




Global
Green Growth
Institute

GGGI EVALUATION RULES

VERSION 1.0

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1. INTRODUCTION

This section outlines the purpose of this policy, the context and purpose of evaluation, and how evaluation relates to other relevant functions in GGGI.

1.1 About this policy

This policy describes key governance and operational requirements for GGGI's evaluation function, including key principles, management arrangements, approaches and quality standards for evaluation. It is intended to focus mainly on the 'what' and the 'why', but not the 'how', which may be addressed by internal guidelines at a later stage. The policy shall be reviewed and updated as necessary at least once every two years.

1.2 Evaluation in context of green growth impact

Under the *Strategic Plan 2015-2020*, GGGI's desired impact is to see countries to move towards green growth – that is, models of economic growth that also deliver poverty reduction, social inclusion and environmental sustainability.

Specifically, the Strategic Plan identifies a set of strategic outcomes that reflect the intended green growth impact of GGGI's work. These outcomes align closely with the national development priorities of partner countries, as well as the Sustainable Development Goals and Paris Agreement on climate change.

With this foundation in place, a key task ahead for GGGI is not only to support partners to achieve these outcomes, but also credibly demonstrate its contribution to such results. To help meet this challenge, an evaluation function was established in GGGI in late 2016.

Evaluation has a valuable role to play in supporting GGGI to realize its desired green growth impact. It does this by providing systematic and evidence-driven approaches and tools to help GGGI verify the achievement of (or progress towards) green growth outcomes, and how such results may be improved, scaled up or replicated elsewhere.

An effective evaluation function will also support GGGI's transition to becoming a results-based organization, which is a key objective under its Strategic Plan. As a key component of results-based management, evaluation can help embed a culture of harnessing evidence on what works to inform decisions that deliver better green growth impact and value for money.

1.3 Definition and purpose of evaluation

In the international development context and in GGGI, evaluation refers to the systematic and objective assessment of an ongoing or completed project, program or policy, its design,

implementation and results.¹

In GGGI, the purpose of evaluation is to support the organization's mission by:

Generating and harnessing evidence on green growth impact to inform the learning, improvement and accountability needs of GGGI, its members and its funders.

Specifically, evaluation is expected to contribute the following benefits:

- Harness evidence from in and outside of GGGI to strengthen the design of GGGI's programs;
- Generate robust evidence about the performance and results of GGGI's programs;
- Identify successful practices that lead to impact that can be replicated or scaled up;
- Identify practices where evidence of impact is low that can be stopped or strengthened;
- Inform decisions on resource allocations that deliver improved value for money;
- Build the knowledge and capacity of participants in evaluation and subject areas;
- Contribute to evidence on green growth as better approach to economic development; and
- Help satisfy the transparency and accountability requirements of members and funders.

1.4 Evaluation and related functions in GGGI

Evaluation forms part of a broader system of results-based management in GGGI. The evaluation function interacts with and complements other functions including those listed below. In managing the evaluation function, the Impact and Evaluation Unit (IEU) will coordinate its efforts with parties involved in these other functions to maximize complementarity and efficiency.

a) Monitoring

Monitoring refers to the ongoing collection and review of data to assess whether a program is on time, on budget and on target. Monitoring in GGGI is undertaken by internal program managers and forms part of their management responsibilities.

Evaluation differs from, and complements, monitoring by focusing on larger questions – eg: the merits of the results achieved, whether the program is still needed and remains the right solution. Evaluations in GGGI are periodic in timing and generally undertaken by independent evaluators.

b) Internal audit

Within GGGI, the Office of Internal Audit and Integrity (OIAI) is an independent unit that conducts internal audits and reviews. OIAI fulfils an internal oversight role through its

¹ Evaluating Development Cooperation: Summary of Key Norms and Standards, OECD DAC (2010)

assessments of GGGI's governance, operational, risk management and internal control activities. It also provides advice to mitigate risks and strengthen internal controls.²

Audits and evaluations share an emphasis on independence and evidence, but differ in scope. Audits concentrate on the way resources are managed to deliver program activities and compliance with established policies and standards – whether 'the thing is being done right'. Evaluations, as mentioned above, focus on broader questions regarding the worth or significance of a program and its results – whether 'the right thing is being done'.

c) External reviews

GGGI periodically undergoes reviews by its donors. The timing and scope of these is at the discretion of donors. Reviews include multilateral exercises, such as the Joint Donor Reviews, as well as bilateral reviews that form part of the funding requirements of some donors.

While both are conducted by parties external to GGGI and share similar scope, evaluations generally adhere more to rigorous methods and standards established in the evaluation profession. They may also focus on specific programs or issues, whereas donor reviews tend to focus on GGGI as a whole. As long as the two groups of activities are well coordinated and duplication is avoided, evaluations and donor reviews can complement and inform each other.

d) Knowledge sharing

A key focus of GGGI's work is to harness and share lessons on green growth with and between partner countries and other stakeholders. This is done primarily through divisions that manage GGGI's country and global programs, based on evidence and experiences drawn from both GGGI's own work and elsewhere.

Evaluations differ in that they have a more explicit focus on judging the worth or significance of a program and its results. However, evaluations will often generate useful lessons about green growth from GGGI programs, and in such cases, can contribute to knowledge sharing efforts both within and beyond GGGI.

² GGGI Charter for the Office of Internal Audit (2013)

2. PRINCIPLES

This section describes the key principles that have underpinned the development of this policy and will continue to guide the management of GGGI's evaluation function. The majority of these are principles aligned to the *OECD DAC Principles for Evaluation of Development Assistance*.

2.1 Independence

Independence in the evaluation context involves ensuring there is separation between parties that formulate evaluation findings and those making operational decisions regarding policy making and program management. This is important to avoid bias, ensure credible evaluation findings, and increase the likelihood of evaluations being used.

2.2 Credibility

Producing credible evaluations is vital to ensure they are seen as legitimate, which increases the likelihood that they are used to inform decisions. Credibility relates closely to the quality of evaluation design and its implementation, the expertise and experience of evaluators, and the level of transparency and stakeholder participation in the evaluation processes.

2.3 Utility

GGGI's evaluations aim to inform the organization's learning, improvement and accountability needs, implying that they should be useful and used for these purposes. Factors that enhance utility include: selecting evaluation topics that are of strong interest to users; enabling participation of key stakeholders throughout the process; ensuring evaluations are delivered in a timely manner for decision making; and communicating findings in accessible formats and languages.

2.4 Participation

Participation is important to enhance the relevance, quality and buy-in of evaluation findings and recommendations. It has other potential co-benefits, such as improving the knowledge and capacity of participants. GGGI will aim to provide opportunities for staff, partner countries, development partners and other affected stakeholders to participate in evaluation processes in ways that do not compromise independence.

2.5 Transparency

Transparency complements other principles including participation and credibility. It builds trust and confidence in the evaluation findings, and enhances commitment to act on recommendations. In practice, transparency includes ensuring that information on evaluation

policies, processes, procurements and products are available to key stakeholders in an accessible and timely manner. This principle is consistent with GGGI's *Disclosure Policy* and the commitment to align with the requirements of the International Aid Transparency Initiative.

2.6 Value for money

As an organization with relatively limited resources, ensuring value for money is a key priority for all parts of GGGI, and evaluation is no exception. Resources invested in evaluations should deliver relevant, credible and useful findings that effectively serve the accountability, learning and improvement needs of the organization. Strategic selection of issues and programs for evaluation, as well as strong upfront planning and design, are particularly important to maximizing value for money.

3. GOVERNANCE AND MANAGEMENT

This section outlines the arrangements for the governance and management of GGGI's evaluation function.

3.1 Roles and responsibilities

The roles and responsibilities of key parties involved in the governance of GGGI's evaluation function are as follows.

a) Impact & Evaluation Unit: IEU is the unit within GGGI charged with day-to-day management of the evaluation function. Its responsibilities include:

- developing an Annual Evaluation Workplan for review and approval;
- developing and periodically reviewing these Evaluation Rules;
- planning and designing individual evaluations;
- recruiting and managing independent evaluators to undertake evaluations;
- disseminating and communicating evaluation findings and recommendations; and
- providing periodic updates to the Management Team, MPSC and Council on evaluations.

b) Management Team: MT makes decisions on the operations and budget of GGGI's evaluation function, taking into account feedback from MPSC and other members. Their role includes:

- reviewing and approving the Annual Evaluation Workplan;
- approving these Evaluation Rules and any related guidelines prepared by IEU;
- approving the Evaluation Approach Papers for individual evaluations; and
- providing formal management responses to the recommendations given by individual evaluations and ensuring these are implemented.

c) Management and Program Sub-Committee (MPSC): The role of MPSC is to support the Council in overseeing GGGI and provide advice to the Council and GGGI on relevant matters in accordance with its TOR³. With regard to evaluations, MPSC's role specifically includes:

- reviewing and commenting on the Annual Evaluation Workplan prepared by IEU;
- reviewing and commenting on periodic revisions to these Evaluation Rules; and
- reporting any views and advice on syntheses of GGGI's evaluations to the Council.

³ The latest MPSC TOR at time of writing was approved by the Council on 9 September 2016 in decision C/2016/DC/10.

- d) Evaluation Advisory Group:** An Evaluation Advisory Group (EAG) will be established for each individual evaluation. Their role is to support the oversight of individual evaluations. Any member of GGGI may volunteer to participate in an EAG and nominate a representative of their choice to the group. The role of the EAG includes:
- reviewing and commenting on Evaluation Approach Papers for individual evaluations;
 - reviewing and commenting on the deliverables of the evaluation;
 - reporting any views on the findings and recommendations of individual evaluations to MPSC.
- e) Council:** The Council is the executive organ of GGGI and, under the guidance of the Assembly, directs the activities of the organization. Its role is outlined in GGGI's *Establishment Agreement* and includes the following responsibilities of relevance to evaluations⁴:
- approving GGGI's Strategic Plan, which may include content regarding evaluations;
 - reviewing GGGI's results, monitoring and evaluation frameworks; and
 - approving GGGI's biennial Work Program and Budgets (including for evaluation).

3.2 Annual Evaluation Workplan

Each year, IEU will prepare an Annual Evaluation Workplan outlining the proposed evaluations to be conducted for the year, the rationale and purpose of each proposed evaluation, and the indicative timing. The evaluations proposed may include different types, eg:

- country or global program evaluations;
- thematic or sector-based evaluations; or
- corporate or operational evaluations.

The above types of evaluations may incorporate assessments of one or more of the following:

- the rationale for the program or activity and the need it serves;
- the design and underlying theory of change underpinning the program or activity;
- the implementation of the program or activity;
- outcomes and/or impacts of the program or activity; and
- cost and efficiency of the program or activity.

In developing the workplan, IEU may consider the following factors to inform the selection of programs or topics to evaluate:

- Relevance of the evaluation focus to GGGI's strategic, programmatic or corporate priorities, both established and/or emerging;

⁴ Article 8, Section 5 of the *Agreement on the Establishment of the GGGI (2012)*

- Potential for learning and use, and the extent to which these benefits are transferable across the wider organization;
- Alignment with areas of interest expressed by members and donors through various channels (eg: GGGI governance meetings or communications, joint or bilateral donor reviews, etc);
- Potential contribution to the evidence base for green growth globally or in a particular country or context;
- Operational considerations including IEU's available resources, availability of key stakeholders, period since an evaluation or review was last conducted on a program or topic, and any forthcoming evaluations or reviews planned by other parties.

In addition to outlining the proposed evaluations to be conducted, the Annual Evaluation Workplan may also describe other planned activities that support the achievement of GGGI's evaluation objectives.

The draft Annual Evaluation Workplan will be shared with MPSC and members for comment and revised as appropriate. During this process we will also seek expressions of interest from any GGGI member who wishes to join an Evaluation Advisory Group for specific evaluations. The final workplan will be submitted to the MT for approval, ideally before the commencement of each financial year. As part of GGGI's transparency commitments, the Annual Evaluation Workplan will be published on GGGI's website once approved.

3.3 Annual reporting on evaluation work

IEU will report annually on the delivery of its Annual Evaluation Workplan and the results arising from this. This will be done as part of GGGI's Annual Report, which is submitted to members and published on GGGI's website.

This annual reporting should include:

- a summary of evaluations conducted by IEU and any other key activities;
- explanation of any major variances from the approved Annual Evaluation Workplan;
- a summary of key lessons learned from the evaluations conducted; and
- how lessons from evaluations are being applied, including status of the implementation of GGGI management responses to prior evaluation recommendations.

4. EVALUATION APPROACH & STANDARDS

GGGI's approach to undertaking individual evaluations will broadly involve two stages:

- Stage 1: Planning and design
- Stage 2: Implementation, communication and use

4.1 Evaluation planning and design

The aim of this stage is to ensure the preparation of a high quality evaluation design that meets the principles and quality standards in Sections 2 and 4.3 respectively. It includes the following activities.

a) **Preparation of an Evaluation Approach Paper**

The purpose of the Approach Paper is to document the proposed design and workplan for the evaluation and provide clarity to key stakeholders on issues including:

- intended purpose and use of the evaluation⁵;
- evaluation questions (aligned to the OECD DAC evaluation criteria⁶) and scope;
- evaluation design and/or methodology to address the key questions;
- the theory of change leading to green growth impact, and the strength of the evidence supporting the assumed causal links between different levels in the theory of change;
- proposed evaluation budget, workplan and approach to procure or recruit an independent evaluator or team;
- key stakeholders to be involved, and their roles and responsibilities; and
- proposed communication and engagement activities to ensure evaluation lessons and recommendations are shared with key target audiences.

The Evaluation Approach Paper will be prepared in consultation with internal and external stakeholders involved in the evaluated intervention(s) as appropriate.

b) **Review and approval of the Evaluation Approach Paper**

Once drafted, the Approach Paper will be shared with the relevant Evaluation Advisory Group for review and comment. It will then be finalized by IEU and submitted to MT for approval.

⁵ This would be initially established as part of the Annual Evaluation Workplan but reconfirmed or updated in the Approach Paper as required.

⁶ Relevance, effectiveness, efficiency, sustainability and impact - p.13, *Evaluating Development Cooperation: Summary of Key Norms and Standards, OECD DAC (2010)*

Approved Approach Papers will be published on GGGI's website in the interest of transparency.

4.2 Evaluation implementation, communication and use

This stage includes the following activities:

a) Establishment of the Evaluation Advisory Group

An Evaluation Advisory Group (EAG) will be established for each individual evaluation. This will be a standard feature of the governance of all evaluations undertaken by GGGI. Membership of the EAG is comprised of representatives from GGGI member countries who are interested to 'opt in' to participate in a particular evaluation. The EAG's role is to assist in the oversight of a specific evaluation, and in most cases involve reviewing and commenting on key evaluation deliverables.

b) Commission independent evaluator or team

To ensure the independence and credibility of GGGI's evaluations, all evaluations will be conducted using an independent expert or team. In line with the approved Approach Paper, IEU will manage the recruitment or procurement of the expert or team, in compliance with GGGI's rules and regulations regarding these matters.

Once engaged, the independent evaluator(s) will report to IEU for contractual and operational matters, but retain at all times the ability to form independent judgments regarding the intervention they are evaluating. Deliverables of the evaluation assignment, including the draft and final evaluation report, will be shared with the EAG and other key stakeholders as relevant for review, before being finalized.

c) Communication and use of evaluations

Once an evaluation is finalized, GGGI will prepare a formal management response indicating its views on the evaluation findings and recommendations, and how it intends to address them. This will be approved by MT and included as an attachment to the final Evaluation Report. The final report will be published on GGGI's website and circulated to GGGI members.

In addition, IEU will also manage the delivery of communication and engagement activities as planned in the Approach Paper. This is a critical final step, as evaluation knowledge has little chance of being used unless it is communicated effectively to target audiences.

4.3 Evaluation standards

In managing its evaluation function, GGGI commits to applying the standards outlined in the *OECD DAC Quality Standards for Evaluation*, which cover:

- Overarching considerations;
- Purpose, planning and design;
- Implementation and reporting; and
- Follow up, use and learning.

These standards guide the evaluation practices of organizations delivering development assistance activities and aim to strengthen the quality of evaluations so that they lead to better development outcomes.