

ODA Evaluation Guidelines

12th Edition

**ODA Evaluation Division
Minister's Secretariat
Ministry of Foreign Affairs of Japan**

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Introduction

The Ministry of Foreign Affairs of Japan (MOFA) conducts policy and program evaluations in order to enhance its transparency and accountability to the public, as well as to improve management of Japan's Official Development Assistance (ODA).

The ODA Evaluation Guidelines was first released as principles of MOFA's ODA evaluation in 2003, based on national and international evaluation theories. Since then, they have been updated, reflecting the Ministry's experience and trend in ODA evaluation. The twelfth edition of the guidelines of the Japanese version was released in June 2019. This English version is a summary of the Japanese guidelines and provides an overview of ODA evaluation and explains its role and position at MOFA.

These guidelines aim to provide practical and useful information for ODA evaluators, researchers and those who are engaged in ODA activities. MOFA hopes that the Guidelines would be helpful for the general public as well.

MOFA will continue evaluation activities to further improve Japan's ODA and sincerely hopes that these guidelines will contribute to that end.

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Minister's Secretariat, MOFA

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Preface

Importance of Evaluation

- The new Development Cooperation Charter was adopted by the Cabinet in February 2015 after Official Development Assistance Charter (August 2003), a foundation of Japan's ODA policy, was reviewed. The Charter defines importance of evaluation as follows.
 - *A more strategic approach should be taken to maximize the impact of Japan's development cooperation. In other words, it is important for the government and implementing agencies to work as one—in cooperation with diverse stakeholders—and to mobilize various resources available to Japan. It is also important to engage in the development cooperation cycle of policymaking, implementation and evaluation in an integrated manner.*¹
 - *In the light of the importance of evaluation not only for improving effectiveness and efficiency but for accountability to the public, Japan will conduct evaluations at the policy and program/project levels and feed the results back to the decision-making and program/project implementation processes. Such evaluations, while focusing on outcomes, will take into account the peculiarities and conditions of the recipients. Efforts will be made to undertake evaluation from a diplomatic point of view as well.*²
 - *The government will strive for effective public relations on development cooperation in Japan, timely and adequate disclosure of information on implementation, evaluation and other aspects of development cooperation to the wider public in a transparent manner. The government will also provide easy-to-understand explanations on the policies, significance, outcomes and evaluation of Japan's development cooperation by the international community among other aspects.*³
- In accordance with the Development Cooperation Charter, a Resolution of ODA implementation was adopted by the Special Committee of the House of Councilors on Official Development Assistance and Related Matters on June 19th, 2015. It defines importance of a feedback mechanism.

¹ Development Cooperation Charter III (1) A (a)

² Development Cooperation Charter III (1) A (a)

³ Development Cooperation Charter III (2) C (a)

1. Definition and Purpose of ODA Evaluation

While there are many definitions of the term ‘*evaluation*’, the OECD Development Assistance Committee (DAC) defines it as “the systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results.” In such evaluations, clear questions are to be defined early on in the process to identify the framework of the evaluation.

In general, evaluation has two purposes: **management** and **accountability**.

In the Principles for Evaluation of Development Assistance adopted in 1991, the OECD-DAC defines that their main purposes of evaluation are:

- to improve future aid policies, programmes and projects through feedback of lessons learned;
- to provide a basis for accountability, including the provision of information to the public.

Besides these, some other evaluation purposes the OECD-DAC includes are to promote the dialogue and improve cooperation between the participants in the development process through mutual sharing of experiences at all levels. In addition, the OECD-DAC states that an essential role of evaluation is to utilize and feedback evaluation results to both policy-makers and operational staff.

MOFA’s ODA evaluation has the following purposes.

■ **Improve ODA Management**

To improve ODA management aiming to enhance ODA quality through feeding back lessons obtained from observation of ODA activities to the process of ODA policy formulation and implementation.

■ **Promote Public Accountability**

To fulfill accountability and promote public understanding by releasing evaluation results, which leads to increasing transparency of ODA.

2. Mechanism and Roles of ODA Evaluation

As importance of ODA evaluation increases in Japan, MOFA makes efforts to ensure impartiality and independence of evaluation and to strengthen its feedback mechanism.

Ensuring Impartiality and Independence

It is important to improve objectivity of evaluation by ensuring independence of the division that administers ODA evaluation. In the *ODA Review Final Report 2010*, structural change was recommended to enhance independence. As a result, the ODA

Evaluation Division, the evaluation conducting unit, was relocated from the International Cooperation Bureau, the policy-making unit, to the Minister's Secretariat in April 2011. Moreover, MOFA has been appointing an external expert from outside the Ministry as the director of the ODA Evaluation Division to enhance expertise of its evaluation activities since 2011.

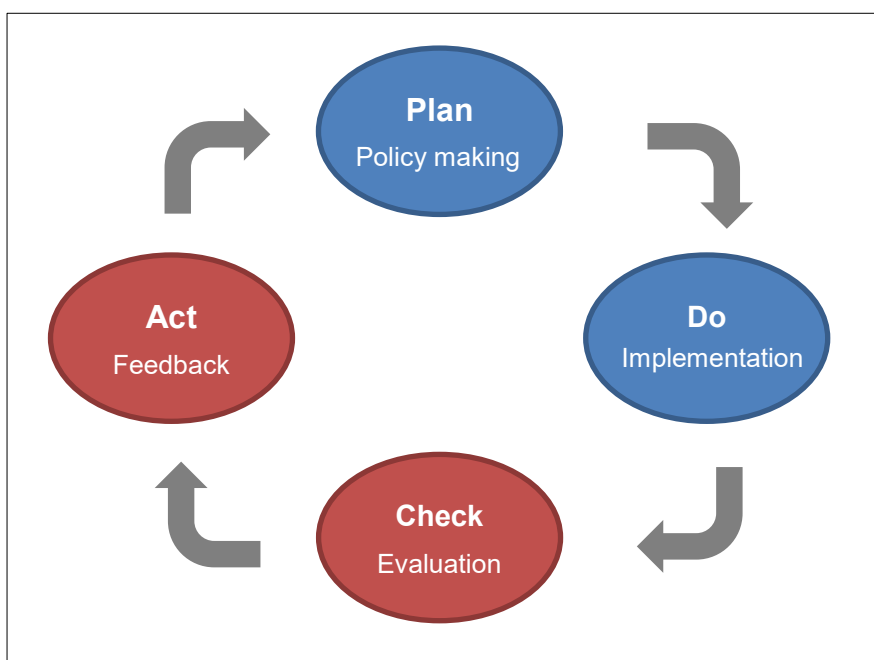
Besides structural independence, MOFA must assure impartiality and objectivity of ODA evaluations to provide credible and unbiased results to the public.

Reinforcing Feedback Mechanism

MOFA conducts ODA evaluation in accordance with the Plan-Do-Check-Act Cycle (PDCA Cycle) in order to achieve the aforementioned two purposes.

To improve ODA, policy-makers and implementers must know operational performance and achievement of ODA policies/programs. Thus, a proper feedback mechanism is essential for future ODA policy designs and implementation. At a feedback stage, the ODA Evaluation Division provides evaluation results to internal divisions concerned with ODA policies/programs including the Embassies and external project implementation agencies such as Japan International Cooperation Agency (JICA) to enhance ODA management.

Figure 1: ODA evaluation in the PDCA cycle



3. Evaluation Standards

Evaluation should be conducted using certain standards to assess plans, implementation and results systematically and objectively. At MOFA, development and diplomatic viewpoints are used for third-party evaluations.

Evaluation from Development Viewpoints

Currently there are no established methods and standards for policy and program evaluations internationally and domestically.

MOFA has set its own evaluation standards based on the OECD-DAC's five evaluation criteria which were announced in 1991. MOFA uses 'Relevance of Policies', 'Effectiveness of Results' and 'Appropriateness of Processes'.

MOFA's Three ODA Evaluation Criteria

- ***Relevance of Policies***

Relevance of Policies assesses targeted policies and programs by measuring consistency between target policies and Japan's high-level policies on ODA, international priority issues and recipient countries' needs as well as comparative advantages of Japan. It corresponds to 'Relevance' of the OECD-DAC criteria.

- ***Effectiveness of Results***

Effectiveness of Results assesses the degree of achievement by looking at inputs, outputs and outcomes of development cooperation. It corresponds to 'Effectiveness' and 'Impact' of the OECD-DAC criteria.

- ***Appropriateness of Processes***

Appropriateness of Processes assesses whether policy/program implementing process has been appropriate to ensure the relevance of policies and effectiveness of the results. It corresponds to 'Efficiency' of the OECD-DAC criteria.

In FY 2015, MOFA started using ratings in basically all third party evaluations. While ratings let readers grasp the results quickly, it could misguide them because ratings are too simple. When using ratings, evaluators must provide enough evidence and reasons of their rates. The following chart is the rating scale for MOFA's current evaluations. Each rating, while it can be utilized for analyzing the overall trend, should not be used for comparing different evaluation results as each evaluation is based on varied methodologies and grounds. Also, the ratings are used only for evaluation from the development viewpoints, not from the diplomatic viewpoints. The reasons are because there are many mixed factors in the effect to diplomacy, diplomatic causality is not as

simple as development causality, and it is difficult to determine the quantitative diplomatic impact.

Figure 2: Rating scale chart of MOFA ODA evaluation

Criteria	Evaluation Questions (examples)	Rating
Relevance of Policies	<ol style="list-style-type: none"> 1. How relevant is the ODA policy to Japan's high level policy? 2. How relevant is the ODA policy to partner country's needs? 3. How relevant is the ODA policy to international priority issues? 4. How aligned is the ODA policy with other donors' policies? 5. How outstanding is Japan's ODA among other donors? 	<p><i>A. Highly Satisfactory</i> (When all questions have highly satisfactory results.)</p> <p><i>B. Satisfactory</i> (When most questions have satisfactory results.)</p> <p><i>C. Partially Unsatisfactory</i> (When some questions have satisfactory results though there are some issues to be solved.)</p> <p><i>D. Unsatisfactory</i> (When most questions do not have satisfactory results.)</p>
Effectiveness of Results	<ol style="list-style-type: none"> 1. How much resources have been put? Were the inputs effective? 2. What results have the inputs produced? Have the expected outputs been seen? 3. What levels of effects and impacts have been shown? Have the expected outcomes appeared? 	<p><i>A. Highly Satisfactory</i> (When all questions have highly satisfactory results.)</p> <p><i>B. Satisfactory</i> (When most questions have satisfactory results.)</p> <p><i>C. Partially Unsatisfactory</i> (When some questions have satisfactory results though there are some issues to be solved.)</p> <p><i>D. Unsatisfactory</i> (When most questions do not have satisfactory results.)</p>
Appropriateness of Processes	<ol style="list-style-type: none"> 1. How appropriate was the policy making process? 2. How appropriate was the implementing process? 3. How appropriate was the implementing structure? 4. How appropriate was the donor coordination? 	<p><i>A. Highly Satisfactory</i> (When all questions have highly satisfactory results.)</p> <p><i>B. Satisfactory</i> (When most questions have satisfactory results.)</p> <p><i>C. Partially Unsatisfactory</i> (When some questions have satisfactory results though there were some issues to be solved.)</p> <p><i>D. Unsatisfactory</i></p>

		(When most questions do not have satisfactory results.)
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Evaluation from Diplomatic Viewpoints

With increased severity in Japan's economic and fiscal conditions, it has become even more important to provide the taxpayers with information on how much contribution has been made by tax-funded ODA to meet Japan's national interests. To assess effects and impacts ODA gives on national interests, MOFA has introduced diplomatic viewpoints in addition to development viewpoints as its evaluation standards in FY 2011. Since FY 2015, basically all MOFA's third-party ODA evaluations have been conducted using the diplomatic viewpoints.

Japan's Development Cooperation Charter (February 2015) states that development cooperation is one of the most important tools of Japan's foreign policy and that efforts will be made to undertake evaluation from a diplomatic viewpoint. MOFA has been making efforts to provide the public with better explanations on why Japan needs to provide ODA for its partner countries and how ODA has contributed to Japan's national interests.

MOFA has set the following evaluation criteria for its diplomatic viewpoints: diplomatic importance and impact.

- ***Diplomatic Importance***

Examine how Japan's ODA is expected to contribute to its national interests and why it is important for Japan and its people. The following are some examples of evaluation questions.

- How is Japan's ODA important for international efforts in solving global priority issues?
- How is Japan's ODA historically and/or geopolitically important for bilateral relationship?
- How is Japan's ODA important for Japan's peace and prosperity?
- How is Japan's ODA important for overall Japan's diplomatic strategy?

- ***Diplomatic Impact***

Examine what impact Japan's ODA has made to the country and its people. The following are some examples of evaluation questions.

- How has Japan's ODA contributed to Japan's presence and credibility in the international society?

- How has Japan's ODA enhanced bilateral relationship from the grassroots to the summit level?
- How has Japan's ODA contributed directly/indirectly to Japan's peace and prosperity including the effects on its economy and companies?

The following are some reference documents and information for evaluators to use when examining diplomatic importance and impact.

- Diplomatic Bluebook (MOFA, Japan)
- Policy evaluation reports (MOFA, Japan)
- MOFA's ODA internal evaluation results
- Official media release documents on international/bilateral conferences
- Media reports such as news articles
- Relevant statistics data such as economy and growth indicators
- Public opinion survey on Japan
- Interview with stakeholders

4. Classification of MOFA's ODA Evaluation

Japan's ODA evaluations are primarily conducted by MOFA and JICA. MOFA mainly evaluates Japan's ODA policies and programs whereas JICA mainly evaluates development cooperation projects.

There are two types of MOFA's ODA evaluations: one conducted following the Order for the Organization of MOFA and the other conducted based on the Government Policy Evaluation Act. Each evaluation is based on respective grounds with different implementation systems and procedures.

This document explains the evaluation based on the Order for the Organization of MOFA.

(1) Third-Party Evaluation at Policy and Program Level

Most evaluations conducted by MOFA are third-party evaluations which are implemented by a party independent from both donors and recipients of ODA. MOFA uses an open tendering system to select the evaluators. An evaluation team is consisted of members from an external organization such as a consulting company or a research institute and two scholars or experts: one expertized in ODA evaluation (Chief Evaluator) and the other expertized in evaluation target area/theme (Advisor).

Country/Regional Assistance Evaluation

Country/Regional assistance evaluation assesses the progress of the implementation of ongoing assistance policies to a specific country/region. When evaluations are conducted in alignment with the review/revision cycles of the Country/Region Assistance Policies, the evaluation results will be used as reference.

◆Recent evaluations

- Evaluations of Japan's ODA to Indonesia, Costa Rica & Nicaragua, Angola, Cambodia, India, Uganda, Tanzania, Paraguay, Vietnam, Morocco, the South Caucasus and Pacific Island countries

Thematic/Aid Modality Evaluation

Thematic/aid modality evaluation assesses the progress of ongoing development interventions for a specific priority or aid modality used for delivering ODA.

◆Recent thematic evaluations

- Evaluation of JICA Volunteer Program
- Evaluation of Japan's ODA to Africa through the TICAD Process for the Past 10 Years
- Evaluation of Japan's Assistance in the Pollution Control Field
- Evaluation of Japan's Contribution to the Achievement of the MDGs in Environmental Sector
- Evaluation of Japan's Education Cooperation Policy 2011-2015

◆Recent evaluations on aid modality

- Evaluation of Grant Aid for Promotion of Japanese Standards
- Evaluation of Debt Cancellation
- Evaluation of the JICA Partnership (Grass-root) Program

◆Recent evaluations on sector

- Evaluation of Japan's Assistance to Connectivity in the Mekong Region with a Focus on the Southern Economic Corridor
- Evaluation of Assistance in the Industrial Human Resources Development Sector in Thailand

Other Evaluations

Other types of evaluations which are not classified under the aforementioned categories are conducted when deemed necessary.

◆Recent Evaluations

- Evaluation of the Feedback Mechanism (PDCA cycle) of Japan's ODA
- Review of Japan's ODA Evaluations from FY 2003 to 2013

- Trial Results towards the Enhancement of “Evaluation from Diplomatic Viewpoints”

(2) Third-Party Evaluation at Project Level

Grant Aid Project Evaluation

Since FY 2017, MOFA has implemented evaluations of grant aid projects that are completed with a scale of more than 10 million yen.

(3) Partner Country-led Evaluation

Evaluations conducted by the recipient side of ODA aims to promote transparency and understanding of Japan's ODA to the public of the recipient countries, as well as to enhance their evaluation capacities. The evaluators can be government officials, members of government related agencies, think tanks, academic/research institutions, private companies, or NGOs or individual consultants of the recipient country. It can be joint evaluation by the partner country and the Embassy of Japan. Some of the merits of joint evaluation are that it enhances ownership of the partner country, strengthens partnership between two countries and provides an opportunity to learn from each other.

◆ Recent Evaluations

- Partner Country-led Evaluation on Third Country Programmes in the Environment Sector 2012-2018 in the Framework of Japan-Mexico Partnership Programme
- Partner Country-led Evaluation of Japan’s Official Development Assistance in the Economic and Social Infrastructure Sector in the Independent State of Samoa
- Evaluation of Japan’s Official Development Assistance to the Uruguayan Forestry Sector
- Joint Evaluation of Japan’s ODA to the Disaster Risk Reduction and Management Sector in the Republic of the Philippines

5. Disclosing Evaluation Results

To ensure accountability, all evaluation reports are made available to the public on the [MOFA website](https://www.mofa.go.jp/policy/oda/evaluation/index.html)⁴. Anyone can access to the evaluation results of each evaluation project.

Evaluation results are reported to the Development Project Accountability Committee, which consists of external experts from NGOs, the private sector, academia and press. This committee plays a central role in the feedback mechanism to discuss new ODA projects.

⁴ <https://www.mofa.go.jp/policy/oda/evaluation/index.html>

6. Feedback of Evaluation Results

MOFA makes efforts to improve ODA management through the feedback of recommendations and lessons-learned from evaluation results and the evaluation process.

Recommendations and Lessons-learned

Recommendations are proposals withdrawn from the evaluation findings and analyses. They are generally aimed at policy makers and implementers of the evaluation target. They should be specific and feasible: they should identify targets, objectives, actions, timeline, priorities, etc. On the other hand, lessons-learned are drawn from the evaluation process and results and could be used more broadly. Lessons are not as direct and detailed as recommendations: they could be useful for future policy planning and/or implementation for other countries or similar issues.

Recommendations and lessons-learned are shared among stakeholders in MOFA and JICA when all evaluation projects of the fiscal year are completed. They are utilized when reviewing the Development Cooperation Charter, Country Development Cooperation Policies, Thematic Policies, etc., and also when designing/implementing ODA projects at the International Cooperation Bureau and the Embassies.

Follow-up

As part of the feedback mechanism, MOFA hosts an internal Follow-up Meeting after all evaluation projects of the fiscal year are completed and its results are shared among stakeholders in MOFA and JICA. At this meeting, MOFA and JICA discuss response actions for the recommendations of each evaluation project and share the implementation status of response actions from the previous fiscal year. MOFA monitors the implementation status two years after the evaluation. Follow-ups for the mid- to long-term are the agenda that needs to be further discussed.

As mentioned in the *ODA Review Final Report* (June 2010), MOFA highly acknowledges the importance of the feedback process in ODA evaluations and releases recommendations, response actions and the status of the implementation of the response actions. They are made available to the public by *Annual Report on ODA Evaluation*.