

**DRAFT FOR CONSULTATION**

***Building the evidence to reduce poverty***

***The UK's policy on independent evaluation  
for international development***

***Department for International Development (DFID)***

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## **SUMMARY AND KEY MESSAGES**

### **Evaluation - a shared effort to improve development and get results**

- Development is about achieving results that make a difference for the poor in their daily lives. Evaluation is a key instrument both to inform decision makers and to hold DFID to account for its choices and actions. To make a real difference, evaluations must deliver credible and impartial findings and recommendations which are reflected in DFID's policy and programming. We will therefore seek to achieve high standards in our evaluation work and to ensure active follow up by management.

### **DFID's commitment to independent evaluation**

- The UK will safeguard the principle of independence in evaluation of its international development work, since it is essential to the credibility and usefulness of the function.
- An Independent Advisory Committee for Development Impact (IACDI) was created in 2007 to oversee the independence, quality and use of all evaluation in DFID (<http://iacdi.independent.gov.uk/>). IACDI approves the forward work plan for DFID's Evaluation Department, and the Chair of IACDI writes annually to the Secretary of State for International Development (copied to Parliament's International Development Committee) reviewing DFID's evaluation work and making recommendations for improvement.
- This policy sets out a mandate for DFID's Evaluation Department and the evaluators commissioned by DFID. DFID's centrally commissioned evaluations must be fully independent, while our decentralised evaluations must conform to international principles of impartiality (Annex 1).

### **New partnerships for evaluation – putting developing countries first**

- The UK is fully committed to the principles of ownership and mutual accountability and results orientation set out in the Paris Declaration on Aid Effectiveness and recently reconfirmed and amplified by the Accra Agenda for Action.
- These principles imply that the evaluation of development cannot be just for donors, nor is it just about aid. The UK will seek to promote a much stronger role for developing countries in the evaluation of development policies, programmes and projects.
- The UK will look for ways to help developing countries build their capacity and skills for independent evaluation, so they can play a more equal role in DFID's own evaluations. DFID will implement its Paris and Accra commitments to use country systems for evaluation whenever possible, letting partner countries take the lead. DFID will also support initiatives for partner countries themselves and other independent agencies to

carry out their own evaluations of DFID policies and programmes, as well as of their own development activities, and will look to make use of the resulting findings.

- The UK will also harmonise its approach to evaluation with other donors, undertaking joint evaluations where possible, and only commissioning DFID-specific evaluations when other alternatives have been explored with partners.
- The UK will actively seek to integrate into its evaluations issues of policy coherence and the global environment for development that have been under-evaluated in the past.

### **Building a culture of learning and evaluation**

- DFID will work with partners to integrate review and evaluation into programmes at the outset, and support quality assurance for decentralised evaluations.
- DFID will significantly increase the amount of independent evaluations that are commissioned across the organisation, focusing on our large spending areas and public commitments as well as lesson learning from innovative programmes and partnerships.
- Working with partners, programme managers will be expected to make their own strategic decisions on how to build evaluations into their work. They will be able to call on advice from Evaluation Department, professional advisory groups and resource centres.
- DFID senior management will take a strong lead in championing and sustaining an evaluation and learning culture in which the use of evidence is valued.

### **Driving up the quality of evaluations – setting standards and developing skills**

- In all its evaluation work, including with partners, DFID will seek to follow relevant international standards and guidance. Evaluation Department also has an important role in supporting decentralised evaluations, including helping to set standards, providing support and advice, and reporting on quality.
- Evaluation Department will take a strong lead in helping DFID staff and consultants to access relevant training and advice and will develop professional competencies and skills expected of specialist evaluators and managers who are engaged in commissioning studies.

### **More and better impact evaluations for international development**

- The UK is committed to more and better impact evaluation of international development. Impact evaluations are rigorous research studies which are designed to look specifically at whether development interventions have resulted in specific outcomes on the ground.
- Impact evaluation needs to be built as appropriate into programmes at the design stage, which means engaging with politicians and officials in developing countries and

programme managers to encourage their interest and understanding in this area – the demand side.

- Impact evaluations are relatively expensive and data intensive. To make best use of resources, they should be: focused on key strategic issues; answer important questions for policy-makers in developing countries; and commissioned as part of an international research effort, using a range and mix of rigorous methods. Impact evaluations are supported by DFID's Evaluation Department through its support to international initiatives, as well as by DFID's Central Research Department and operational divisions.

## **Chapter 1: Introduction and context**

### ***Improving development effectiveness***

- 1) DFID leads the British government's fight against world poverty and in support of accelerated progress against the Millennium Development Goals. With an aid budget set to rise to 0.7% of GNI by 2013, it is more important than ever that DFID rigorously assesses the relevance, effectiveness, impact, coverage and sustainability of its work, to ensure aid resources are used to best effect. Evaluation of policy coherence for development is also important, since DFID is tasked to work with partners including other UK government departments to address global issues crucial for poverty reduction such as trade and investment, climate change and conflict.
- 2) The aim of evaluation in DFID is to provide reliable and robust evidence from experience to improve the effectiveness and impact of programmes aimed at poverty reduction. Evaluation also provides a vital element in DFID's framework of accountability for performance and results, both to the taxpayer and to development partners, and to the poor and excluded who should be the ultimate beneficiaries of DFID's work.

#### **BOX 1: WHAT IS EVALUATION?**

DFID uses the definition of evaluation agreed by the OECD Development Assistance Committee and widely accepted by the international development community:

*The systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation, and results in relation to specified evaluation criteria.*

DFID's central evaluations are those commissioned by our Evaluation Department, where possible in collaboration with development partners. They should have the following characteristics:

- governance arrangements that ensure independence, quality and transparency;
- a systematic approach, following international evaluation principles and criteria (Annexes 1 and 2);
- usefulness for policy and decision making;
- going beyond the immediate objectives of the programme to ask why and how it works, including investigating the theory and assumptions behind the intended effects and checking for unintended effects;
- publication.

DFID's decentralised evaluations are those commissioned by our staff responsible for managing DFID's programmes, policies and partnerships, normally in collaboration with their development partners. These must satisfy similar standards, although different arrangements may apply to ensure independence and on publication.

## ***The International Context for Development Evaluation***

- 3) The framework for providing international development assistance has changed considerably following the Paris Declaration on Aid Effectiveness agreed by more than 100 donors, agencies and developing countries in 2005. While the UK has been in the forefront of driving implementation of the Paris commitments, radically accelerated action is needed internationally, to meet the targets set for 2010.
- 4) The 2008 Accra Agenda for Action builds on the Paris Declaration and sets out key actions to accelerate progress. Amongst these are commitments to use countries' monitoring and evaluation systems to the maximum extent possible, to reduce the burden of fragmented donor requirements on developing country institutions, to increase the transparency of information on aid, and to increase the use of independent evidence and public scrutiny over the performance of aid at country and international levels. This policy sets out the broad implications of these commitments for evaluation in DFID and the key changes in the way we will work.

## ***Why we need independent and high quality evaluation***

- 5) Independent evaluations help ensure the accountability of DFID to the UK Parliament and public, providing them with impartial, unbiased information through which they are empowered to challenge decision makers. Citizens in developing countries, who also have a right to see that resources are put to effective use, are also given a stronger voice through participating in evaluation processes and being kept informed of findings.
- 6) Independent evaluations are also a key information source for decision makers in development agencies. Timely, relevant and rigorous evidence from independent evaluations can help to:
  - o Identify what works and what is most cost-effective in tackling poverty, to maximise the impact of resources used;
  - o Demonstrate what returns we are getting from resources invested in development.

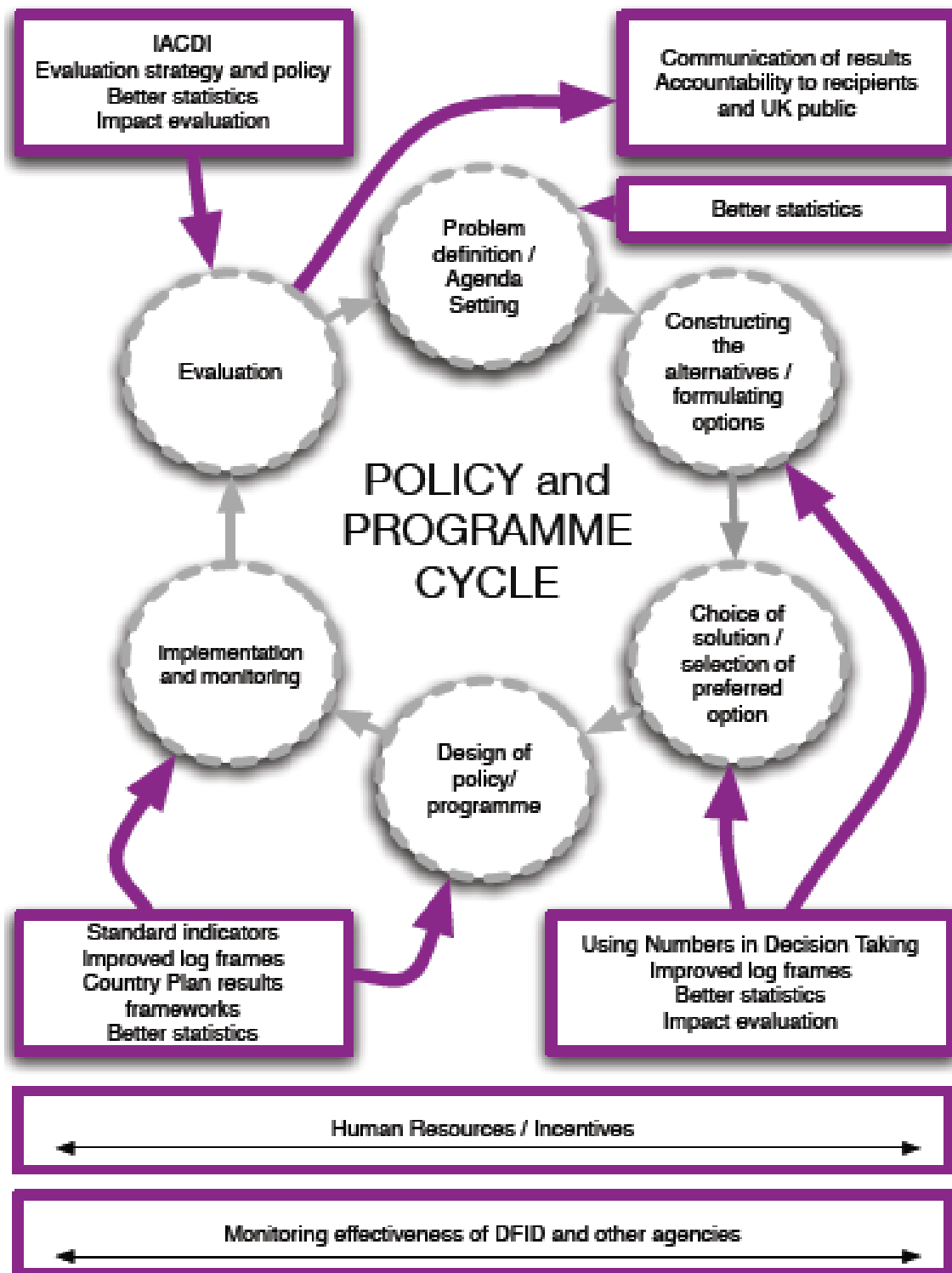
## ***DFID's co-ordinated approach to results: where evaluation fits in***

- 7) Evaluation is an essential element of DFID's own accountability and performance management framework. External scrutiny of DFID is also provided in the UK by the National Audit Office, central government and Parliament (especially the International Development Committee) and internationally by systems such as the OECD-DAC peer reviews of development agencies.
- 8) DFID's has published a Results Action Plan (<http://www.dfid.gov.uk/Pubs/files/results-action-plan08.pdf>), which includes actions to strengthen evaluation. Senior management

have recently strengthened institutional arrangements to ensure greater results focus, challenge, accountability and quality assurance of DFID's work.

- 9) DFID has several high-level committees which help strengthen the feedback from evaluation into policy and programming. The Head of Evaluation and/or the Chair of IACDI sit as observers. These committees include:
  - the Investment Committee which looks at DFID's value for money. This considers portfolio reviews of particular sectors as well as DFID's systems for assessing value for money;
  - the Development Committee which is responsible for development policy, which considers the results of DFID's policy and thematic evaluations;
  - the Country Peer Review Committee which reviews new Country Assistance Plans, including how they have responded to DFID's Country Programme Evaluations.
- 10) The Results Action Plan also puts in place measures to strengthen the quality of data and evidence on which evaluation judgements are made. This includes strengthening DFID's monitoring and information systems and those of its partners, particularly in developing countries. For example, DFID is contributing to the international Statistics for Results Facility, launched at the 3rd High Level Forum on Aid Effectiveness in September 2008.

## How the Results Action Plan is improving delivery in DFID



## BOX 2 : DEFINITIONS AND DISTINCTIONS

### What's the difference between monitoring, evaluation, audit and research?

DFID's Monitoring, Evaluation, Internal Audit and Research functions work together to deliver DFID's Results Agenda, promote synergies, ensure a clear division of labour and avoid duplication. DFID's website has details on the mandates and activities for each area. Where appropriate, joint studies can be carried out, for example by Evaluation and Audit Departments.

• **Monitoring reviews** - are annual or final reviews of progress made in projects, programmes, policies and partnerships. They are normally commissioned by DFID project managers in conjunction with partners. DFID will provide guidance for when independent evaluation should be employed in place of reviews, focusing on accountability for public commitments and large programmes and the potential for lesson learning from innovative programmes.

• **Audits** - review the policies, procedures and operations established to ensure: achievement of objectives; assessment and management of risk; reliability of internal and external information, reporting and accountability processes; safeguarding of DFID assets and efficient use of resources; compliance with applicable laws and regulations, behavioural and ethical standards. There is a strong focus on compliance, reporting, procedures, risk and safeguarding resources. They would usually take as given the agreed policies and objectives.

• **Evaluations** - are mainly concerned with results of DFID's policies, programmes and partnerships – they ask questions about : why and how results are achieved; how the programmes are working; who benefits/loses, effects on poverty (including intended and unintended effects); whether the policies and objectives are relevant to the ultimate aims of reducing poverty.

**Research** - is wide-ranging and not necessarily limited to DFID interventions. It seeks to answer the general question 'what works and what doesn't in development?', while evaluation generally focuses on the development effectiveness of a specific programme, policy or partnership, and DFID's own performance. DFID's new Research Strategy (<http://www.dfid.gov.uk/pubs/files/Research-Strategy-08.pdf>) includes support to operations research and impact evaluations.

### What's IMPACT evaluation?

Impact evaluation is a specialised type of evaluation which uses research methods to give us rigorous evidence on whether a policy, programme or project has actually changed people's lives and whether outcomes are directly attributable to the interventions. For example how do changes in nutrition and availability of health services delivered by a particular programme affect maternal mortality and health outcomes for young children in rural areas?

Some development practitioners and researchers have promoted **impact** evaluation through experimental methods and randomised control trials as carried out in medicine, arguing that this is the 'gold standard'. We recognise the usefulness of this type of work and support an increase in rigorous impact evaluations more generally, but do not see experimental methods as the only route to quality and rigour of evidence. The UK supports the use of impact evaluations to tackle the key questions for policy makers in developing countries using a range and mix of the best available methods. Impact evaluations are supported by DFID's Evaluation Department through its support to international initiatives, as well as by DFID's Central Research Department and operational divisions.

## ***The content of this policy***

- 11) This policy provides the framework for DFID's independent evaluation of the UK's contribution to international development, and to set standards to apply to all evaluations undertaken by DFID.
- 12) The intended audience for this document includes (i) DFID staff and evaluators who need to know what is expected of them when engaging in evaluations (ii) external stakeholders and DFID partners who want to know how independent scrutiny of DFID's programmes works. A process of external consultation has ensured the comments and suggestions from stakeholders in the UK and in developing countries have been taken into account.
- 13) The policy sets 4 major priorities for developing the evaluation function in DFID:
  - a) maintaining independence;
  - b) ensuring quality, including more and better impact evaluation;
  - c) continuing a culture of learning - including strengthening the links between lesson learning, policy, implementation and strategy, through increased use of decentralised evaluation;
  - d) new partnerships for evaluation, particularly with developing countries.

These are developed further in chapters 2 – 5.

- 14) DFID's evaluation strategy will set out in more detail how we will deliver on the policy, what it means for each of the key business areas, and how progress on the policy itself will be assessed and evaluated.

## **Chapter 2: Strengthening independence**

### ***The UK's commitment to independent evaluation***

- 15) High-quality evaluation depends on evidence that is objective, trustworthy and credible. To provide a solid anchor for evaluation independence throughout DFID, the mandate for evaluation in DFID is set out formally in Box 3. The quality of all evaluation in DFID is monitored by a central Evaluation Department, and underpinned by a body of centrally commissioned evaluations. This is further reinforced by the role of the Independent Advisory Committee for Development Impact (IACDI – <http://iacdi.independent.gov.uk/>), created in 2007. IACDI reports annually to the Secretary of State on the independence, quality and use of evaluations in DFID.
- 16) It is important to recognise that independence does not mean isolation; those people involved in and responsible for the delivery of the projects and programmes being evaluated should make an active and meaningful contribution to the process.

### BOX 3: MANDATE FOR EVALUATION IN DFID

The **mandate** of evaluation in DFID is two-fold: (i) to inform policy and strategic decisions with evaluation evidence that helps to improve the development impact of DFID's programmes; and (ii) to strengthen DFID's framework of accountability to taxpayers and partners for performance and results,

To deliver on this mandate, the Head of Evaluation Department is **responsible** for:

- (i) assessing whether DFID programs and activities are producing the expected results through commissioning and publication of independent evaluations;
- (ii) recommending actions aimed at the improvement of DFID's development effectiveness and impact based on evaluation findings;
- (iii) reporting periodically to the Management Board and IACDI on the quality of performance monitoring and decentralised evaluation processes and studies;
- (iv) reporting periodically to the Management Board and IACDI on DFID's management response and follow-up to evaluation findings and recommendations;
- (v) promoting and supporting best practice in development evaluation;
- (vi) assisting developing country partners to build their own evaluation capacities and systems; and
- (vii) ensure that evaluation is carried out in a way that adds value to DFID's overall work, respects the constraints within which DFID staff work and responsive to the needs of DFID's operational divisions.

To ensure that the evaluation function's **independence, integrity and influence** are protected, it is overseen by the Independent Advisory Committee on Development Impact, and the Head of the Evaluation Department reports direct to the Director General for Corporate Performance. These arrangements will be kept under review.

The Head of Evaluation is empowered to:

- Select evaluation topics that are relevant to DFID's development effectiveness in agreement with the Independent Advisory Committee;
- Ensure the quality of evaluations produced and published by the Department;
- Protect the independence of the Evaluation Department evaluators and evaluation consultants contracted by the Department;
- Negotiate adequate resources for the evaluation function, within overall DFID resource frameworks.

For all evaluations commissioned by DFID, whether centrally or by programme managers throughout DFID:

- Common principles, criteria and quality guidelines are followed (Annexes 1 and 2);
- Evaluators will have full access to existing information and data that they need for their work;
- Appropriate safeguards on confidentiality and ethical standards are observed in the publication of evaluation findings;
- DFID staff and other stakeholders have the right to comment on the factual accuracy and balance of draft reports.

## **Chapter 3: New partnerships for evaluations**

### ***A stronger role for developing countries***

- 17) Evaluation of development activities is not just for donors, nor is it just about aid. The UK is strongly committed to the principles of country ownership and mutual accountability set out in the Paris Declaration and the Accra Agenda for Action, while also recognising that we are operating in a changing environment for development with global challenges. The UK will seek to promote a much stronger role for developing countries in the evaluation of policies, programmes and projects affecting development.
- 18) The UK will help promote the commissioning and use of joint evaluations, provided they can be undertaken to high standards of quality and independence and carried out in a cost effective and timely way for decision-making. DFID will continue to work with the OECD-DAC and other established evaluation networks, but will also look for a wider range of partners. The UK will seek to reduce the number of missions from evaluations and the burden of reporting on developing countries, using their systems wherever possible.
- 19) DFID will ensure that evaluation is more consistently built into the design and planning stage of new projects and programmes with partners.
- 20) DFID's reviews and evaluations will take account of the views of people affected by policies and programmes supported by DFID, including poor, disabled and marginalised women and men.

### ***Building capacity for evaluations in developing countries***

- 21) Developing country partners need the institutional framework and the technical capacity to commission, design and manage evaluations in order to move towards the agreed international objective of increased reliance on country-led evaluations. It is equally important that there is an adequate pool of skilled evaluation consultants available, including both women and men, in the countries in which we work. DFID has already made significant investments in international capacity building for evaluation, including support to international training courses and development evaluation associations. We will strengthen this support in collaboration with our partners, and help build partner capacity through increased use of developing-country evaluators, as well as closer work with partner organisations to improve their ability to generate and use evaluation evidence.

## **Working with multilaterals and civil society**

- 22) DFID channels nearly half of its funding through multilateral systems and Civil Society organisations.
- 23) DFID relies as much as possible on the evaluation systems of these partner organisations, using the evidence they generate. DFID works with partners to ensure that these systems are also independent and meet international standards, for example through the UK being represented on appropriate boards, and through peer review and capacity building of evaluation functions if needed.
- 24) DFID will also work with others to commission independent evaluations of how effectively DFID engages with our key multilateral and NGO partners at every level, including through Institutional Strategy Papers.

## **Chapter 4: A culture of learning across DFID**

### ***Strengthening arrangements for decentralised evaluation***

- 25) DFID will seek to sustain a strong culture of decentralised evaluation across the Department. Programme managers will be encouraged to build reviews and evaluations in at the planning stage where appropriate, in negotiation with partners. DFID will build staff skills on evaluation as part of our Results Action Plan.

### ***A focus on quality***

- 26) Evaluation Department will ensure appropriate quality assurance of evaluations and project completion reports in which DFID participates through analysis of a sample of these. DFID will also ensure that quality assurance is appropriately built into our decentralised evaluations.

### ***Defining incentives***

- 27) DFID senior management will provide strong leadership to keep evaluation high on the agenda and to support evaluation throughout DFID. DFID will consider how to strengthen incentives for staff to prioritise evaluation, including the scope for recognition in staff performance management systems and through the management chain. We will collect, showcase and where feasible reward examples of best practice.

### ***Providing the necessary support***

- 28) DFID's Evaluation Department has the role of promoting evaluation and demonstrating the standards staff need to deliver against and the skills they will need to use in accessible and practical ways. We will update our evaluation guidance for staff and integrate evaluation into general staff learning and development.

### ***Feedback into decision making***

- 29) Improving knowledge management on all evaluations and major reviews conducted across DFID is key to ensuring that the lessons from evaluations are fed into policy and programming. Evaluation Department will be responsible for gathering, synthesising and centralising this information and for working to improve the use of DFID's central information systems for this purpose.
- 30) DFID will assign senior management leads for each major evaluation to ensure that there is a strong management response to findings and recommendations, and that those recommendations which are accepted are followed up. Follow up of evaluations will be tracked centrally by Evaluation Department and reported in its Annual Report.

## **Chapter 5: Strengthening quality**

### ***Setting principles and standards***

- 31) In all our evaluation work, including with partners, DFID will seek to achieve best practice and follow relevant international principles and standards, particularly those set by the OECD-DAC and other international evaluation bodies. DFID's guidance for staff working on evaluation will be updated to reflect this policy, and will set out standards in detail.
- 32) DFID will uphold the UK obligations and commitments to gender equality and human rights, mainstreaming these issues into all of its evaluation work.
- 33) We will actively seek to integrate into our evaluations issues of policy coherence and the global environment for development that have been under-evaluated in the past. Policy coherence is one of the standard evaluation criteria adopted by DFID (Annex 1)

### ***Building quality into our systems***

- 34) Evaluations and reviews will, as appropriate, be built into the design stage of policies, projects and programmes. This will be central to driving up quality and results orientation. DFID will set guidance which specifies when independent evaluation should if possible be employed, focusing on our public commitments, large programmes and innovative programmes with special potential for learning.
- 35) Evaluation Department will focus on a small number of strategically important programmes and issues for its own evaluations. The criteria for selection of topics for evaluation and the evaluation work programme are approved by IACDI. The Evaluation Department will also strengthen its advisory and quality support role for decentralised evaluations and final project reports.
- 36) We will strengthen our evaluation methods (Annex 1) and our systems for quality assurance of evaluations.
- 37) Monitoring systems are the basic building blocks for evaluations. Under the Results Action Plan, DFID is strengthening our systems for generating good-quality information on outcomes and impacts, including developing standard indicators. This should improve the evidence base for evaluations, particularly for measuring practical outcomes.

### ***More and better impact evaluation***

- 38) The UK is committed to promoting more and better impact evaluation of international development.

- 39) Impact evaluation needs to be built into programmes at the design stage, which means engaging with politicians and officials in developing countries and programme managers to encourage their interest and understanding in this area. Impact evaluations are relatively expensive and data intensive – to make best use of resources they should be focused on key strategic issues and commissioned as part of an international research effort. The UK is investing in and helping to lead new international collaborations on impact evaluation.

### ***Getting the right professional skills***

- 40) Evaluation Department will define professional competencies and skills expected of specialist evaluators and those involved in commissioning, managing and using evaluations. DFID advisory cadres and programme managers will as appropriate include skills in evaluation management in their competency frameworks. DFID will also look at increasing its external support through resource centres.

## **Chapter 6: How we will deliver on this policy**

- 41) DFID's evaluation strategy will outline how the policy commitments will be taken forward by DFID's business areas. *(Reference to strategy document to be inserted at a later date)*. The strategy will be rolled out over a five-year period, reflecting resource availability and the other demands on DFID staff.
- 42) The strategy will contain a Monitoring and Evaluation framework which will assess whether DFID is delivering on our policy commitments. This framework will be developed in consultation with key stakeholders, around the key policy pillars: independence; quality; culture of learning; partnerships; and impact evaluations. It will outline indicators of progress including the current baseline situation, where we aim to be in three years time and how we will know if we are progressing appropriately.
- 43) Implementation of the policy and strategy will be monitored annually and progress reported in the Head of Evaluation's annual report and by IACDI. A baseline assessment will be undertaken as the strategy is developed and an evaluation of the policy and strategy undertaken after five years.

## **Annex 1 - Methods and criteria to be used in DFID evaluations**

### **Evaluation criteria**

The internationally-agreed evaluation criteria listed below will be applied to DFID evaluations. It will not be appropriate to investigate every criterion in depth in every evaluation. DFID evaluators will be requested to provide an explanation of the criteria they have chosen (or not) to cover.

1. *Relevance* - the extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor.
2. *Effectiveness* - a measure of the extent to which an aid activity attains its objectives.
3. *Efficiency* measures the outputs and outcomes -- qualitative and quantitative -- in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results.
4. *Impact* - the positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended.
5. *Sustainability* is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Interventions need to be environmentally and institutionally as well as financially sustainable. Any assessment of sustainability should cover the concept of ownership.
6. *Coverage* - which groups are included in/excluded from a programme, and the differential impact on those included and excluded. Related concepts include equity (including gender equity and disability) and social exclusion.
7. *Coherence* refers to the need to assess other policies and programmes which affect the intervention being evaluated, for example security, humanitarian, trade and military policies and programmes, as well as the intervention or policy itself.
8. *Co-ordination* - the intervention of a single agency cannot be evaluated in isolation from what others are doing, particularly as what may seem appropriate from the point of view of a single actor, may not be appropriate from the point of view of the system as a whole. Evaluating coordination includes assessing both harmonisation with other aid agencies and alignment with country priorities and systems.

*Source: Drawn from OECD-DAC evaluation criteria, including for humanitarian evaluations*

### **Using the most appropriate evaluation methods**

Assessing the impact of international development is uniquely challenging and we need to be able to draw on a range of tools and approaches from different disciplines, chosen to fit the questions we need answering but to a high standard of rigour.

Whatever method is used, the starting point is getting the best data we can find recognising resource constraints. The UK is one of several countries supporting international efforts to build statistical capacity in developing countries. We also need to be facilitating micro-level evaluations and research studies of specific interventions that will generate the primary data that can be used in synthesis work at the meta-evaluation level.

A key issue in choosing methods is usually how to 'attribute' the effects of aid to the development interventions, separating them out from changes in the external environment and other factors which influence outcomes. Two key principles are (a) designing evaluation in at

the beginning so the right data can be collected early (b) a 'theory-driven approach', which seeks to establish how a policy or programme is supposed to work as part of a clear conceptual model which can be tested.

One way of tackling attribution is to use an experimental approach, which is a common methodology for impact evaluations. The aim here is to compare effects on people, households or villages which have been randomly allocated to a 'treatment group' and 'a comparison group'. Provided that ethical issues have been properly considered and addressed, this can provide a rigorous level of statistical evidence on cause and effect which is hard to obtain in any other way. In many of the situations where DFID and its partners are working, this is not practicable so, although the experimental approach is useful, it does not represent a gold standard against which all other approaches have to be measured.

The approach taken in this policy is to promote a mix of rigorous statistical methods (experimental, quasi-experimental, simulation methods) combined with the best types of qualitative and participatory research methods and observational studies, all within the realm of what is both practical and affordable. For example, seeking views directly from beneficiaries in a cost effective and systematic way is essential so we can better understand the underlying causes of changes and what is important from their perspective. This can then be used as evidence directly but also helps to drive survey design in the best types of quantitative studies. A second advantage of qualitative methods is that they are uniquely well placed to deal with complexity – we live in an increasingly interconnected and complex world and international development is not a linear process, so we need methods that recognise these complexities.

## **Annex 2 - Evaluation principles**

The following principles are endorsed by DFID for all our evaluations. They are based on international principles and standards, in particular from the OECD-Development Assistance Committee<sup>1</sup>, the Global and Regional Partnership Program sourcebook<sup>2</sup>, and the Paris Declaration and Accra Agenda for Action.

### **The basics:**

**Usefulness:** Reviews and evaluations need to be designed and managed to meet the information and decision-making needs of the intended users.

**Cost-effectiveness:** Evaluations will be managed as effectively as possible to maximise their benefits while minimising use of scarce resources and unnecessary time demands on stakeholders.

**Accuracy:** Reviews and evaluations should identify and convey valid and reliable information and reflect inputs from a variety of stakeholders.

**Credibility:** Credibility depends on the process being systematic, transparent and inclusive, as well as on the skill and experience of the reviewers or evaluators and those managing the process.

### **An ethical approach:**

**Impartiality:** Reviewers and evaluators are expected to make balanced judgements, reporting and analysing success and failure alike. If stakeholders have very different views this should be made clear in the evaluation. Impartiality is not the same as independence.

**Transparency:** Reviews and evaluations should allow affected stakeholders access to evaluation-related information in forms that respect people and honour promises of confidentiality. DFID will publish all its central evaluations and encourages decentralised evaluations to be published when possible.

**Propriety and ethics:** Reviews and evaluations should be conducted legally, ethically, and with due regard for the welfare of those involved in the evaluation, as well as those affected by its results. DFID endorses the DAC guidance for conflict and humanitarian evaluation and the principle of “do no harm”.

### **Paris Declaration and Accra Agenda for Action principles:**

**Ownership** Evaluations in partner countries should be led by the partner and use partner country data systems wherever feasible, following Paris Declaration and Accra commitments. DFID will actively support independent and recipient-led evaluations and make use of their findings and recommendations.

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<sup>1</sup> OECD-DAC evaluation principles: <http://www.oecd.org/dataoecd/21/32/41029845.pdf> and draft quality standards <http://www.oecd.org/dataoecd/51/7/38686953.pdf>

<sup>2</sup> This sourcebook is based on a careful synthesis of principles from the DAC Evaluation Network, the United Nations Evaluation Group, the Evaluation Cooperation Group of the Multilateral Development Banks, evaluation associations, and others. <http://web.worldbank.org/WBSITE/EXTERNAL/EXTOED/EXTGLOREGPAPRO/0,,contentMDK:21178261~pagePK:64168445~piPK:64168309~theSitePK:2831765,00.html>

Alignment DFID's policy is to base performance frameworks for its projects and partnerships on agreed joint frameworks, based on partners' own frameworks wherever possible.

Harmonisation DFID's policy is to carry out joint evaluations with other partners wherever possible, and to delegate authority for managing evaluations to lead partners or jointly established bodies. DFID will wherever possible use findings and recommendations from evaluations led by others.