2</sup> and **EC added value**. They also addressed a number of **key issues** of particular importance for this evaluation, some of them identified as fields of interest in the Terms of Reference. They are listed in the box below along with the questions asked in relation to each of them.

### Box 2 – Key issues

<b><i>Evolution</i></b>	What explains the evolution of funds channelled through the IFIs over recent years? Is it the fact that it is an easier way of disbursing funds or does it reflect a deliberate, justified policy?
<b><i>Accountability</i></b>	Accountability includes <i>inter alia</i> earmarking, reporting, verification procedures: how can the Commission be accountable for the use of its channelled funds without imposing excessively complicated procedures and controls that may compromise the efficiency and effectiveness of activities? Are the existing administrative provisions conducive to good accountability, efficiency and effectiveness? Do the recipient institutions respect the administration agreements, in particular with regard to global funds & partnerships (cf. fiscal agent)?
<b><i>Visibility</i></b>	How to ensure visibility <i>vis-à-vis</i> the Court of Auditors, taxpayers, beneficiaries, the channelling agencies and the rest of the world, despite subscribing to international commitments that entail merging of Commission funds with those of other donors and moving towards harmonised procedures, ultimately those of the beneficiary. Visibility is therefore a major issue in the context of accountability, of political visibility <i>vis-à-vis</i> the beneficiary and other donors, of influence in the channelling institutions, and in motivation of taxpayers.
<b><i>Added value</i></b>	What is the added value of channelling through IFIs for the beneficiary? What is it for the Commission? What is it for the MS, i.e. why should MS channel their funds via the Commission for eventual transfer to other institutions?
<b><i>Management</i></b>	Are the management capacities and the available resources in time and staff sufficient to allow the Commission to manage adequately the increasing volume of funds channelled through the Development Banks and EIB?
<b><i>Financial instruments</i></b>	Does channelling through international financial institutions, such as the WB Group and more specifically the EIB, make available more flexible and comprehensive (financial) instruments?

<sup>2</sup> Defined as “the non-occurrence of effects of policy that are contrary to the intended results or aims of policy”

<sup>4</sup> See Annex 12 : Evaluation tools and checklist

These linkages between, on the one hand, the seven EQs and, on the other hand the five DAC criteria, coherence, EC added value and the key issues, are illustrated in the table below.

**Table 1 – Coverage of the DAC evaluation criteria, coherence, EC added value, and Key Issues by the Evaluation Questions**

<i>DAC evaluation criteria</i>	EQ1 Guiding Criteria	EQ2 Scaling-Up	EQ3 Results & Impact	EQ4 Expertise	EQ5 Implement. & Cost Red.	EQ6 Visibility	EQ7 Coordin. & Complem.	All EQs
Relevance	■			■			□	■
Effectiveness		■	■	□	■			■
Efficiency			□		■		□	■
Impact		■	■					■
Sustainability			■					■
<i>Coherence, EC added value</i>								
Coherence	□					□		■
EC added value		■	■		■		■	■
<i>Key issues</i>								
KI.1 Evolution	■							■
KI.2 Accountability			■		■	■		■
KI.3 Visibility		□				■		■
KI.4 Added Value		■	■	■	■	■		■
KI.5 Management			■					■
KI.6 Financial Instruments		□		■				■

■ Largely covered      □ Tackled

### *Data collection*

Data was collected and cross-checked *via* a number of information sources and employing several evaluation tools<sup>4</sup> (as described above under 2.2.1), The table below provides an overview of the different sources and tools used; indication is thereby provided of the funding covered by each source and tool, through both the WB and the EIB.

**Table 2 – Indicative coverage of funding by the evaluation approach<sup>6</sup>**

Elements of evaluation approach	WB		EIB	
	# TFs	€	Instruments <sup>8</sup>	€
<b>Inventory and Typology</b> (of Total funding)	83 TFs	€2.8bn	IS, TA, RC, Debt	€1.3bn
<b>Desk study</b> on selection of interventions (including specific study on HIPC)	14 TFs	€2.2bn	IS, TA, RC, Debt	€1.0bn
<b>Survey on WB TFs</b> (to Commission task managers)	45 TFs	€2.2bn	<i>n.a.</i>	<i>n.a.</i>
<b>Telephone interviews</b> (with task managers of TFs surveyed)	9 TFs	€491m	<i>n.a.</i>	<i>n.a.</i>
<b>Focused country missions</b> (of desk study interventions)	5 TFs	€165m	IS, TA	€62m
<b>Monitoring reports (ROM)<sup>9</sup></b>	16 TFs	€201m	5 IS	€36m
<b>General study of transversal and strategic-level issues</b>	Overall (482 documents consulted of which 315 used)			
<b>Interviews at Commission, WB and EIB HQ</b>	Overall (105 interviews with 158 persons met)			
<b>Consultation of specific experts</b>	Overall (3 sessions held involving 5 senior experts)			
<b>Consultative approach with EIB and WB</b>	Overall (triple consultation at key stages of evaluation)			

These information sources and evaluation tools are described hereunder:

- **Inventory and Typology:** for the inventory and typology, data collection aimed at being comprehensive and accordingly covered all Development Banks and the EIB (*see the Inventory Note*).

<sup>6</sup> These numbers cannot simply be added as they partially cover same interventions. As an example, desk study covered contributions to 14 WB TFs, of which all the largest, for an amount of €2.2bn; the Survey covered 45 TFs, including most but not all the 14 TFs from the desk study, which happened to represent also an amount of €2.2bn (as one relatively large contribution of the desk study was not part of the Survey).

<sup>8</sup> Interest rate subsidies (IS), technical assistance (TA), risk capital operations (RC), debt relief

<sup>9</sup> These 164 monitoring reports cover 127 interventions of which 124 are additional to the desk selection and represent commitments of around €400m. It should be noted that none of these interventions is among the ten largest projects implemented through the UN family.

- **Desk study on a selection of interventions:** seventeen WB and EIB interventions were selected for desk study<sup>12</sup>, with a view to covering a large proportion of the funding (including the eight largest contributions to WB TFs), as well as major types of TF, instrument, region, theme, and so on. For the large contribution to the HIPC Initiative, a specific study was undertaken<sup>13</sup>. The table below provides an overview of this selection; information on these interventions is provided in Annex 3 and in a common data collection grid in Annex 4.

**Table 3 – Selection of interventions for desk study / country missions<sup>14</sup>**

WB/ EIB	Intervention abbreviation	Desk/ Country	Intervention full name	Commission contribution
WB	ARTF	Desk	Afghanistan Reconstruction Trust Fund	€142m
	PFMR	Desk	The Public Financial Management Reform Trust Fund in West-Bank and Gaza	€80m
	TFET	Desk	Trust Fund for East Timor	€55m
	WB ITF	Desk	World Bank Iraq Trust Fund	€120m
	MDF	Desk	Multi-Donor Fund for Aceh and Nias (relating to the Indian Ocean tsunami)	€203m
	CGIAR	Desk	The Consultative Group on International Agricultural Research	€114m
	GFATM	Desk	The Global Fund to fight Aids, Tuberculosis, Malaria	€443m
	HIPC TF	Desk	Highly Indebted Poor Country WB Trust Fund	€934m
	AFLEG	Desk	Support to the Africa Forest Law Enforcement and Governance process	€1m
	PSNP	Desk+ Country	Productive Safety Nets Programme (Ethiopia)	€98m
	PRSC	Desk+ Country	Poverty Reduction Support Credits (Ethiopia)	€52m
	PFM	Desk+ Country	Public Financial Management Modernisation in Vietnam	€2m
	HEMA	Desk+ Country	Support to the Health Care Fund for the Poor under the Health Care Support to the Poor in the Northern Uplands and Central Highlands Project (Vietnam)	€11m
TFF/VCF	Desk+ Country	Support to the Vietnam Trust Fund for Forest and Support to the Vietnam Conservation Fund	€3m	
EIB	FEMIP Support Fund	Desk+ Country	The Support Fund for the Facility for Euro-Mediterranean Investment and Partnership	€105m
	Interest rate subsidies MEDA	Desk+ Country	Interest rate subsidies in MEDA countries through the European Investment Bank	€155m
	Risk capital Lomé IV	Desk	Risk capital operations under the Lomé IV Convention through the European Investment Bank	€534m

<sup>12</sup> The selection at the desk stage consisted of 12 WB and EIB interventions, complemented by a desk study for the additional interventions in the countries visited.

<sup>13</sup> See Annex 5 : Study of the EC contribution to the HIPC Initiative

<sup>14</sup> See description fiches for the selection of interventions in Annex 3 and data collection per indicator in Annex 4

- **Survey on WB TFs:** A Survey of WB TFs was organised in this evaluation to collect the views of Commission staff in charge of follow-up of TFs in HQ and Delegations. It aimed at covering to the maximum extent possible the Commission contributions to WB TFs of all sizes, in all regions, in all sectors, and so on. Commission task managers could be identified for 60 of the 83 TFs. Responses to the Survey were received for 45 out of 60 TFs (75%) covering 92% of the funds channelled during the period 1999-2005. Details of the Survey set-up and Survey data can be found respectively in Annexes 6 and 7. Nine complementary telephone interviews with Survey respondents were organised to further investigate issues related to Survey responses and the overall evaluation.
- **Focused country missions:** Three focused country missions were undertaken, one in Morocco for EIB interventions and, as recommended by the Commission, one each in Vietnam and Ethiopia for WB TFs. They were prepared in close collaboration with the Delegations of the European Commission (DEC) and the Joint Evaluation Unit. Prior to the visits full outlines of the missions (*see Appendix 2*) were sent to the respective DEC indicating the overall context and purpose of the evaluation, the meetings requested, a tentative schedule of the types of topic to be discussed for each Evaluation Question and the information gaps identified. They allowed completion of information gathered from the desk study and Survey through the experience of Delegation staff and stakeholders in the country capitals (national authorities, local WB and EIB staff, WB HQ staff through video-conference, EU MS, other donors, etc.). Extensive briefings and debriefings with Delegation staff were held during the country missions.
- **Monitoring reports:** A study was undertaken on the available Commission's results-oriented monitoring (ROM) reports on contributions to WB TFs and on interest rate subsidies on EIB loans. It provided information complementary to the other information sources and a number of concrete examples.
- **General study of transverse and strategic-level issues:** nearly 500 documents were consulted for this evaluation, of which more than 300 were used<sup>15</sup>. In addition to intervention-specific documents, key information was identified through a review of transversal assessments and evaluation reports, as well as through a review of a wide array of strategic documents such as Communications, Declarations and Regulations, and legal agreements relating to cooperation between the Commission and the Development Banks and EIB.
- **Interviews at Commission, WB and EIB HQ:** more than a hundred interviews were conducted for this evaluation<sup>16</sup>, notably through headquarters visits, in **Brussels** for the Commission, in **Washington DC** for the WB and in **Luxembourg** for the EIB, in addition to the country mission interviews.
- **Consultation of specific experts:** meetings were organised by the evaluation team at different stages of the process with several experts of particular interest for this evaluation, notably with evaluators from the recently completed "*Evaluation of*

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<sup>15</sup> See Annex 10 Bibliography

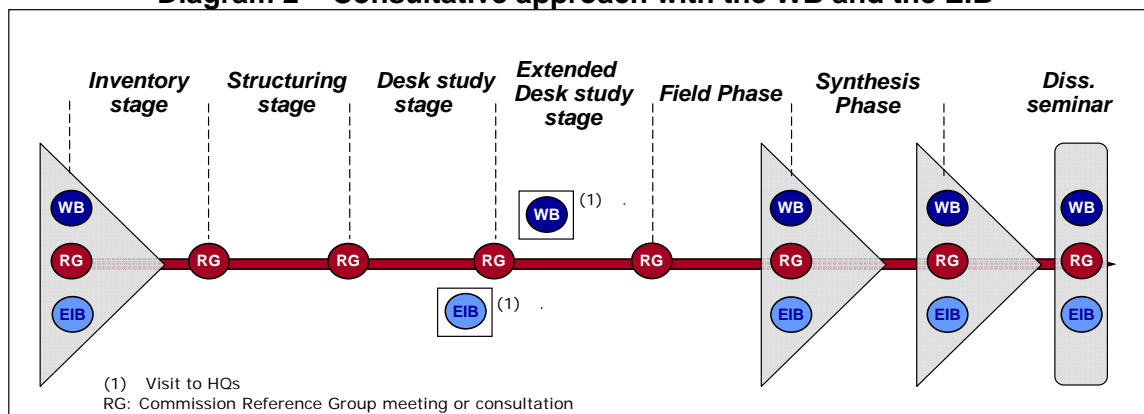
<sup>16</sup> See Annex 9 List of persons interviewed



Commission's external cooperation with partner countries through the organisations of the UN family<sup>17</sup> and from the ongoing "Evaluation of the Council Regulation N° 2698/2000 (MEDA II) and its implementation", both realised by ADE. It allowed cross-fertilisation from various experiences and cross-checking of facts and findings common to those evaluations.

- **Consultative approach with EIB and WB:** in addition to the Commission Services consulted throughout the whole evaluation process (DGs RELEX-DEV-AIDCO and ECFIN) and to the visits to WB and EIB headquarters, the WB and the EIB were informed and consulted at key moments of the evaluation. This took place essentially at three points in the process: (i) the inception of the evaluation exercise; (ii) following the data collection process consisting of the desk study, Survey and focused country missions; and (iii) on during preparation of the draft final report. It allowed the team to receive suggestions and insights from the WB and the EIB.

**Diagram 2 – Consultative approach with the WB and the EIB**



## Analysis

The analysis started with assembling for each evaluation question the information collected through the different sources mentioned above. This information was then cross-checked and analysed to allow formulation of findings. These findings were then validated during extensive debriefings with representatives of the Commission, WB and EIB.

On that basis the evaluation team formulated answers to the Evaluation Questions, drawing on the different Judgment Criteria. The combination of answers to the different Evaluation Questions (*see chapter 3 in the main report*) allowed the team to formulate more general judgments in the form of Conclusions (*see chapter 4*) and, on that basis, propose a set of Recommendations (*see chapter 5*).

The answers to the Evaluation Questions and the Conclusions were then presented to and discussed with representatives of the Commission, WB and EIB.

<sup>17</sup> The final report of this evaluation was released in May 2008

### 3. Challenges and limits

The evaluation was confronted with a number of challenges and limits, some of which derived from its specific characteristics. They related mainly to the following:

- **Limited existing knowledge of channelling:** The evaluation had an exploratory nature in that there was limited existing knowledge within the Commission on the detailed composition of the financial flows evaluated. Only limited and general information on the Commission's channelling of funds through the Development Banks and EIB was available at the start of the evaluation. The characterisation of the subject to be analysed constituted an integral part of the evaluation exercise itself. As a consequence and given the limited availability of information (*see below*), the evaluation team had to devote substantial effort to providing an inventory and typology of the channelling of funds.
- **Evaluating an aid delivery modality:** as mentioned above, the evaluation also had an exploratory character in respect of the need to define an approach to evaluating an *aid delivery modality*, requiring not only assessment of degree of achievement of the Commission's objectives in terms of aid delivery, but also a focus on the *process* of channelling aid through other agencies. This challenge was addressed mainly through the two approaches already explained, namely:
  - the reconstruction of a two-dimensional intervention logic: objectives in terms, first, of delivery of aid to beneficiaries and, second, of cooperation with the WB and EIB; addressing both dimensions through a single hierarchy of objectives allowed provision of a solid reference framework for the evaluation and facilitated the definition and structuring of relevant Evaluation Questions; *and*
  - a consultative approach with the WB and the EIB (*see above*).
- **Scope and complexity:** the evaluation encompassed the channelling of funds through all Development Banks and the EIB for the inventory, and through the WB and the EIB for the evaluative assessment as such. This represented a considerable amount of funding (€4.5bn over the period 1999-2006) that had evolved over the years, in 2006 reaching levels of €500m for the WB and €150m for the EIB, representing respectively around 8% and 2% of total RELEX-DEV-AIDCO aid in 2006. It covered two large organisations of a different nature. Moreover it covered several regional cooperation agreements (such as the Lomé IV Convention in the ACP region), a variety of themes and sectors (e.g. post-conflict reconstruction, debt relief, health, environment), a variety of instruments (e.g. trust funds, interest rate subsidies, risk capital operations), and so on. The definition of the evaluation approach needed to take account both of the scope and complexity and of the available budget; the instruments and tools used in this context nevertheless allowed both broad coverage and substantiation and cross-checking of detailed findings.
- **Focus:** Both the WB and the EIB were systematically covered throughout the evaluation approach, in accordance with the scope defined for this evaluation. It should

however be clear that, while also covering the EIB, this evaluation had a clear focus on the WB since its launching (including in the requests of the ToR). Accordingly the evaluation dedicated more resources to Commission contributions to the WB (e.g. a Survey on WB TFs, two field missions on WB TFs, etc.). This allowed on some issues a more detailed and illustrated coverage of channelling through the WB.

- **Access to accurate and readily available information:** obtaining adequate information from within the Commission on aid channelled through the Development Banks and EIB proved difficult and costly in time and resources. First, information available in the Commission databases was not easily retrievable and not very detailed or complete (the Inventory Note provides more clarification on this issue). Second, the team was confronted by “institutional memory” limits at both Commission HQ and Delegation levels. The evaluation team compensated for these two limitations by means of the inventory and typology exercise undertaken at the start of this evaluation and by cross-checking of information with various sources.



## Appendix 1: Intervention Logic

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This appendix presents the reconstructed intervention logic underlying the delivery of Commission's aid through Development Banks and EIB. It is a prerequisite for the evaluation since it permits both an understanding of the hierarchy of objectives assigned to the channelling of funds for development aid delivery via these institutions and also a demonstration of how this particular process of disbursing aid is expected to contribute to the overall objectives pursued by the development cooperation policy of the Commission. It therefore constitutes the basis for formulating the evaluation questions and serve as the benchmark against which the activities are evaluated.

The intervention logic for aid delivery via these institutions reveals four characteristics that need to be stressed.

First, unlike more traditional intervention logics that describe projects or programmes, it describes a process. In other words, this intervention logic does not attempt to describe, for example, why and how the Commission is conducting a project in the education sector in a particular country, but rather why it has opted for funding such an activity by channelling its funds through a Development Bank or the EIB instead of opting for other possible alternatives (undertaking it alone, with other partners, or not at all). Thus this intervention logic essentially analyses a particular form of cooperation and coordination of the Commission's international assistance via multilateral institutions.

Second, this is not an *a priori* but an *ex post* or reconstructed intervention logic. This second characteristic derives largely from the first. When a project or a programme is designed it is normally based on elaboration of a logical framework that precedes the launch of the intervention and provides the basis for deciding whether or not to engage in it. Afterwards it normally becomes the benchmark against which to monitor and evaluate it. A process is often not the object of such a formal approach and, moreover, it evolves pragmatically over time in response to lessons drawn by trial and error and continuous attempts to improve it. Donor coordination and the elaboration of tools aimed at facilitating and improving it has followed a similar pattern. The intervention logic underlying this evaluation describes as faithfully as possible a rationale that has developed along with, and sometimes prior to, the international thinking on how to improve aid effectiveness that led to the Paris Declaration. This rationale might have been different if it had been designed after the Paris Declaration (and related declarations) and with a view to translating it as effectively as possible into the day-to-day practice of development aid. This consideration is important in highlighting that the intervention logic does not represent an ideal rationale for channelling aid but describes the result of the pragmatic process which the Commission has gradually developed.

Third, there are specific reasons for intervening through IFIs rather than other institutions. In addition to general reasons for channelling funds (e.g. harmonise procedures, simplify management, ensure presence in multidonor activities), channelling funds through IFIs may enable the Commission to have access to their expertise and experience in financial

matters (e.g. capital lending operations), to mobilise additional (types of) financial resources (e.g. loans), and to enable more flexible and comprehensive financial instruments (e.g. interest rate subsidies, risk capital investments).

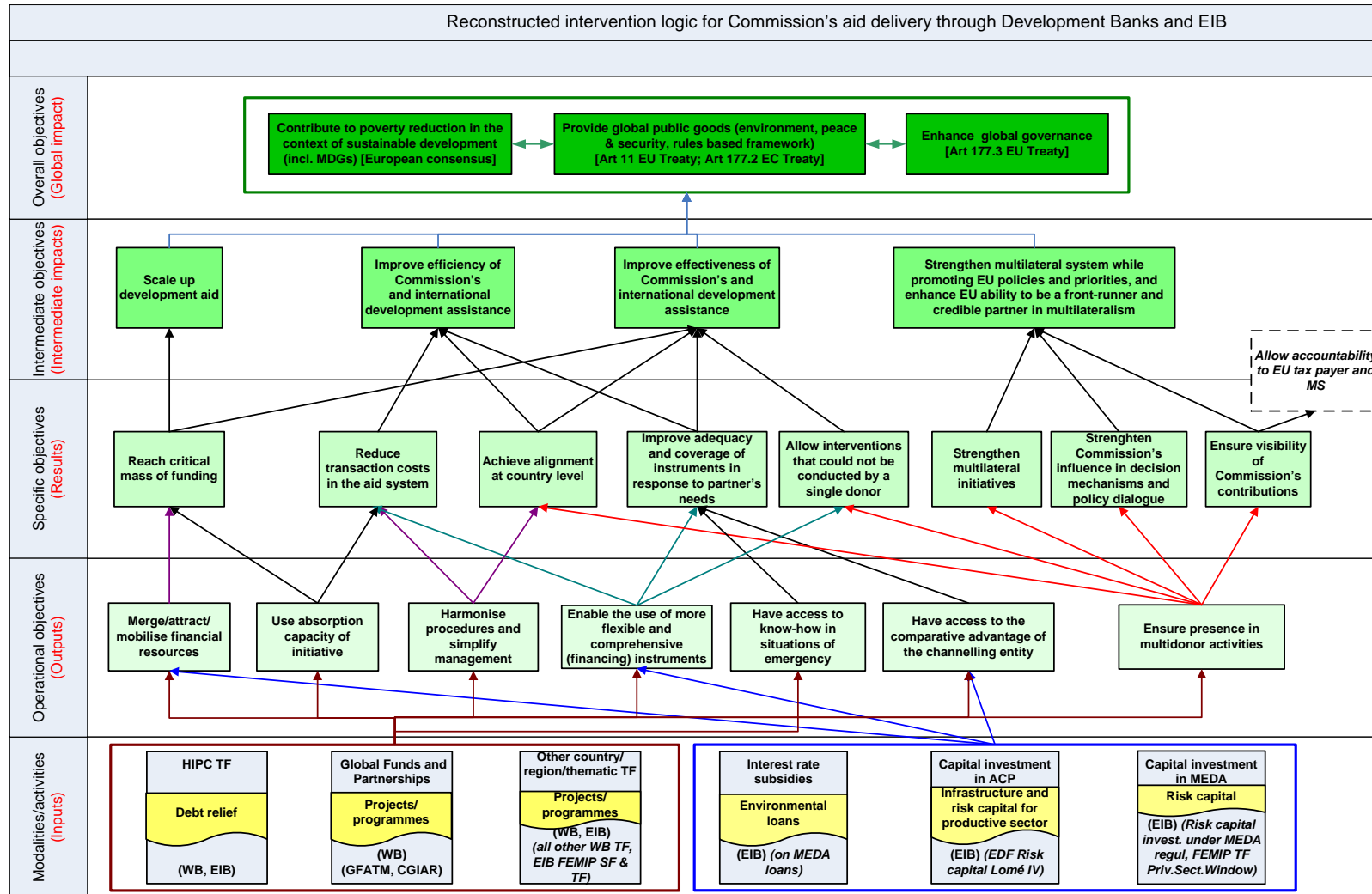
Fourth, the underlying rationales for channelling development aid through the WB Group and through the EIB can be grasped in one single intervention logic, although there are differences. The EIB is an EU-institution, owned by EU MS, which aims at supporting EU priorities and policies. The Commission has a seat in the EIB Board<sup>19</sup> and a direct role in the decision-making process. EIB funding is reportedly seen as part of a 'European package'. Several modalities and related activities specific to cooperation with financial institutions were used principally with the EIB over the evaluation period. This concerns for instance interest rate subsidies and risk capital operations. Despite these differences, the Commission's objectives (at the different levels) for channelling funds through the EIB were largely similar to those for the WB Group. In particular, such channelling in relation to ACP countries aimed mostly at contributing to the Millennium Development Goals (MDGs), while that relating to MEDA countries aimed mostly at provision of global goods, notably political stability and security in this region.

The intervention logic is represented in the objectives diagram (figure 1), which shows the hierarchy of objectives pursued by the Commission when channelling its aid through the Development Banks or the EIB. It can be mirrored by a hierarchy of impacts representing, for each level of objective, the corresponding expected impacts or outcomes, materialisation of which has to be verified by the evaluation. Such an expected effects diagram is presented in figure 2.

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<sup>19</sup> More details on the mandate and role of the IFIs are provided in the Inventory Note.

Figure 1 – Intervention logic of Commission's aid delivery through DB and EIB – Objectives diagram



The diagram has five distinct layers: overall objectives, intermediate objectives, specific objectives, operational objectives, and modalities/activities.

The highest layer in the hierarchy of objectives identifies the **overall objectives**. These are the overall objectives the Commission seeks to achieve with its development aid. They are derived from a series of major, highly-authoritative documents. These are represented in three groups mutually supporting and linked to each other:

- **Poverty reduction in the context of sustainable development (incl. MDGs).** The overarching objective of the Commission's aid is indeed poverty reduction in the context of sustainable development. It encompasses the pursuit of the MDGs. It is prescribed in many official documents such as the Treaty, the Cotonou Agreement and other partnership agreements, and reaffirmed in the European Consensus on Development ("the European Consensus", 2006)<sup>20</sup>.
- **Provision of global public goods,** such as environment, peace and security, rules-based framework. Again, this is a major objective of the Commission mentioned in the Treaty establishing the European Union (EU), as well as in the Treaty establishing the European Community (EC). It goes beyond the development objectives that can be pursued bilaterally insofar as it responds to global challenges. Art.11 of the EU Treaty makes clear that this is an overall objective of the EU's external relations<sup>21</sup>. Moreover, it is reaffirmed in the European Consensus<sup>22</sup>.
- **Enhancing global governance** is a key principle of the EU's external relations. It is also affirmed in the Treaty establishing the Union (Art 177.3), and reaffirmed in the European Consensus.<sup>23</sup> It is also expressed in the official Commission's Communication on *The choice of multilateralism* (COM(2003)526<sup>24</sup>).

These overall objectives are the overarching goals of all the external aid activities of the Commission; the intervention logic attempts to establish how the modalities/activities of aid channelling are supposed to contribute to their materialisation and through which chain of intermediate objectives.

<sup>20</sup> "The primary and overarching objective of EU development cooperation is the eradication of poverty in the context of sustainable development, including pursuit of the Millennium Development Goals." (§5)

<sup>21</sup> "The Union shall define and implement a common foreign and security policy covering all areas of foreign and security policy, the objectives of which shall be: to safeguard the common values, fundamental interests, independence and integrity of the Union in conformity with the principles of the United Nations Charter; to strengthen the security of the Union in all ways; to preserve peace and strengthen international security, in accordance with the principles of the United Nations Charter, (...); to promote international cooperation; to develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms. (...)."

<sup>22</sup> § 107 of the European Consensus on Development: "The Commission will continue to contribute to global initiatives that are linked to the MDGs and to global public goods. Global initiatives and funds are powerful instruments for launching new political measures or reinforcing existing ones where their scope is insufficient. They are capable of generating public awareness and support more effectively than traditional aid institutions. This kind of aid should be aligned with national strategies, contribute to the dialogue with countries and aim at the integration of funds into their budget cycles."

<sup>23</sup> See for instance § 13 of the European Consensus on Development: "The EU is strongly committed to effective multilateralism whereby all the world's nations share responsibility for development."

<sup>24</sup> "in order for the EU to contribute more effectively to the strengthening of the multilateral system regarding **finance, economic and development** issues, and to ensure that its policy preferences are more consistently reflected, the nature of EU representation in the World Bank and the IMF should be kept under review." p. 20.



Starting from the lowest part of the diagram one encounters the first layer, namely.

***Modalities/activities.***

The modalities are associated with particular activities (the yellow icons in the centre of the modalities icons). These modalities and activities are the “inputs” of the channelling process through IFIs<sup>25</sup>. They are identified on the basis of the inventory of aid channelled through the Development Banks and the EIB that has been compiled as the first step of this evaluation<sup>26</sup>. The modalities and activities (inputs) are:

**Modalities**

**Activities(Inputs)**

*HIPC TF*

This modality is used to intervene in the facility of Highly Indebted Poor Countries (HIPC) and involves channelling of funds via the WB Group and via the EIB.

*Global Funds and Partnerships*

This concerns provision of funding for projects and programmes. It includes technical assistance (TA), training, straight emergency/ post-crisis funding for government, commodities / equipment / infrastructure. This modality involves funding via the WB Group for the Global Fund for tuberculosis, AIDS and malaria (GFTAM) and the Consultative Group on International Agricultural Research (CGIAR).

*Other regional thematic TF*

This relates to all other country/region and thematic trust funds (TF). It is also designed for funding specific projects/ programmes. In addition to the WB Trust Funds, the EIB Facility for Euro-Mediterranean Investment and Partnership (FEMIP) Support Fund and Trust Funds are also part of this modality.

*Interest rates subsidies*

These comprise provision of funds to allow the EIB to reduce the cost of environmental loans by granting an interest rate subsidy.

*Capital investment in the ACP*

This modality refers to the risk capital operations for which EDF resources under the Lomé IV Convention have been channelled by the Commission to the EIB. Since the Cotonou Agreement they have been replaced by the Investment Facility (for which the MS transfer directly the funds to the EIB though). These resources are used for infrastructure investment and risk capital in the productive sectors. They are intended to finance mainly private projects.

<sup>25</sup> The subject of this evaluation is the aid delivery *through* the IFIs. Activities related to parallel co-financing where resources are not pooled nor managed by an IFI are therefore not in the scope.

<sup>26</sup> Evaluation of Commission's aid delivery through Development Banks and EIB, Inventory Note, March 2007.

*Capital investment in MEDA*

This refers to the funds channelled via the EIB to fund risk capital investment in the context of the MEDA Regulation, and via the private sector window of the FEMIP Trust Fund. The main reason is to finance higher-risk activities in the private sector, including equity participations in companies and venture capital funds, risk-shared operations with local banks, loans in local currency and other instruments that meet some parts of local demand better than 'ordinary' EIB loans.

In the diagram these modalities and related activities have been separated into two blocks: the first (bottom left box in figure 2) relates to project and programme funding and entails channelling through the Development Banks and the EIB. The second (bottom right box in figure 2) concerns exclusively funds channelled via the EIB to facilitate mobilisation of loan funds for development or cooperation aid in particular countries or regions.

Modalities and related activities, which are the inputs of the process, lead to outputs corresponding to the **operational objectives**, which comprise the first level of objectives expected from the channelling of funds. Seven groups of operational objectives are listed in the diagram. They were identified on the basis of the preparatory documents (financing proposals, administration agreements etc.) accompanying and governing the channelling of funds (such as the Framework Agreement with the World Bank or the documents describing the different instruments operated with the EIB).

The modalities of the first group of the lower layer (bottom left box in figure 2) are intended to contribute to all the operational objectives, whereas the modalities associated with the capital lending of the EIB (bottom right box in figure 2), are targeted on achievement of three operational objectives: mobilising of financial resources (e.g. loans), access to the expertise of the EIB (e.g. in capital lending operations), and facilitation of more flexible and comprehensive instruments (e.g. interest rate subsidies, risk capital operations).

The **specific objectives** of the channelling process comprise a higher level of objectives. These are identified from key documents governing the channelling of funds such as the Communications from the Commission to the Council and the EU Parliament, following international Conferences/Declaration (e.g. COM(2004) 150 on the Monterrey Consensus, COM(2006) 85 on Financing for Development and Aid effectiveness). These were later reaffirmed in the European Consensus on Development. Eight groups are identified and the specific links with the lower level are shown by the arrows in the diagram. For example, reduction of transaction costs is a specific result derived from the operational objectives of simplified management of complex interventions and of more flexible financing instruments.

The *intermediate objectives* are in fact the reason why the Commission may choose to channel its funds while ensuring that this channelling contributes to its overall development aid objectives. They are supported by a series of high-level documents and international commitments, namely:

- Scaling up of development efforts
  - The Commission has made a binding commitment on this at the Monterrey Conference, followed by the COM(2004)150 on this subject<sup>27</sup>. Moreover, the G8 committed itself in Gleneagles in 2005 to double its development aid by 2010<sup>28</sup>.
- Improving the efficiency of the Commission's and international development assistance.
  - The intermediate objectives relating to efficiency and effectiveness are clear goals of the international community and the Commission. They emerged from the sequence of roundtables and commitments on harmonisation: Washington, Rome, Marrakech, Paris<sup>29</sup>. They are also reaffirmed in the European Consensus<sup>30</sup>.
- Improving the effectiveness of the Commission's and international development assistance.
  - *See precedent intermediate objective on improving the efficiency.*
- Strengthening the multilateral system while promoting EU policies and priorities, and enhancing the EU's ability to be a front-runner and credible partner in multilateralism
  - This is a key objective of the European Community's Development Policy as stated in the COM(2000) 212 and more recently in the European Consensus.<sup>31</sup>. Moreover, the objective is also clearly put forward by the Commission in the COM(2003)526 on *The choice of multilateralism*.

These four intermediate objectives are all meant to contribute, jointly or separately, to the overall objectives described above

<sup>27</sup> COM(2004)150 « Translating the Monterrey Consensus into practice : the contribution by the European Union ».

<sup>28</sup> See § 27 of the G8 Gleneagles summit : "The commitment of the G8 and other donors will lead to an increase of Official Development Assistance to Africa of \$25 billion a year by 2010, more than doubling aid to Africa compared to 2004."

<sup>29</sup> See §1 and §3 of the Paris Declaration on Aid Effectiveness: "As in Monterrey, we recognise that while the volume of aid and other development resources must increase to achieve these goals (MDGs), aid effectiveness must increase significantly as well to support partner country efforts to strengthen governance and improve development performance." (§1) "We are encouraged that many donors and partner countries are making aid effectiveness a high priority, and we reaffirm our commitment to accelerate progress in implementation, especially in the following areas: (...) iv. Eliminating duplication of efforts and rationalising donor activities to make them cost-effective as possible." (§3).

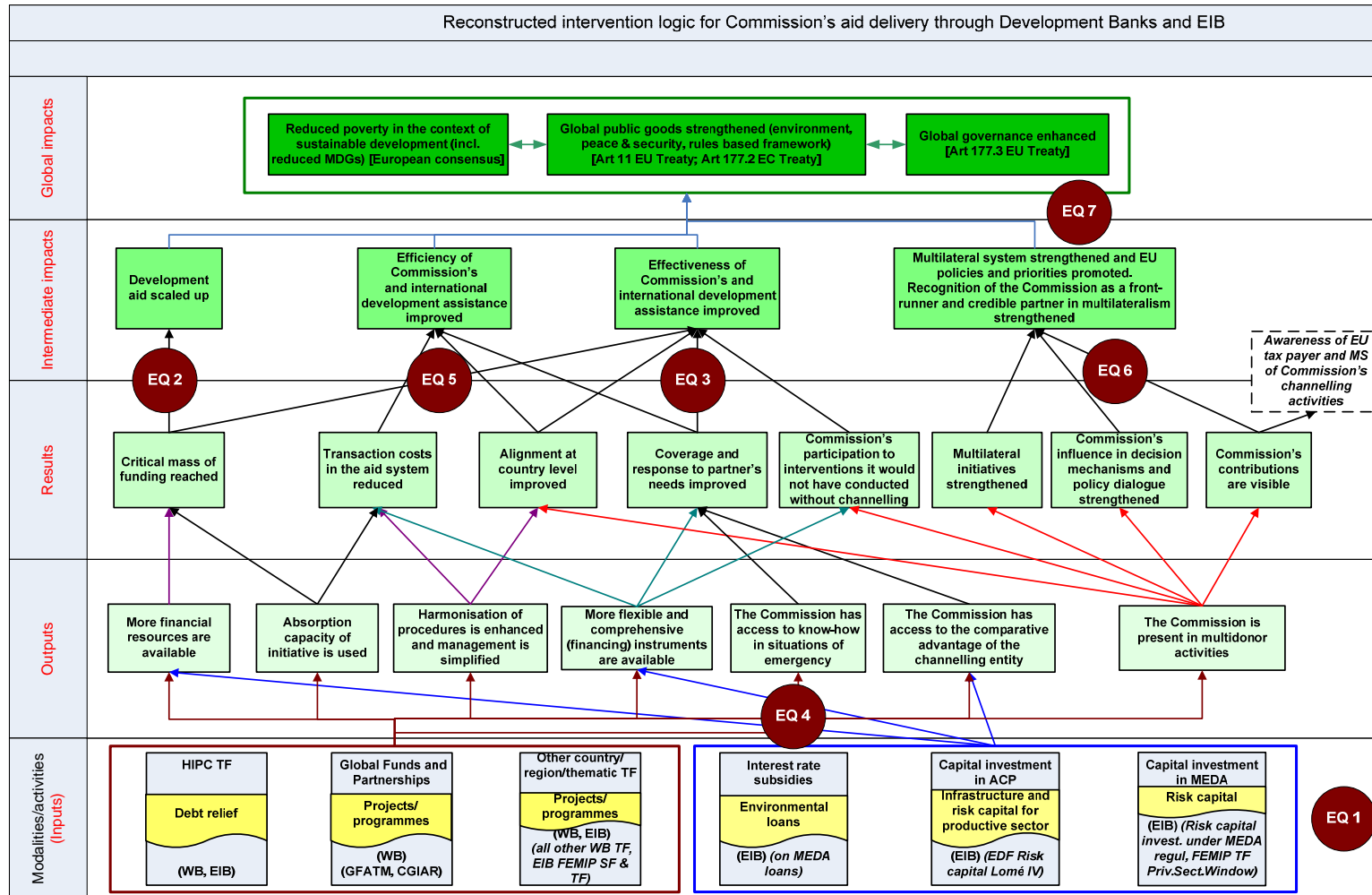
<sup>30</sup> See § 25 of the European Consensus on Development: "As well as more aid, the EU will provide better aid. Transaction costs of aid will be reduced and its global impact will improve. The EU is dedicated to working with all development partners to improve the quality and impact of its aid as well as to improve donor practices, and to help our partner countries use increased aid flows more effectively."

<sup>31</sup> COM(2000)212: (p16) "The special features and value added of Community policy can be identified as follows in relation to the IFIs and other multilateral bodies: The Community's competence is not only on financial and technical aid, but extends to trade, economic and monetary matters and to political issues. This enables it to incorporate these various aspects into development cooperation processes."

An additional intermediate objective which cannot be related to the overall objectives concerns enhancement of accountability to EU taxpayers and the EU MS. Indeed, even while channelling funds the Commission intends to remain sufficiently visible to be accountable to European citizens.

As stated above, this hierarchy of objectives can be mirrored in an expected effects diagram as shown in the figure below. The link between the evaluation questions (EQ) and the intervention logic is also shown in the figure.

Figure 2 – Intervention logic of Commission's aid delivery through DB and EIB – Expected impact diagram





## **Appendix 2: Country visit outline (example for Vietnam)**

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### Overall context and purpose

This visit takes place within the framework of the evaluation of Commission's aid delivery through development banks and EIB, which has been commissioned by the Joint Evaluation Unit of the DGs of EuropeAid, External Relations and Development. The evaluation is carried out by ADE s.a. (Team Leader: Edwin Clerckx).

The purpose of the evaluation is *"to assess to what extent the Commission's interventions through the Development Banks and the EIB have been relevant, efficient, effective and viable and what their impact is on the sustainable development"*. The evaluation covers the period 1999-2006 and concerns all geographical regions where the Commission's co-operation is implemented through the Development Banks and the EIB, except for regions and countries within the mandate of DG Enlargement and the Organisation for Economic Co-operation and Development (OECD).

Information for this evaluation has been collected so far through an extensive desk study, a Survey addressed to Commission task managers in charge of EC contributions to World Bank (WB) managed Trust Funds (TFs), and visits to respectively the WB Headquarters in Washington and to the EIB Headquarters in the Grand-Duchy of Luxembourg.

Three focused country visits are planned (in Vietnam, Morocco and Ethiopia). They will aim at completing the information already collected with the views of stakeholders at country-level involved with Commission-financing of WB Trust Funds or EIB interventions. The purpose will be to discuss with these key stakeholders a number of issues identified in the evaluation process so far.

The evaluation team plans to spend five days in the country with a view to meet stakeholders present in the capital.

### Meeting requests

The visit to Vietnam will concern the Commission contributions to the following TF:

- Vietnam Poverty Reduction Support Credit programme
- Vietnam Multi donor Public Finance Modernisation
- Vietnam Forest Sector Development
- Trust Fund of HEMA project.

The evaluation team would like to agree with the DEC on the interlocutors to be met. From its side, the evaluation team would kindly requests for meetings with the following stakeholders:

- Delegation of the European Commission :
  - The Ambassador

- DEC representative (s) in charge of contacts with the WB office in the country
- DEC Task managers in charge of the Commission contributions to the TFs concerned
- Other DEC task managers involved with the WB or with the sector concerned
- DEC representative(s) in charge of financing and contracting
- DEC Communication officer
- WB Office :
  - WB representative in charge of the WB office
  - WB Manager(s) in charge of the above-mentioned TFs (and possibly of other Commission-funded TF with activities in the country)
  - WB representative in charge of financing and contracting
  - WB Communication officer
- National authorities :
  - The Commission and WB National Counterparts
  - Other relevant national authorities to be identified together with the Delegation
- Other donors (to be identified in close cooperation with the Delegation) :
  - Two EU Member States (involved in the TFs or their sector)
  - One non-EU donor (for instance the UN).

## Tentative schedule

As explained, the idea is to have a focused mission of three days in the country's capital to conduct interviews with key interlocutors. It would be most useful if the team could fix the planning of the meetings in close collaboration with the DEC. The visit would start with a briefing at the DEC to present the evaluation, the purpose of the visit and the first findings gathered so far. A short debriefing would take place at the end of the visit. With a view to facilitate such planning, the table below provides suggestions on how the meetings could be scheduled (specifying also the indicative duration). This will clearly need to be fine-tuned in close collaboration with the DEC.

	Day 1 (DEC)	Day 2	Day 3	Day 4	Day 5
<b>Morning</b>	Briefing DEC (1,5h)	DEC task manager TF3 (1,5h)	WB representative in charge of the WB office (1h)	Commission/WB national counterpart (1h)	Two EU MS (1h each)
	DEC task manager TF1 (1,5h)	DEC person in charge of financing and contracting (1h)	WB manager(s) in charge of the respective TFs	Ministries of the sector(s) concerned	
<b>Afternoon</b>	DEC task manager TF2 (1,5h)	DEC task manager TF4 (1,5h)	WB representative in charge of financing and contracting at the WB (1h)	National counterparts in charge of donor coordination	Meeting with the Ambassador (0,5h)
	DEC communication officer	DEC other task managers (1h)	WB communication officer or equivalent	Other donors	Debriefing DEC (1h - end of the day)



## Type of topics to be discussed

It is suggested to organise the meetings with the different interlocutors mentioned above as semi-structured interviews. These interviews would take place bilaterally, or where relevant as grouped interviews. The table below summarizes the main topics that the team wishes to discuss with the different stakeholders.

<b>Discussion topics</b>	<b>DEC</b>	<b>WB</b>	<b>Nat. Author.</b>	<b>Other donors</b>
<b>Issues related to the decision making process</b>				
Context and reason for the channelling	x	x	x	x
Role of the Commission in this respect: advocacy or alignment	x	x	x	x
Reasons for selecting the WB	x		x	x
Alternatives envisaged	x			
Usefulness of guidelines	x			
<b>Absorption capacity and impact of the Commission contribution</b>				
Role of the absorption capacity of the TF	x		x	x
Catalytic effect of the Commission	x		x	x
Impact of the Commission on reaching critical mass	x	x		
Value-added of the Commission contribution	x	x	x	x
Impact of the Channelling on the level of aid in the country	x		x	x
<b>Follow-up and results obtained</b>				
Organisation of the follow-up by the DEC and interaction with the WB	x	x		
Organisation of the follow-up by the WB		x		
Availability of information on results	x			
Degree of satisfaction with results obtained	x		x	x
Factors having enhanced or hampered the reaching of objectives	x	x	x	x
<b>Expertise provided by the WB</b>				
Description of the specific expertise provided by the WB	x	x	x	x
<b>Efficiency related issues</b>				
Timeliness of the implementation and factors having enhanced or hampered this timeliness	x	x	x	x
Costs related to the channelling	x	x	x	x
Appropriateness of procedures (see also the FA and AA)	x	x		
<b>Visibility and governance</b>				
Applied visibility rules and role of the DEC in this respect	x	x		
Level of awareness about the role of the Commission	x	x	x	x
Degree of satisfaction with visibility	x			
Impact of the DEC on the governance of the TF	x	x	x	x
Role of the DEC in terms of policy dialogue with the country	x		x	x
<b>Coordination and complementarity</b>				
Interaction with EU MS throughout the channelling process	x			x
Other types of intervention of MS in the country				x
Donor coordination mechanisms in the country	x	x	x	x



## **Annex 12 - Evaluation tools and check lists**

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This annex is the second part of Volume IIb on the Evaluation Methodology. It lists the evaluation tools used and describes how and when they were applied during this evaluation. In addition, it provides, where relevant, a checklist completed by the evaluators, describing how the tools were designed and used. These checklists come from the “Evaluation Methodology For European Commission’s External Assistance” published by the European Commission in 2006.



<p><u>Evaluation tool:</u>  <b>Objectives diagram</b> (Structuring Phase)</p>
<p><u>Description:</u></p> <p>As described in Annex 11 Evaluation methodological approach, this evaluation is special in the sense that it concerns an aid delivery modality. The objective diagram has been reconstructed and has two dimensions describing, on the one hand, the objectives in terms of delivery of aid to beneficiaries and, on the other hand, the objectives in terms of cooperation with the WB and EIB. It shows how this particular method of disbursing aid is expected to contribute to the overall objectives of the Commission's development cooperation policy.</p> <p>The objectives diagram constituted the basis for formulating the Evaluation Questions and served as a reference framework for evaluating the interventions.</p>

<b>Objectives diagram checklist for evaluator</b>	
Questions	Answer
<b>Preparation and design</b>	
Has the preliminary analysis of the strategies under evaluation been undertaken?	Yes, this is explained in annex 11
Has the preliminary analysis of the institutions participating in the preparation and implementation of the strategy and/or the programmes been undertaken?	Yes, this is explained in annex 11
Has a list of the relevant documents been established?	Yes, see the bibliography in annex 10
Has the list been submitted to the group in charge of the monitoring of the evaluation?	Yes, it has been submitted to the EC RG
Has the dating of the documents been confirmed by their authors or contributors?	The main documents used are official documents from the Commission
<b>Implementation</b>	
Has a cross-reading of the documentation been conducted?	Yes
Have the missing elements been sought (?) during the test?	Yes
Are hypotheses and uncertainties about the objectives' links clearly stated?	Yes
Did their authors and/or contributors confirm this classification during the test?	The objectives diagram has been tested with the EC RG
Was there a triangulation of the perspectives?	Yes
Have specialists been consulted by means of written exchanges, if necessary?	Comments were provided by the EC RG

<p><u>Evaluation tool:</u>  <b>Interviews</b> (all Phases)</p>
<p><u>Description:</u></p> <p>Two kinds of interviews have been conducted during this evaluation:</p> <p><b>1) Face-to-face interviews</b></p> <p>Face-to-face interviews were held:</p> <ul style="list-style-type: none"> <li>▪ at the start of the evaluation in order to have a global view of the channelling of funds through the Development Banks and the EIB;</li> <li>▪ during the desk study, the extended desk study and the country visits to capture information and facts on the selection of interventions.</li> </ul> <p>The interviews were either:</p> <ul style="list-style-type: none"> <li>▪ open, allowing the evaluation team to understand the global picture and identify the major topics and issues;</li> <li>▪ semi-structured, using an interview guide based on information gaps identified.</li> </ul> <p>These interviews were carried out:</p> <ul style="list-style-type: none"> <li>▪ with Commission staff at HQ in Brussels and in Delegations during country visits;</li> <li>▪ with WB staff at their Brussels Office, at HQ in Washington and during country visits;</li> <li>▪ with EIB staff at HQ in Luxemburg and during country visits;</li> <li>▪ with other key stakeholders such as representatives</li> </ul>

Interviews check list for evaluator	
Questions	Answer
<b>Preparation and design</b>	
Does the list of respondents meet the needs of the evaluation methodology?	Yes, all main stakeholders have been met
Have alternatives been planned by the evaluators in case of cancellation of appointments with the actors?	Yes, through the identification of other interlocutors
If any, has the issue of "representativeness" been solved?	Yes, by cross-checking the information between different respondents' groups
In interviews with representative stakeholders belonging to the evaluation's spotted category, has the respondent's " representativeness " been checked?	Yes, by asking several questions such as the respondents background, his role within the institutions.
Do the interview grids cover all the evaluation issues?	Yes, although some of them focus on specific issues
Does the design of the interview guides vary sufficiently to meet the needs of different categories of stakeholder?	Yes, each interview was designed to include general questions common to all stakeholders and specific questions for the different categories of stakeholder.
<b>Implementation</b>	
Have the evaluators controlled and checked the information collected?	Yes, by cross-checking the information with other respondents and documents.
Does the intended format designed for the debriefing highlight the differences between reliable information and opinions?	Yes, facts and opinions are distinguished
Is the diversity of perspectives, expressed by the various categories of stakeholders, explicitly exposed?	Yes, information from different respondents' groups is clearly indicated

of relevant ministries in partner countries, beneficiaries and other key donors (e.g. EU MS).

In total, 105 interviews were organised and 158 persons were met. Meeting notes for internal use were then drafted after each interview.

## 2) Telephone interviews

Telephone interviews were carefully prepared on the basis of specific interview guides addressing specific issues to be further investigated. They were carried out:

- throughout the evaluation process for specific topics (e.g. HIPC TF);
- after the analysis of the survey results (*cf. Evaluation tool: Survey*) so as to clarify and deepen some specific aspects of the answers to the survey.

<u>Evaluation tool:</u> <b>Survey</b> (Extended Desk Phase)
<u>Description:</u>  <p>A comprehensive survey questionnaire was sent to Commission staff, at Headquarters and in Delegations, identified as responsible for the Commission's contributions to one or more World Bank Trust Funds (WB TF). It covered to a maximum extent the Commission contributions to WB TFs, for all sizes of contribution, in all regions, in all sectors, etc. The purpose was to tackle, for each EQ, the main issues identified through the Desk Phase.</p> <p>This survey questionnaire was prepared by the evaluation team and checked by a professional communication company. It was then submitted to the Joint Evaluation Unit for comments.</p> <p>Once the survey questionnaire was approved, it was placed on a web portal and a pilot test was conducted with two Commission task managers.</p> <p>The survey questionnaire was introduced by a letter sent by the Joint Evaluation Unit. The team also drafted an explanatory note and a clarification note on specific terms used in the questions. Three re-launches of the questionnaire were undertaken to increase the number of responses.</p> <p>Responses to the Survey were received for 45 TFs out of the 60 TFs (or 75%) for which Commission task managers were identified (of a total of 83 TFs). The</p>

Survey check list for evaluator	
Questions	Answer
<b>Preparation and design</b>	
Is the implementation of a structured questionnaire with a representative sample justified by the need of statistical indicators?	The motivation was to extend the information basis
Is the survey carried out with a representative sample?	All identified Commission task managers in charge of a Commission's contribution to one or more WB TF received a questionnaire. The rate of answers was 75%, covering 92% of the funding
Were the questions asked and the answers collected understandable and straightforward?	Yes, see Annexes 6 and 7
Was the length of the questionnaire appropriate?	Yes, see Annex 6
Does the questionnaire have check questions?	Yes, some overlapping questions were asked to check the relevance and coherence of the answers
<b>Implementation</b>	
Has the questionnaire been checked?	Yes, by the Evaluation Unit and two Commission task managers. It was also submitted for comments to a communication company specialised in surveys.
Were the techniques used to conduct the questionnaire with the various categories of respondents (face-to-face questionnaire, by telephone, etc.) coherent?	All respondents were surveyed with a web-based questionnaire
Has a monitoring and control process been organised for the interviewers?	n.a.
Have training or guidance sessions been set up?	n.a.
Were the interviewers independent from the policy / programme under evaluation?	Yes, it was done by the evaluation team



surveyed TFs represented 92% of the funding over 1999-2005. Details on the Survey set-up and Survey data can be found respectively in Annexes 6 and 7

In order to clarify and deepen some specific answers to the survey, nine telephone interviews were carried out with Commission staff (cf. Evaluation tool: Interviews).

Was the number of respondents high enough to be representative?	45 out of 60 (i.e. 75%) identified Commission's task managers responded to the survey (representing 92% of the funding).
Is the degree of accuracy required for quantitative data related to the purpose of the evaluation?	Not specifically
Were the findings proposed and explained to the various categories of stakeholders and beneficiaries?	The findings were included in the answers to the EQ in the main report
Were the findings combined with other tools of information and analyses used by the evaluators?	Yes, the finding of the Survey were cross-checked with the documentary analysis, country missions, interviews and ROM reports

<u>Evaluation tool:</u> <b>Case study</b> (Desk Phase and Field Phase)
<u>Description:</u>  In order to derive in-depth knowledge of concrete and operational aspects of the channelling of Commission's funds through the WB and the EIB, seven case studies (5 for WB TFs and 2 for the EIB) were carried out by the evaluation team in the Desk Phase and strengthened in the Extended Desk and Field Phases.  These cases studies were carried out through different activities: <ul style="list-style-type: none"> <li>▪ a preliminary document analysis;</li> <li>▪ a study on the results of the survey (only for WB TFs);</li> <li>▪ telephone interviews following reception of the answers to the survey (only WB TFs)</li> <li>▪ country visits (2 for WB TFs and 1 for the EIB) which included: <ul style="list-style-type: none"> <li>- an extensive briefing at the Delegation of the European Commission (DEC) on the evaluation and the purpose of the visit;</li> <li>- bilateral or grouped semi-structured interviews with representatives from the DEC, national authorities, local WB and EIB staff, WB HQ staff through video-conference, EU MS, other donors;</li> <li>- extensive debriefings with DEC representatives</li> </ul> </li> </ul>

<b>Case study check list for evaluator</b>	
Questions	Answer
<b>Preparation and design</b>	
Is the use of the case study tool in the evaluation backed up by adequate argumentation?	Yes, the argumentation was presented at the Structuring and Desk Phase
Is the choice of the case study application well-argued?	The choice was based on the recommendation of the EC RG and took into account feasibility issues.
In the context of multiple sites case study, is the number of case studies justified?	Yes, within the budget and time constraints of the evaluation
Has the design methodology been properly elaborated?	Yes, it was prepared at the Structuring Phase and fine-tuned during the Desk Phase
In the context of multiple sites case studies, does the methodology assure consistent reports?	Yes, the field missions were carried out by the evaluation team with internal meeting before and after each mission.
Has a pilot case study been scheduled?	No
Is the use of triangulation clarified in the methodology and included in the mission reports?	Yes, this was included in the methodology for the field missions
Have the sources of information (documentation, interview, monitoring data, direct observation) been included in the mission reports?	All sources of information have been included in the Final Report
Do the methodology and reports distinguish facts from opinions?	Yes, a clear distinction has been made
Is the plan for the development of a chain of evidence well-argued in the mission report?	Yes, it was developed in the Extended Desk report
<b>Implementation</b>	
Does the iterative process, initiated at the collection stage, carry on to the analysis stage, and support the	Yes, through the substantiation of the

	chain of evidence?	indicators, validation or not of the judgment criteria and answers to the evaluation questions
	Were alternative explanations studied and rejected after a full review of the evidence?	Yes, this was done during the Synthesis Phase
	Are the facts supporting the argumentation strong enough to guarantee systematic replication elsewhere?	Yes, see the data collection grids for the facts in annex 4
	Does the analysis include research into causality?	Yes
	Are the techniques used for the analysis of multiple site data set out and argued?	Yes, they had been identified before the country visits
	Is the case study report sufficiently understandable and explicit?	Case study facts are included in the data collection grid
	In the case of multiple case study has the team leader checked the relevance /consistency of the studies ?	Yes, all information from case studies have been checked
	Are the limitations of the impact of the study findings sufficiently well explained?	Yes, limitations are well explained

Other tools (for which a checklist is not provided in the “Evaluation Methodology For European Commission’s External Assistance”)

Evaluation tool:

**Inventory and typology** (Inventory Phase)

Description:

The first step in the evaluation process was the elaboration of an inventory and typology of the Commission funds channelled through the Development Banks and the EIB. This particular exercise was beset with difficulties in gathering the information and data needed to obtain a comprehensive view of the Commission funds channelled through all the Development Banks and the EIB over the period 1999-2006. However, after extensive work by the evaluation team, an Inventory Note was elaborated including, *inter alia*, a global overview of the funds channelled through the Developments Banks and EIB, the main recipients of the Commission’s channelled funds, the key elements in the channelling process and a detailed typology of the funds channelled.

This inventory and typology was then used in the next phases of the evaluation for :

- establishing the main elements of the intervention logic
- selection of interventions and the desk work
- preparation of the survey and interpretation and analysis of the results
- selection of the country missions and case studies.

Evaluation tool:

**Documentary study** (Inventory, Structuring, Desk, Field and Synthesis Phase)

Description:

The evaluation team has conducted an in-depth study of the existing literature at two different levels:

- at general level: Commission Communications and Regulations, Strategic and programming documents, Agreements between the WB/EIB and the Commission, background documents, evaluations from various institutions, working papers on both the EC and WB/EIB sides.
- at intervention level: Administration Agreements, progress and final reports, monitoring and evaluation reports, project identification fiches, general background documents, e-mail exchanges.

In total, 482 documents were consulted of which 315 were used for fact finding.

Evaluation tool:**Consultation of specific experts** (all Phases)Description:

Meetings were organised by the evaluation team, at different stages of the process, with several experts of particular interest for this evaluation. They consisted notably of meetings with evaluators from the recently completed “*Evaluation of Commission’s external cooperation with partner countries through the organisations of the UN family*”<sup>1</sup> and from the on-going “*Evaluation of the Council Regulation N° 2698/2000 (MEDA II) and its implementation*”, both undertaken by ADE. It allowed cross-fertilisation from the various experiences and cross-checking of facts and findings common to those evaluations.

Evaluation tool:**Specific study on HIPC** (Desk Phase)Description:

A specific study of the HIPC Initiative and the Commission’s contributions to the WB-managed HIPC TF and the EIB HIPC Fund was undertaken during the Extended Desk Report phase. It strengthened the initial desk analysis and provided insightful information on this specific Initiative and the functioning of the HIPC TFs. The overall study on HIPC is included in Annex 5. The information basis for the findings is detailed by indicators in the data collection grid (Annex 4) and the main findings emerging from this analysis are integrated in the answers to the EQs.

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<sup>1</sup> The final report of this evaluation was released in May 2008