

ODA Evaluation Handbook

(Provisional Translation)

**ODA Evaluation Division
Minister's Secretariat
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This handbook describes the flow and method, including points to be considered, of ODA evaluation (third-party evaluation) conducted by the ODA Evaluation Division, Minister's Secretariat, Ministry of Foreign Affairs of Japan (MOFA). The evaluation is carried out based on the ODA Evaluation Guidelines (June 2021).

1 Types of ODA Evaluation Conducted by MOFA

Japan's ODA evaluations are primarily conducted by MOFA and the Japan International Cooperation Agency (JICA)¹. To conduct ODA evaluations efficiently, MOFA and JICA divide roles by drawing a line between the evaluation targets of each organization. ODA evaluations conducted by MOFA consist of ODA evaluation based on the Order for the Organization of MOFA, etc. and policy evaluation based on the Government Policy Evaluations Act. The two types of evaluations are conducted under different implementation structures and procedures. Types of ODA evaluation based on the Order for the Organization of MOFA are described below.

(1) Policy Level Evaluation

1) Country/Regional Assistance Evaluation

The main purpose of country assistance evaluation is to review the implementation status of ODA in a specific country, give feedback to Japan's ODA policies for the country, and promote Japanese people's understanding of Japan's ODA to the country. To reflect the evaluation results in policymaking, country assistance evaluation is conducted, whenever possible, in the year before the formulation or revision of the Country Development Cooperation Policy².

2) Thematic/Cooperation Modality Evaluation

The main purpose of thematic evaluation is to review the implementation status of ODA for a specific theme or modality for cooperation, contribute to the improvement of the management of development policies and aid modalities for the theme, and promote public understanding of Japan's initiatives for the theme or modality for cooperation. It has been decided that sector evaluation³, conducted until FY 2017, will not be conducted from FY 2018 onward in principle and will be covered in partner country-led evaluation and country evaluation, as a result of a narrowing down of subjects of ODA evaluation.

(2) Project Level Evaluation

In response to the feedback in the FY 2016 autumn administrative review (annual public review) and on other occasions, MOFA has been conducting third-party evaluations since FY 2017 for its completed grant aid projects in which the maximum amount of aid offered is one billion yen or more. The purpose of such evaluations is to ensure appropriate implementation of the PDCA cycle and fulfill the accountability to the public. The evaluations are conducted within the scope feasible in the budget, and consideration is given to the contents of the project, regions covered, safety, etc. in conducting the evaluations⁴⁵.

¹ In addition, relevant ministries and agencies conduct self-evaluation of their own ODA operations, based on the Government Policy Evaluations Act.

² The ODA Review Final Report released by MOFA in June 2010 states that the "Country Assistance Programs (CAPs) will be redesigned into a concise and more strategic form to better highlight priority areas and the direction of assistance by country. Country Assistance Programs and Rolling Plans will be integrated. The contents and the procedure to develop the CAPs will be streamlined while the CAPs will be drawn up for all the recipient countries in principle." Since FY 2011, MOFA has been formulating the CAPs for all ODA recipient countries in principle. (In May 2016, the CAPs were renamed "Country Development Cooperation Policies.")

³ Sector evaluation covers the overall ODA activities for a specific development area in a specific country/region.

(3) Others

When necessary, other types of evaluations, surveys, etc., are conducted to improve and enhance ODA evaluation.

(4) Partner Country-led Evaluation

The purpose of partner country-led evaluation is to ensure the fairness and transparency of Japan's ODA by having the partners evaluate, promote the partner countries' understanding of Japan's ODA through the evaluation, and enhance their evaluation capacities. In principle, MOFA's overseas establishments decide the evaluators, evaluation targets, etc., taking into account past ODA records, the evaluation capacities of the partner country, and other factors. Possible evaluators include government officials of the partner country, research institutions, and consultants.

The overseas establishment concludes a contract with the evaluator, keeps track of the progress of the evaluation, and undertakes other relevant roles. After the evaluation, the overseas establishment holds a local reporting session on the evaluation results by country-based ODA Task Force members, government officials of the partner country, and other relevant parties, and feeds back the evaluation results.

[Joint Evaluation]

Joint evaluation may take place upon agreement with the partner countries, other donors, NGOs, etc. In joint evaluation with a partner country, the evaluators usually consist of MOFA officials, government officials from the partner country, and consultants from both countries, while in some cases, all consultants are local consultants from the partner country. In joint evaluation with another donor (country or institution), the evaluators consist of MOFA officials, officials from the other donor (country or institution), and consultants. In either case, it is important to ensure the independence and impartiality of the evaluators.

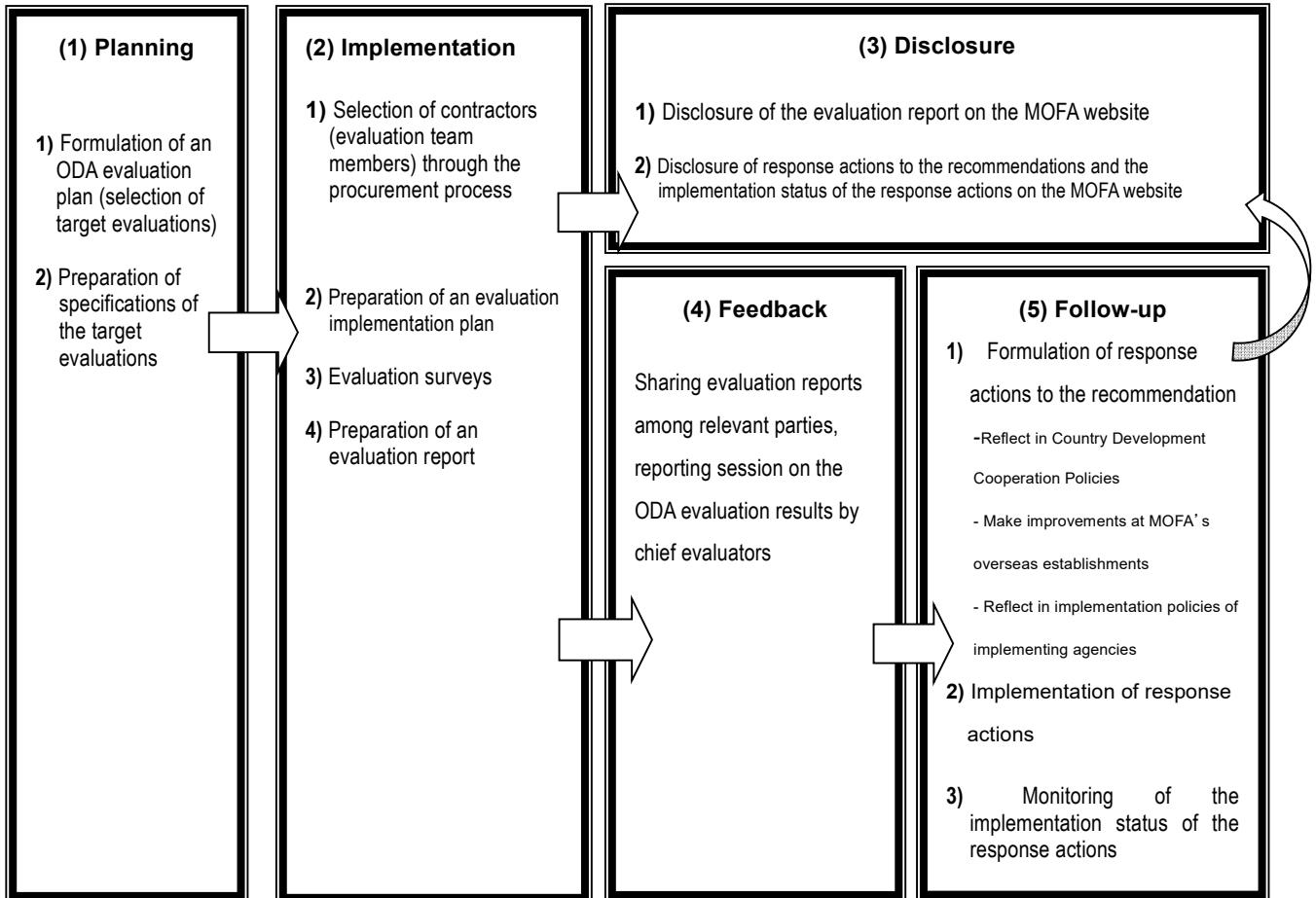
⁴ MOFA's completed grant aid projects in which the maximum amount of aid offered is 200 million yen or more but less than 1 billion yen are subject to internal evaluation.

⁵ Third-party evaluation of Grant Assistance for Japanese NGO Projects (since FY 2021) constitutes another type of MOFA's project level evaluation. The evaluation is conducted based on the guidelines formulated by the Non-Governmental Organizations Cooperation Division, International Cooperation Bureau. Guidelines for Third-party Evaluation of Grant Assistance for Japanese NGO Projects
<https://www.mofa.go.jp/mofaj/gaiko/oda/files/100181963.pdf>

2 Flow of ODA Evaluation

As shown in Figure 1 below, ODA evaluation by MOFA (third-party evaluation) is comprised of planning, implementation, disclosure, feedback, and follow-up processes.

Figure 1: Flow of ODA Evaluation



(1) Planning

1) Formulation of an ODA Evaluation Implementation Plan (Selection of Targets)

MOFA's ODA Evaluation Division formulates an ODA evaluation plan every fiscal year and decides the target evaluations. In principle, target evaluations are selected based on the following criteria, taking into account the circumstances and structures of the International Cooperation Bureau and overseas establishments, which cooperate with the implementation of the evaluation.

(I) Policy Level Evaluation

(i) Country assistance evaluation:

(a) Countries to which large amounts of cooperation have been offered (highly ranked in the average amount of cooperation offered in the past five years)

(b) Countries where revisions of Country Development Cooperation Policies are scheduled in the fiscal year following the evaluation (For example, countries where revisions of Country Development Cooperation Policies are scheduled in FY 2024 are considered for evaluation in FY 2023)

(c) Countries that are safe enough to send third parties from Japan for field surveys

(ii) Thematic/Cooperation modality evaluation:

(a) Themes and modalities for cooperation covered in the Priority Policy for Development Cooperation and the White Paper on Development Cooperation

(b) Areas where the necessity of evaluation is stated in policies or initiatives

(c) Themes and modalities for cooperation to which the Prime Minister or the Foreign Minister expressed an extensive commitment more than five years ago and the results of which should be assessed

(II) Project Level Evaluation

MOFA's completed grant aid projects for which the Exchange of Notes took place in FY 2013 or later and in which the maximum amount of aid offered was one billion yen or more.

(III) Other Evaluations

When necessary, the ODA Evaluation Division selects other subjects that should be evaluated.

2) Preparation of Specifications of the Target Evaluation

For the procurement process, the ODA Evaluation Division prepares specifications that provide an outline of each target evaluation, in consultation with the relevant divisions within MOFA. The specifications include concise, basic information on the evaluation, including the purpose and background, targets, target period, basic method, and schedule.

(2) Implementation

1) Selection of Evaluation Survey Contractors (Evaluation Team Members) through the Procurement Process

(I) Method of Selection

Evaluation survey contractors (evaluation team members) are basically selected through competitive open bidding (comprehensive evaluation bidding method).

(II) Composition of the Evaluation Team

The evaluation team consists of the below (i)–(iii) members. The bidding contractor forms the team, with the informal consent of experts (a chief evaluator and an advisor) suitable for the evaluation. Gender balance is taken into account whenever possible. Members with expertise in the target country/region and area are included, in accordance with the evaluation method and the subject.

(i) Chief evaluator: One expert who specializes in the evaluation of development cooperation

(ii) Advisor: One expert who specializes in the target country/region and area

(iii) Consultants: Two (chief consultant and deputy chief consultant) or more persons, including at least one person who has expertise and experience in evaluation

(Note) For a more comprehensive review in the evaluation from diplomatic viewpoints, it is preferable to include in the team not only experts in development and evaluation but also experts and consultants well-versed in diplomatic relations, international affairs, regional affairs, etc. No advisor is necessary for the evaluation of MOFA's grant aid projects.

(III) Roles in the Evaluation Team

(i) **Chief evaluator:** From the evaluation team leader's standpoint, the chief evaluator gives instructions to the consultants with regard to the survey, including the collection and analysis of information; reviews the survey and analysis conducted by the consultants; and decides the core recommendations and lessons learned that will be included in the evaluation report. The chief

evaluator represents the evaluation team, takes final responsibility for the contents of the report, and reports the evaluation results to MOFA's senior officials, etc. at the end of the fiscal year.

(ii) **Advisor:** As an expert on the target country, region, and area of the evaluation, the advisor takes into account the chief evaluator's intents and gives necessary advice to the consultants when they engage in the survey and analysis and prepare the report.

(iii) **Consultants:** The consultants play a leading and central role in the overall evaluation survey, including collecting and analyzing necessary information and preparing the evaluation report. To prepare a high-quality evaluation report, they seek the necessary instructions and advice from the chief evaluator and the advisor in a timely manner. The chief consultant works closely together with the ODA Evaluation Division; facilitates smooth communication within the evaluation team, including with the chief evaluator and the advisor, coordinates the views of the evaluation team, and designates the deputy chief.

2) Preparation of an Evaluation Implementation Plan

(I) Preparation of a Draft Evaluation Implementation Plan

The evaluation team prepares a draft evaluation implementation plan, which includes the purpose, targets, target period, method, logic model, and evaluation framework⁶ (verification items in each evaluation criterion, key verification details, and potential sources of information are incorporated), and timeline.

(i) Evaluation from Development Viewpoints

Items in this category are set to review from an objective standpoint whether the policy/project was relevant in light of the developmental purpose (Relevance of Policies), what levels of effects the policy/project has shown to achieve the purpose (Effectiveness of Results), and whether the processes to ensure the relevance of policy/project and the effectiveness of the results were appropriate (Appropriateness of Processes).

(ii) Evaluation from Diplomatic Viewpoints

Verification items in this category are set to assess the diplomatic importance of the target ODA policy/project in light of the national interests the policy/project is expected to contribute to (diplomatic purpose), as well as how the policy/project contributed to Japan's national interests (diplomatic impact).

(II) Exchange of Opinions on and Finalization of the Evaluation Implementation Plan (First Study Meeting)

To discuss the draft evaluation implementation plan prepared by the evaluation team, the team holds the first study meeting with MOFA and JICA. In the study meeting, the team presents the draft evaluation implementation plan to ask for feedback, consults with the division in charge of the policy to understand requests and points to be considered concerning the evaluation and recommendations, and make improvements to the draft plan as necessary. Through the study meeting, the evaluation team and MOFA ensure that they share an understanding of the evaluation targets, framework (especially verification items and verification details), rating criteria, etc., before finalizing the evaluation implementation plan.

As potential sources of information, verification items, and key verification details may need to be revised in the course of evaluation surveys, necessary changes can be made during the surveys. The evaluation team, however, needs to consult with the ODA Evaluation Division in advance when making changes to the evaluation implementation plan prepared after the first study meeting.

3) Evaluation Surveys

⁶ For the evaluation framework, see "3 Method of Policy Level ODA Evaluation, (2) 1) Creation of an Evaluation Framework" on page 11 of this handbook.

(I) Collection and Analysis of Information

To collect information necessary for evaluation, the evaluation team conducts surveys, including literature research and online interviews, regardless of whether the field surveys in the target country by the evaluation team are conducted or not. When the evaluation team visits the target country to conduct field survey, it needs to identify information difficult to obtain without actual visit (project sites visits, obtaining unpublished statistics, etc.) beforehand to make the survey as efficient as possible.

While there are a number of methods to collect and analyze information, such as literature research, case studies, the evaluation team strives to collect reliable information by adopting triangulation, which combines multiple methods.

When quantitative goals have been set and sufficient data are available, conducting quantitative analysis, such as cost-benefit analysis and econometric analysis, is considered.

For a deeper analysis from diplomatic viewpoints, it is desirable to regard interviews with domestic researchers who specialize in the target country and local politicians and journalists, including those with critical views on Japan's ODA, as important sources of information that should be referenced in collecting and analyzing information.

(II) Field Surveys

When the evaluation team is to visit the field for surveys, a draft itinerary of the trip needs to be presented to the ODA Evaluation Division without delay, after the team members are selected. The ODA Evaluation Division hears opinions of relevant divisions and overseas establishments of MOFA and arranges the schedule.

(III) Appointment Arrangements

In principle, the evaluation team makes the actual appointments (including requests for materials) for interviews with MOFA, JICA, other Japanese ministries, and government officials of the partner country whether the interviews are taken place face-to-face or online. Prior to making appointments, the team prepares an outline of the background and purpose of the evaluation (one to two pages long, in Japanese and English).

Prior to an interview, the evaluation team prepares questions (in Japanese and English) to ask and submits the questionnaire to the ODA Evaluation Division. MOFA (ODA Evaluation Division, relevant divisions, overseas establishment) asks the team to revise the questionnaire in certain cases, such as when any question is found inappropriate in light of diplomatic policies, bilateral relations, etc. After MOFA's approval, the evaluation team sends the questionnaire to the interviewee in advance.

(IV) Roles of ODA Evaluation Division Officials in interviews

Whether the interviews are taken place online or face-to-face, officials from the ODA Evaluation Division attend as observers. The main role of the ODA Evaluation Division official attending the interviews is to show that the survey constitutes a mission requested by the Government of Japan while being conducted by a private sector consultant, as well as to ensure that surveys are conducted in accordance with the plan and the results are reflected in the report. If the chief evaluator has a concern that the official's attendance would have a significant impact on the impartiality of the evaluation, the chief consultant, with shared understanding with the chief evaluator, specifies the interviewee of concern and explains the reason for the concern to the ODA Evaluation Division beforehand. The ODA Evaluation Division decides whether the attendance of the official at the interview is appropriate or not.

4) Preparation of an Evaluation Report

(I) Groundwork for the Preparation of an Evaluation Report (Second Study Meeting)

After the survey, the evaluation team holds the second study meeting with MOFA and JICA, where the team makes a report on the survey results they have at that point, presents a draft evaluation

report (outline) based on the results of the surveys and analysis, describes their policy for preparing the report, and asks for relevant parties' opinions. The outline includes key points, directions, etc. of evaluation results and recommendations, written based on the survey results the team has at that point.

Based on the exchange of opinions at the second study meeting, the evaluation team analyzes and reviews the information collected in the surveys and starts preparing the report. Matters regarded as effective or efficient in the target ODA are to be recognized as good practices that should be promoted in the future. Recommendations are to be made on matters that should be improved, with specific methods for improvement and objective information (specific evidence).

(II) Documents to be Prepared

The evaluation team analyzes the collected information, conducts evaluation based on the outcome of the process thus far, and compiles evaluation reports described below.

- (i) A concise main report that includes evaluation results and recommendations, written in Japanese and 40 pages long at the maximum (25 pages maximum for the evaluation of MOFA's grant aid projects)
- (ii) A supplementary report that includes detailed information excluded from (i), reference materials, etc. and is 30 to 60 pages long (30 pages maximum for the evaluation of MOFA's grant aid projects)
- (iii) An English version of the main report to give feedback to the partner country and provide information to other donor countries, international organizations, etc. (the supplementary report does not need to be translated into English).

(III) Points to be Considered in Preparing the Evaluation Report

While evaluation reports are mainly utilized by practitioners in policymaking, it is extremely important that the report describes evaluation results in a way easy to understand for the wider public, as one of the purposes of the evaluation is to ensure accountability to the public. Therefore, extensive descriptions for evaluation experts or use of difficult terms and phrases should be avoided. Diagrams, pictures, color, etc. can be used to facilitate a better understanding of the contents. An extremely short or long evaluation report can be of low quality and difficult to understand for the public. It is required that the length stays within the scope specified in the bidding instructions. Details of the preparation of the evaluation report (format, cover, structure, etc.) are found in "Guidebook of the MOFA's ODA Evaluation for Consultants" (distributed by the ODA Evaluation Division). The evaluation team should refer to the guidebook as appropriate.

(IV) Preparation of the Final Draft of the Evaluation Report (Third Study Meeting)

- (i) The ODA Evaluation Division receives the evaluation report from the evaluation team and asks MOFA's relevant divisions and overseas establishments in the country/region where field surveys were taken place, as well as relevant JICA officials, for fact-checking and other types of feedback on the report.
- (ii) The evaluation team receives the feedback from the relevant parties and holds the third study meeting with relevant MOFA and JICA officials. In the third study meeting, the evaluation team and relevant MOFA and JICA officials strive to resolve any disagreements and issues by giving thorough explanations about facts and their views to each other.
- (iii) The evaluation team prepares the final draft of the evaluation report, based on the discussion at the third study meeting.

[Chief Evaluators Meeting]

- 1 Since FY 2018, chief evaluators meetings are held to ensure that evaluations are of high quality and consistent across projects. Chief evaluators of the target projects for the fiscal year and external experts with deep insights into evaluation (commissioned directly by the ODA Evaluation Division, and asked to attend study meeting for some target evaluation for the fiscal year and give advice based on their expertise) attend the meetings and exchange opinions on challenges in each target evaluation and other relevant matters.
- 2 In principle, chief evaluators meetings are held twice a year. The first meeting takes place after the first study meeting for each target project, and the second meeting before the third study meeting.
 - (1) The purpose of the first chief evaluators meeting, held when the evaluation framework for each target evaluation is formulated and the evaluation is starting, is to arrange an exchange of opinions across the board on points to be considered in implementing the evaluation, as well as on the evaluation framework, and standardize them across target projects.
 - (2) The purpose of the second chief evaluators meeting, held before the evaluation report for each target evaluation is finalized, is to arrange an exchange of opinions between chief evaluators and experts to review the logic behind evaluation results, points at issue, and challenges.
- 3 External experts commissioned directly by the ODA Evaluation Division also attend the reporting session on ODA evaluation results held at the end of the fiscal year and, from the evaluation experts' perspective, comment on ODA evaluations conducted in that fiscal year.

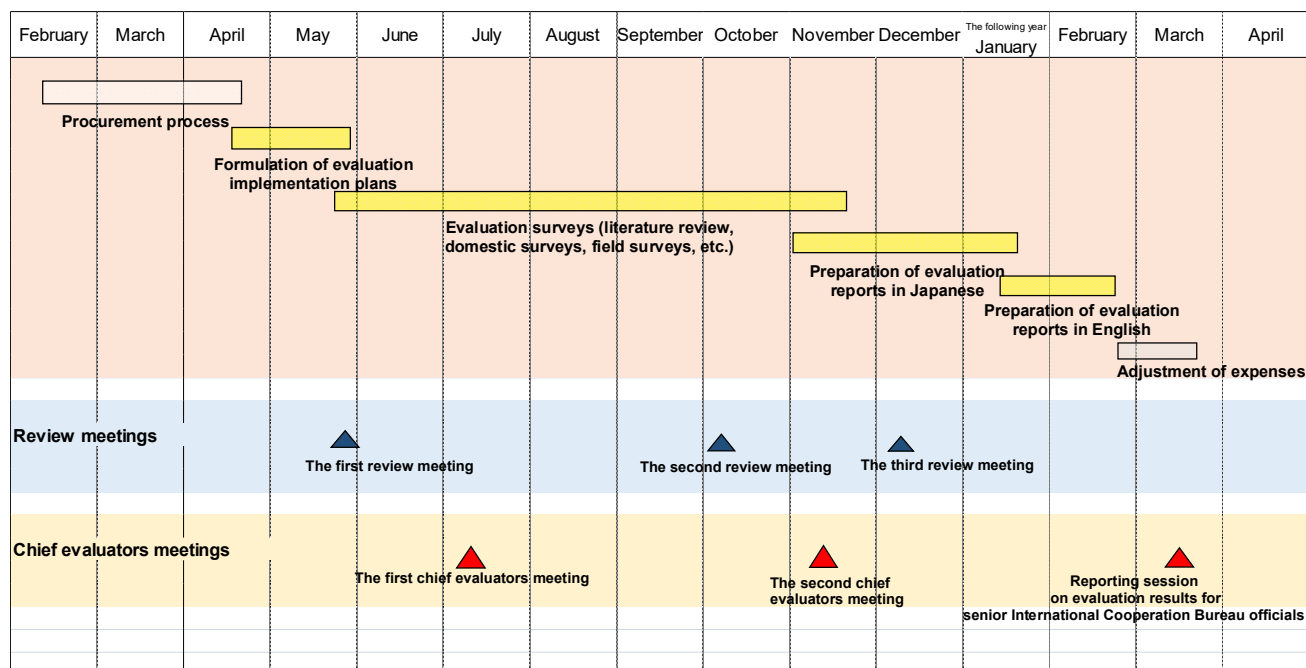
(V) Contents of the Evaluation Report

When there is a difference of opinions between the evaluation team and relevant parties that is difficult to resolve, the final decision by the evaluation team, who is responsible for the wording of the evaluation report, basically takes precedence, unless there is a clear factual error or a lack of evidence on the side of the evaluation team. This is due to the nature of a third-party evaluation. Both arguments, however, may be included in the evaluation report in exceptional cases, such as when the view of the evaluation team is significantly different from the government's standpoint.

Stakeholders should respect the independence of the evaluator and avoid interfering in the evaluation. Meanwhile, it is important that the evaluation report is written from an objective and balanced point of view and includes feasible recommendations, with certain consideration given to the opinions of MOFA and JICA, who receive the evaluation results. This can help feed the evaluation results back to subsequent policymaking and implementation and improve ODA management.

While the evaluation team is responsible for the contents of the evaluation report (evaluation results), the copyright of the report belongs to MOFA.

Figure 2: Schedule for the Planning and Implementation of ODA Evaluation (Third-party Evaluation)
 (The schedule may be subject to change depending on the evaluation or fiscal year)



(3) Disclosure

1) Disclosure of Evaluation Reports

Evaluation reports are posted on the MOFA website.

2) Disclosure of Response Actions to the Recommendations and the Implementation Status of the Response Actions

Response actions to the recommendations and the follow-up status of the response actions are incorporated in Annual Reports on Japan's ODA Evaluation, which are posted on the MOFA website.

(4) Feedback

Evaluation reports are shared with relevant divisions and overseas establishments of MOFA, as well as JICA and other relevant parties. The chief evaluators directly report the evaluation results, recommendations, and lessons learned to MOFA's senior officials, etc. at the reporting session on ODA evaluation results, which is held at the end of the fiscal year.

(5) Follow-up

1) Formulation of Response Actions to the Recommendations

MOFA's response actions to the recommendations are formulated in the following fiscal year.

2) Implementation of Response Actions to the Recommendations

Relevant divisions and overseas establishments of MOFA, as well as JICA and other relevant parties implement response actions, for example, reflecting recommendations when revising Country Development Cooperation Policies

3) Monitoring of the Implementation Status of the Response Actions

MOFA follows up the implementation status of the response actions two fiscal years after the recommendations.

3 Method of Policy Level ODA Evaluation

This section describes the basic methods of third-party ODA evaluation at the policy level (country/regional assistance evaluation and thematic/cooperation modality evaluation).

(1) Scope of Evaluation

1) Creation of a Logic Model

The evaluation team reviews the relevance of policies and the effectiveness of results, within the scope of evaluation targets and target period given in the specifications. To this end, the team creates a logic model, which shows systematically organized policy goals in a concise manner. The logic model is created based on the basic policies and plans on ODA.

2) Confirmation of Evaluation Targets and Target Period

The evaluation targets and target period are given in the specifications. Meanwhile, the evaluation team may, in consultation with MOFA, focus on important policy areas if a large number of cooperation projects in a wide range of areas are carried out in the target country. As a long target period can make a thorough review difficult, the suggested target period is the past five years in most cases. When a longer-term review is appropriate and feasible, the target period can be five years or longer, based on prior consultation with MOFA.

3) Points to be Considered

(I) County/Regional Assistance Evaluation

For country/regional assistance evaluation, the logic model, which shows systematically organized ODA policy goals for the country in a concise manner, is created based on the Country Development Cooperation Policy (formerly the Country Assistance Program) and Rolling Plan. If there is no Country Development Cooperation Policy for the country, the logic model is created based on the basic ODA policy and priority areas for the country, referring to the Rolling Plan and other materials. In creating the logic model, the evaluation team indicates the path to the manifestation of effects, within the scope possible based on existing materials and information from the division in charge, etc.⁷ The path shows what the basic policy (overall goal) and priority areas (subsidiary goals) in the Country Development Cooperation Policy and the development goals in the Rolling Plan each aim to change, how the goals can be achieved, and what external factors have an influence.

For regional assistance evaluation, the evaluation team refers to the regional assistance policy in creating the logic model. When there is no regional assistance policy, the team refers to other relevant materials, such as the White Paper on Development Cooperation, sectoral development policies, Country Development Cooperation Policies for the countries in the region, and Rolling Plans.

(II) Thematic/Cooperation Modality Evaluation

The logic model is created to show systematically organized policy goals for the target development cooperation theme/cooperation modality in a concise manner. As with country/regional assistance evaluation, the evaluation team strives to indicate the path to the manifestation of effects, within the scope possible based on existing materials and information from the division in charge, etc. The path includes how the goals can be achieved and what external factors have an influence.

(III) Cooperation through International Organizations

When necessary, cooperation through international organizations is also subject to evaluation. The scope, however, is limited to earmarked contributions where the way Japan's contributions are spent can be specified⁸. Shares of expenses and contributions to regular budgets of international

⁷ Adopting the concept of theory of change can be effective as a way of indicating the path to the manifestation of effects.

⁸ With regard to the evaluation of cooperation through international organizations, the Development Cooperation Charter

organizations (non-earmarked contributions where the way contributions are spent is not specified) are not subject to evaluation.

(2) Method of Evaluation

1) Creation of an Evaluation Framework

In deciding the method of evaluation, the evaluation team formulates an evaluation framework that outlines the evaluation criteria, verification items, verification details, sources of information, etc. in a way easy to understand. Evaluation is conducted in accordance with the framework.

As described in 2) and 3) below, MOFA's ODA evaluation adopts "Relevance of Policies," "Effectiveness of Results," and "Appropriateness of Processes" as the three criteria for evaluations from development viewpoints and "diplomatic importance" and "diplomatic impact" as the two criteria for evaluations from diplomatic viewpoints. Verification items and verification details are set for each criterion, each evaluation item is analyzed based on verification details, and evaluation is conducted in a comprehensive manner. The evaluation team formulates the verification items and verification details for each evaluation criterion, referring to (I) and (II) below and taking into account the characteristics of the target ODA policies. The items and details are included in the draft evaluation implementation plan submitted by the team, and finalized after consultation with MOFA and JICA.

The above evaluation criteria are independent from each other. For example, a high/low rating in Effectiveness of Results should not automatically lead to a high/low rating in Appropriateness of Processes.

Verification items used in evaluations from development viewpoints should proactively be used in evaluations from diplomatic viewpoints as well, when considered useful.

(I) Country/Regional Assistance Evaluation

Evaluations should not be conducted solely based on the wording in the Country Development Cooperation Policies (formerly Country Assistance Programs). It is important to review in detail what results Japan's ODA policies embodied in the Policies (Programs) have produced (or have failed to produce) and the reasons for the success (failure).

For regional assistance evaluation, it is effective to select two countries for case studies, conduct specific analysis, and use the results of the analysis in the evaluation. The analysis is conducted separately from the review for the wider region.

(II) Thematic/Cooperation Modality Evaluation

In addition to conducting a review across the target area, the evaluation team selects two countries (or regions) for case studies and conducts specific analysis. When a specific modality for cooperation is subject to evaluation, verification items for each evaluation criterion needs to be considered in a flexible manner, as different cooperation modalities require different perspectives for evaluation.

2) Evaluation from Development Viewpoints

Evaluations from development viewpoints are conducted based on the three evaluation criteria: "Relevance of Policies," "Effectiveness of Results," and "Appropriateness of Processes."

(I) Evaluation Based on Relevance of Policies

(i) Target policies are reviewed based on the consistency with Japan's high-level policies, international priority issues (in particular, the Millennium Development Goals (MDGs)/Sustainable Development Goals (SDGs), initiatives by the international community, trends in cooperation, etc.), and development needs of partner countries, as well as comparative advantages of Japan.

states, "Special attention will be paid to ensuring accountability to the public as regards the impacts and evaluation of development cooperation through international organizations." (Development Cooperation Charter, III. Implementation, (2) Implementation arrangements, B. Strengthening partnerships, (c) Partnerships with international, regional and sub-regional organizations)

- (ii) Consistency with not only development policies but also humanitarian aid policies, education policies, and other relevant policies is assessed, from the perspective of the newly added “Coherence” in the DAC Evaluation Criteria.
- (iii) There is a high public interest in the increasing presence of emerging donors. Japan’s comparative advantages are analyzed with an eye to selecting and concentrating on areas of high comparative advantage, as well as based on possible comparisons with the trends and policies of emerging donors that have a significant influence on target countries and areas.
- (iv) In analyzing the relevance of policies, simplistic, perfunctory reviews, where consistency is examined based only on the wording of the Country Development Cooperation Policies, MDGs/SDGs, etc., are to be avoided. Detailed reviews should be conducted to see whether the targeted policies and programs are carried out in line with the intents of those policies and goals and ensure consistency with Japan’s development policies and other relevant policies.

(II) Evaluation Based on Effectiveness of Results

- (i) Target policies are reviewed based on how effective they actually have been, based on the flow from input to output and outcome.
- (ii) In light of the revision to the definition of “Effectiveness” in the DAC Evaluation Criteria, different impacts on different beneficiary groups, in terms of gender, ethnicity, etc., are taken note of in the review of output and outcome. In light of the revision of the definition of “Sustainability” in the DAC Evaluation Criteria, environmental sustainability is taken note of in the review of output and outcome. In light of the newly added “Coherence” in the DAC Evaluation Criteria, evaluation of emergency humanitarian aid and peacebuilding assistance factors in, whenever possible, continuity from and consistency with relevant reconstruction assistance and development cooperation, such as whether seamless assistance has been offered.
- (iii) Japan’s cooperation policies often do not include indicators. When the evaluation implementation plan is prepared, indicators need to be set based on relevant information. In setting indicators, it is important to organize information to conduct analysis, by using the logic model to narrow down priority areas to be reviewed. One way to conduct analysis is to, in selecting target areas for the analysis, focus on areas where the effectiveness of cooperation to priority areas and contribution to policy goals can be quantified. In understanding the effectiveness of Japan’s cooperation, it needs to be noted that the outcome of development is affected by a variety of external factors, such as relationships with other donors and surrounding countries, political and economic trends in the partner country, and input from international organizations, NGOs, and other stakeholders.
- (iv) To objectively review the effectiveness and level of contribution of ODA policies and make recommendations for more effective policymaking, it helps to conduct the quantitative and qualitative analysis shown in the below Table 1 when published data and materials, including the results of JICA’s project evaluations, are available. In recent years, JICA has enhanced indicator setting in project evaluations and conducted quantitative evaluations based on the indicators. It has been pointed out that MOFA’s ODA evaluation needs to increase the level of objectivity through quantitative analysis⁹. It is therefore desirable to seek effective coordination between the evaluations conducted by MOFA and JICA, especially in country assistance evaluation. This can be done by using the data and information from JICA’s project evaluation results effectively, enhancing reviews based on development goals in Rolling Plans for Country Development Cooperation Policies (formerly Country Assistance Programs), and eliciting meaningful evaluations and recommendations¹⁰.

⁹ See recommendation 4-2 (4) in FY 2015 ODA evaluation report, “Evaluation of the Feedback Mechanism of Japan’s ODA.”

¹⁰ In FY 2017 ODA evaluation, enhanced review at the Assistance Program level can be found in “Country Assistance Evaluation of Cambodia” and “Country Assistance Evaluation of the Republic of Uganda.” The chief evaluators of the respective evaluations pointed out as lessons learned in the former that effects are easier to be seen when indicators

- (v) With regard to quantitative analysis, it is relatively easy to show causal relationships with and links to Japan's ODA in the analysis of input and output. On the other hand, the outcome and impact¹¹ is affected by external factors, including cooperation from other donors. To show the level of contribution of Japan's ODA, it is essential to analyze other factors, make clear the positioning of Japan's ODA in that country, and explicitly state that there are limitations to the analysis of contribution to the outcome and impact. Input should not be reviewed simply based on the volume. It is important to make clear whether the input led to an appropriate output for the achievement of the target ODA's goals and purposes. For example, a case where a small input produced a large output in the end is deemed as cost-effective.
- (vi) In evaluating the impact, whether the ODA caused ripple effects, such as facilitating private sector investment, is also reviewed, in accordance with the characteristics of each target evaluation.

Table 1: Common Examples of How Effectiveness of Results is Analyzed

	Input	Output	Outcome
Quantitative analysis	The amount of Japan's ODA compared to the target country's development budget for/actual spending on the area (cooperation contents)	The actual infrastructure development by Japan's ODA compared to the target country's actual infrastructure development (e.g. The total length of roads developed by cooperation from Japan compared to the total length of roads developed in the target country)	Improvement to development indicators in the sector due to Japan's ODA compared to the overall improvement to development indicators in the sector in the target country (e.g. Change in traffic volume in the region where Japan offered cooperation compared to the change in overall traffic volume in that country)
Qualitative analysis	The amount of Japan's ODA compared to the target country's development budget for/actual spending on the area (aid contents)	Human resources developed by Japan's ODA compared to the overall human resources in the target area in the target country (e.g. The number of agricultural extension workers developed by Japan's ODA compared to the number of all agricultural extension workers in the target country, upskilling of agricultural extension workers)	Improvement to development indicators in the sector due to Japan's ODA compared to the overall improvement to development indicators in the sector in the target country (e.g. Spread of an agricultural model introduced by Japan's ODA, change in the size of land under cultivation due to irrigation agriculture)

(III) Evaluation Based on Appropriateness of Processes

- (i) The appropriateness of the cooperation policy development process, the cooperation implementation process, and the cooperation implementation structure is reviewed. The review looks into whether the processes ensure the relevance of policies and the effectiveness of results. By attaching particular importance to the policy development process concerning decisions on policy goals and priority areas, the analysis leads to evaluation results and recommendations that contributes to feedback on policies. The analysis focuses on the formation process of priority areas, etc. and delves into consultation with the partner country, coordination and collaboration with other donors, and other processes. The timing of pledging, the appropriateness of contents and methods of public relations, etc. are also important in the review of the implementation process. In addition, the review looks at specific collaboration and cooperation initiatives with diversifying development cooperation related organizations, as well as the ability to flexibly and appropriately adapt to changes in the development cooperation environment and other contingencies.

exist in relevant sectors or subsectors and cooperation from Japan accounts for a relatively high proportion and in the latter that restrictions on partner country's data and inadequate statistics or indicator setting cast limitations on the review.

¹¹ When measuring the impact of development cooperation, using hierarchy models and logic models makes it possible to have a bird's-eye view of causal relationships between each project and policies/programs. When it is difficult to identify specific causal relationships from the targets across the world, it is effective to employ a metric approach where the relationship between circumstantial changes and cooperation input is explained by regression analysis using metric data, or to analyze and discuss one specific country as a case study.

(ii) In the review of the policymaking process, analysis of decisions on priority areas, etc., consultation with the partner country, etc., and details of coordination and collaboration with other donors, if any, takes place, as described above. The appropriateness of processes should not be judged perfunctorily based only on the existence or non-existence of records of such processes, consultation, coordination, and collaboration. The evaluation team should strive to understand the actual state of affairs through interviews, etc., and review whether the processes effectively ensure the relevance of policies and the effectiveness of results.

Table 2: Examples of Verification items for Each Criterion

Evaluation Criteria	Examples of Verification items	
	(Country Assistance Evaluation)	(Thematic/Cooperation Modality Evaluation)
Relevance of Policies	<p>(i) Consistency with Japan's high-level policies (Appropriateness not only at the time of policy development but also in the target period is reviewed. Not only development policies but also other relevant policies are subject to the review.)</p> <p>(ii) Consistency with development needs of the partner country and its people</p> <p>(iii) Consistency with international priority issues (Links to initiatives by the international community and trends in cooperation, such as the MDGs/SDGs)</p> <p>(iv) Links to the cooperation policies of other donors (Complementarity with and differentiation from other donors (in particular, relationships with donors that have a significant influence on the target country/area))</p> <p>(v) Japan's comparative advantages (Selecting and concentrating on areas of high comparative advantage)</p>	<p>(i) Consistency with Japan's high-level policies</p> <p>(ii) Consistency with the development needs of the partner country</p> <p>(iii) Consistency with international priority issues</p> <p>(iv) Japan's comparative advantages</p>
Effectiveness of Results	<p>(i) How much financial, human, and material resources have been put into the priority areas of the country (including the positioning in Japan's development cooperation related budget); the proportion of Japan's ODA in the partner country's development budget, compared to other donors; and whether the input produced appropriate output for the achievement of the initial goals and purposes briefed by MOFA's division in charge of the policy (Input)</p> <p>(ii) What goods and services have been produced to achieve the initial goals and to what degree the cooperation policies were implemented as planned, as a result of the above input (Output)</p> <p>(iii) To what degree the initial goals have been achieved and what short-, medium-, and long-term effects have been produced, as a result of a series of cooperation policies (Outcome, Impact)</p>	<p>(i) To what degree the results related to the area are relevant in the international community, a specific country, and a specific region; and what effects have been produced</p> <p>(ii) To what degree the purpose set out in the implementation guidelines, etc. for the cooperation modality has been achieved</p>

<p>Appropriateness of Processes</p>	<p>(i)Appropriateness of the formulation process of cooperation policies, such as Country Development Cooperation Policies (ii)Appropriateness of the policy implementation process (including the appropriateness of understanding of the recipient country’s needs, monitoring, public relations, etc.) (iii)Appropriateness of the cooperation implementation structure (including the cooperation implementation structure of the country-based ODA Task Force and other relevant organizations, as well as the structure to accept cooperation on the side of the partner country) (iv)Effective collaboration, etc. with other donors, international organizations, and various other cooperation entities (including the private sector and NGOs) (v)Consideration given and efforts made based on the characteristics of the partner country</p>	<p>[For a specific development cooperation area] (i)Specific initiatives for priority issues set out in the Development Cooperation Charter and sectoral development policies (ii) Consultation with the partner country (iii)Cooperation implementation structure of relevant organizations (iv)Processes to periodically check the implementation status of policies (v)Effective collaboration with other donors, international organizations, and various other cooperation entities</p> <p>[For a specific cooperation modality] (i)Development status of guidelines for the implementation of the cooperation modality (ii)Cooperation implementation structure of relevant organizations (iii)Implementation status of monitoring and follow-up (iv)Effective collaboration with other donors, international organizations, and various other cooperation entities (including the private sector and NGOs)</p> <p>*In most cases, two case study countries are selected for thematic/cooperation modality evaluation. See also the verification items for country assistance evaluation.</p>
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3) Evaluation from Diplomatic Viewpoints

Evaluations from diplomatic viewpoints are conducted based on the two evaluation criteria: “diplomatic importance” and “diplomatic impact.”

In recent years, there has been a growing interest among the public in the significance of Japan’s ODA to national interests. It is essential to gain public understanding and support for ODA by carefully explaining why the target county or area needs ODA, in a way easier to understand for the public. The positioning and purpose of target ODA policies are reviewed for “diplomatic importance,” based on which evaluation verification items selected from the examples become subject to focused information collection and review for “diplomatic impact.”

The evaluation team, who are not specialists in diplomacy, conduct evaluations from diplomatic viewpoints, based solely on the analysis of published information. For this reason, MOFA briefs the evaluation team on what kind of national interests the ODA intends to contribute to, what diplomatic intentions and purposes the ODA has to that end, why the ODA is important, and what diplomatic results the ODA has produced. The team reviews MOFA’s explanations from an objective standpoint.

The purpose of evaluation from diplomatic viewpoints, as well as basic methods for the review, are described below.

(I) Purpose of Evaluation from Diplomatic Viewpoints

Evaluations are conducted in line with the below purpose of evaluation from diplomatic viewpoints¹².

Regarding ODA, which, in Japan's difficult economic and fiscal situation, is implemented using precious taxpayer money, it is essential that evaluation be conducted according to "diplomatic viewpoints" for determining what favorable impacts ODA has on Japan's national interests, in addition to "development viewpoints" for determining whether ODA is contributing to the development of the partner country. The ODA Review Final Report states that "ODA is a 'means' for Japan's diplomacy towards pursuing global common interests", and the Development Cooperation Charter states that "development cooperation is one of Japan's most important means for developing diplomacy in a flexible manner". In consideration of the foregoing, in order to fulfill "accountability to the public", confirm the position of the ODA policy subject to evaluation with regard to the contributions it is expected to make to Japan's national interests (diplomatic importance), and in order to clarify in what way the ODA policy contributed to achieving national interests (diplomatic impact), conduct an evaluation from diplomatic viewpoints¹³.

(II) Details of National Interests

For appropriate evaluations from diplomatic viewpoints, the details of national interests to which the target ODA policy is expected to contribute need to be identified. MOFA's division in charge of the policy briefs the evaluation team on what such national interests are.

To identify them from an objective perspective, explicit statements in the Development Cooperation Charter and the National Security Strategy should be referred to. In addition, the evaluation team reviews references to diplomatic policies in relevant documents created at the time of policymaking (Country Development Cooperation Policies, initiatives in each area, ex-ante evaluation reports of each project, etc.). Published information, such as the Diplomatic Bluebook, relevant parts in MOFA's policy evaluation reports, and the MOFA website, and interviews with MOFA officials, etc. are also sources of information.

It must be noted that not only direct and short-term but also long-term national interests need to be considered, as the latter contribute to the continued development of an affluent and peaceful Japan in the international community.

(Reference) Description of national interests in the Development Cooperation Charter (2015)

- Japan will promote development cooperation in order to contribute more proactively to the peace, stability and prosperity of the international community. Such cooperation will also lead to ensuring Japan's national interests such as maintaining its peace and security, achieving further prosperity, realizing an international environment that provides stability, transparency and predictability, and maintaining and protecting an international order based on universal values.

(Reference) Description of national interests in the National Security Strategy (2013)

- To maintain its sovereignty and independence; to defend its territorial integrity; to ensure the safety of life, person, and properties of its nationals, and to ensure its survival while maintaining its own peace and security grounded on freedom and democracy and preserving its rich culture and tradition.

¹² Excerpt from page 49 of FY2017 Ministry of Foreign Affairs ODA Evaluation Survey, "Trial Results towards the Enhancement of 'Evaluation from Diplomatic Viewpoints'"

¹³ It needs to be noted that evaluations from diplomatic viewpoints in ODA evaluation are not evaluations of Japan's diplomacy itself but evaluations of diplomatic significance and the results of ODA for target countries and areas, conducted based on published information and within the scope of third-party evaluation.

- To achieve the prosperity of Japan and its nationals through economic development, thereby consolidating its peace and security. (To this end, it is essential that Japan strengthens the free trade regime and realizes an international environment that offers stability, transparency and predictability.)
- The maintenance and protection of international order based on rules and universal values, such as freedom, democracy, respect for fundamental human rights, and the rule of law.

(III) Evaluation Based on Diplomatic Importance

Diplomatic importance of the target ODA (hereinafter referred to as “the ODA”) is reviewed in light of how the ODA is expected to contribute to Japan’s national interests (why the ODA is important to Japan’s national interests and its diplomatic significance).

Specific Verification items

- In what respect is the ODA important for the resolution of priority issues of the international community or the region, or global issues? (Contribution to the peace, stability, and prosperity of the international community or the region; contribution to the maintenance of international order based on basic values and rules, such as freedom, democracy, and the rule of law)
- In what way is the ODA important to the bilateral relations with the target partner country? In what respect is ODA to that country important especially in terms of the historical relationship with Japan, geopolitical positioning of the partner country, relationships with emerging donors that have a significant influence on the partner country, etc.?
- In what respect is the ODA important for the peace, security, and prosperity of Japan, as well as the safety and prosperity of Japanese nationals (including Japanese companies)?
- In what other respects is the ODA important for Japan’s diplomatic goals/policies?

(IV) Evaluation Based on Diplomatic Impact

The ODA’s diplomatic impact is reviewed based on the way the ODA contributed to the achievement of Japan’s national interests.

Specific Verification items

Contribution to an increased presence of Japan in the international community

- Increased presence of and trust in Japan in the international community.
- Understanding and support for Japan’s position in the international community.
- The timing of offering, as well as proactive public relations (for the international community), that maximizes the above effects.

Contribution to the strengthening of bilateral relations

- Increased interactions from the summit level to the grassroots level.
- Increased understanding and favorable views toward Japan and Japanese people. Expansion of pro-Japanese groups and groups of people who are knowledgeable about Japan. Increased number of people visiting Japan.
- Increased trust in Japan from the partner country’s government (chronological analysis of senior government officials’ remarks, etc.).
- Influence on the partner country’s policies and changes of sides (limited to cases that are in line with Japan’s national interests).
- Relative increase in Japan’s presence, compared to that of emerging donors that have a significant influence on the partner country.
- Support at the time of crises (emergency disasters, etc.) in Japan.
- The timing of offering, as well as proactive (country-based) public relations that maximizes the above effects.

Contribution to Japan’s peace, security, and prosperity (including economic development, etc.) (including the safety and prosperity of Japanese nationals and companies)

- Contribution to Japan’s peace and safety, as well as to the safety of Japanese nationals (Direct or indirect. For example, ODA to a country may contribute to the peace and stability of the region surrounding that country, which can be regarded as conducive to Japan’s peace and stability.)
- Benefits to Japanese companies and organizations (especially small and medium-sized enterprises).
- Ripple effects on the Japanese economy (economic growth, employment).
- Contribution to the stable supply of energy resources, etc.
- The timing of offering, as well as proactive public relations (in Japan), that maximizes the above effects.

(V) Evaluation Tools

Below are examples of evaluation tools used in the evaluation of (III) diplomatic importance and (IV) diplomatic impact.

Examples of Major Evaluation Tools

- Diplomatic Bluebook (region- and area-specific policies, visits of important persons).
- MOFA’s policy evaluation reports.
- Ex-ante and ex-post evaluations based on the Government Policy Evaluations Act.
- Press releases on international conferences, bilateral talks, etc., issued by the Prime Minister’s Office, MOFA, etc.
- Policies toward Japan announced by the partner country’s government.
- Articles and news published by the press (newspapers, TV shows, online distribution), social media
- Statistics on bilateral trade and investment. Other economic indicators and statistics.
- Information from returned exchange students and trainees. Statistics on the number of people who visited Japan.
- Opinion polls on Japan (favorability surveys, etc.).
- United Nations voting records *For interpretation, a wide range of information needs to be collected.
- Interviews with MOFA officials (practitioners at the headquarters and overseas establishments, senior officials at overseas establishments, etc. Consider not only International Cooperation Bureau officials but also those in bureaus in charge of regional affairs, the Economic Affairs Bureau, the Foreign Policy Bureaus, or other bureaus as necessary).
- Interviews with officials from international organizations, the partner country’s government, etc.

(VI) Points to be Considered

- (i) In general, review of diplomatic impact requires looking at a longer period of time than review of Effectiveness of Results in evaluations from development viewpoints.
- (ii) It must be noted that some of the specific verification items above are not relevant to all evaluation targets.
- (iii) There may be overlaps between the results gained from evaluations from development viewpoints and those from evaluations from diplomatic viewpoints. The former should be proactively used when considered useful as evidence in the latter.

(3) Rating

1) Use of Comments in Rating

In evaluations from development viewpoints, a set of comments are used to rate evaluation results for “Relevance of Policies,” “Effectiveness of Results,” and “Appropriateness of Processes.” Table 3 shows the rating scale. Results of evaluations from diplomatic viewpoints are not rated. No overall grade is given to rate the results as a whole.

2) Points to be considered in Rating

An advantage of rating is that it makes evaluation results easy to understand. Meanwhile, it entails the risk of being compared with the ratings for other evaluation results, even though they are rated

by different evaluators under different evaluation frameworks. It needs to be fully understood that ratings should not be compared with those for other evaluation results without due care.

3) Sub-rating

In deciding the rating for each evaluation criterion (Relevance of Policies, Effectiveness of Results, and Appropriateness of Processes), the evaluation team may give ratings for each verification item (sub-ratings) and aggregate the sub-ratings. An advantage of this method is that it gives clear logic as to how the ratings are decided. On the other hand, it must be noted that in policy level evaluations, which require a comprehensive review of various factors, automatic rating based on sub-rating results does not necessary lead to convincing ratings.

When using sub-ratings, the evaluation team makes clear the relationship between sub-ratings and ratings set out in the ODA Evaluation Guidelines, states in the evaluation implementation plan how ratings are decided based on the sub-ratings, and gives explanations to relevant parties.

Table 3: Rating Scale for Evaluations from Development Viewpoints

Evaluation Criteria	Rating
Relevance of Policies	<p>Highly Satisfactory All verification items have highly satisfactory relevance.</p> <p>Satisfactory Most verification items have highly satisfactory relevance.</p> <p>Partially Satisfactory Some verification items have highly satisfactory relevance, although there are some issues to be resolved.</p> <p>Unsatisfactory Most verification items do not have satisfactory relevance.</p>
Effectiveness of Results	<p>Highly Satisfactory Highly satisfactory effects are found for all verification items.</p> <p>Satisfactory Highly satisfactory effects are found for most verification items.</p> <p>Partially Satisfactory Satisfactory effects are found for some verification items, although there are some issues to be resolved.</p> <p>Unsatisfactory No satisfactory effects are found for most verification items.</p>
Appropriateness of Processes	<p>Highly Satisfactory Highly satisfactory processes are found for all verification items.</p> <p>Satisfactory Highly satisfactory processes are found for most verification items.</p> <p>Partially Satisfactory Highly satisfactory processes are found for some verification items, although there are some issues to be resolved.</p> <p>Unsatisfactory No satisfactory processes are found for most verification items.</p>

[History of Rating in MOFA's ODA Evaluation]

Based on the references to increased transparency in the ODA Review Final Report (June 2010), evaluations from development viewpoints in MOFA's ODA evaluation adopted ratings on a trial basis in FY 2011 and for basically all target evaluations in FY 2015.

As policy level evaluation covers a wide scope of targets, ratings for evaluation from development viewpoints remained examples for reference purposes in conventional ODA Evaluation Guidelines, which also stated that verification items for each target shall be set by the evaluation team. To avoid the risk of producing excessively simplified evaluation results, qualitative comments, such as "very high" and "high," had been shown as examples, instead of numerical or alphabetical grades. This, however, invited criticisms that it is unclear from these grades whether the rating is high or low and that the overall wording of the comments is biased toward positive rating.

In response to such criticisms, MOFA went back to the purpose of rating, which is to communicate the evaluation results to the public in a way easy to understand, and, from FY 2017 ODA evaluations, introduced alphabetical grades along with the comments. In addition, vague comments, namely "moderate" and "marginal," were revised to "partially unsatisfactory" and "unsatisfactory," to ensure that the wording is not biased toward positive rating.

Rating, however, entails the risk of drawing attention only to simplified evaluation results. While it increases the transparency of the evaluation, specific circumstances, backgrounds, etc. of evaluation targets are not taken into consideration. In particular, alphabetical grades developed a life of their own, and negative aspects became evident, where recommendations based on evaluation results and factors that led to the evaluation results tend to be neglected. The report of FY 2020 "Review of Past ODA Evaluations (Country Assistance Evaluation) and Study on Country Assistance Evaluation Methodologies" points out, "While using alphabetical or numerical ratings makes evaluation results easy to understand, the results may cause feelings of resistance and resentment against the evaluation, as well as doubts about the fairness of the evaluation. This can inhibit constructive interpretation of the results."

Taking the above developments into consideration, it has been decided that from FY 2021 ODA evaluation, alphabetical grades are no longer used along with qualitative comments for the rating. Evaluations from diplomatic viewpoints remain without ratings.

(4) Recommendations and Lessons Learned

1) Recommendations

The purpose of ODA evaluation is to contribute to the improvement of ODA. To ensure that evaluation results are reflected in and fed back to policies, it is important that recommendations are useful for policymaking. Recommendations, therefore, need to come from evaluation results based on objective evidence, and be specific and feasible. Below are key conditions for high quality recommendations.

(I) Clear Indication of Evaluation Results That Constitute Grounds for Recommendations

Recommendations are not convincing unless they are based on evaluation results. Logical relationships between evaluation results and recommendations needs to be shown in a way easy to understand. For example, evaluation results that constitute the grounds for the recommendations could come first, directions of actions to improve or advance the situation second, and specific actions third.

(II) Clear Indication of Intended Recipients and Targets

To elicit appropriate responses to the recommendations, the intended recipients need to be clearly indicated. For example, recommendations may be expected to reach the headquarters level (MOFA,

JICA headquarters) to ensure responses as the entire organization, or the local level (Japanese embassies, JICA offices) to ensure responses to individual situations. Whether the recommendations are about the directions of policies or strategies or about the methods or procedures of cooperation should also be clearly indicated. Recommendations may be classified into those about policymaking, those for increased effectiveness of results, and those about cooperation implementation processes.

(III) Clear Indication of Period for Response

A period for response needs to be clearly indicated to make it easier to respond to the recommendations. It is desirable that a specific period is clearly indicated whenever possible, such as short-term (within one to two years), medium-term (around three to five years), or long-term (five years or longer).

(IV) Points to be considered

- (i) When appropriate, the partner country's government, international organizations, etc. are added to the intended recipients.
- (ii) It is desirable to create a table showing which evaluation result led to each recommendation (an example is found in FY 2015 Evaluation of Assistance for the South Caucasus).
- (iii) The appropriate style of recommendations varies for each evaluation. The final decision is made based on discussions at the study meeting.

Table 4: Recommendations, Responsible Organizations, Time Frame, and Importance (Example)

	Recommendation	Responsible organization				Time frame	Importance
		Headquarters level		Local level			
		MOFA	JICA headquarters	Japanese embassy	JICA office		
Direction of policy or strategy	●●●●●	○	○			Short-term	○
	△△△△△			○		Medium-term	
Method or procedure of cooperation	×××××		○		○	Medium-term	○
	◎◎◎◎◎			○	○	Short-term	

2) Lessons Learned

Lessons learned mean points to be considered, etc. that have been extracted from the evaluation survey process and evaluation results and can be applied in a wider context. Lessons learned are not always as direct and specific as recommendations, but they are considered useful in future ODA policymaking and implementation processes for other countries or themes.

When lessons that can be widely applied not only to the target country but also to other countries are found from the analysis of promoting and hindering factors that led to the (positive or negative) evaluation results, the lessons are extracted as “lessons learned” and included, in addition to recommendations, in the evaluation report with specific countries or themes that could benefit from the lessons. If possible, it is desirable that lessons learned include points to be considered, such as when and by whom response actions should be taken and what to take into account in taking the response actions. It must be noted that not all evaluation results produce widely applicable lessons.

4 Method of Project Level Evaluation

This section describes basic methods of third-party ODA evaluation at the project level.

The targets of project level evaluation are MOFA's completed grant aid projects for which the Exchange of Notes (hereinafter referred to as the E/N) took place in FY 2013 or later and in which the maximum amount of aid offered was one billion yen or more. The results of MOFA's grant aid projects in which the maximum amount of aid offered was one billion yen or more but carried out in collaboration with international organizations or NGOs are reviewed by those organizations. For this reason, MOFA's evaluation prioritizes bilateral grant aid projects for which the E/N takes place between MOFA and the partner country without involving international organizations, etc.

Since FY 2017 onward, evaluation criteria and methods for policy level evaluation had been applied with necessary modifications. In the meantime, the "Analysis of Third-Party Evaluation of Bilateral Grant Aid Projects Conducted by MOFA and Proposal of Evaluation Methods" project took place in FY 2020, based on the understanding that evaluation methods that take into account the characteristics of MOFA's grant aid projects are needed. Taking the proposal into consideration, the below methods and criteria are used in the evaluation of individual projects from FY 2021 onward.

[Characteristics of Bilateral Grant Aid Projects Conducted by MOFA]

- The main focus is to offer foreign currency for purchasing goods under the Economic and Social Development Programme, etc.
- The projects need to be implemented in close coordination with diplomatic policies and may require flexibility. The nature of the projects is different from that of JICA's projects, for which prior surveys are conducted well in advance to set expected effects.
- While they are of great significance in terms of diplomatic strategy, there are limitations to reviewing each project's diplomatic impact and quantitative effects.

(1) Scope of Evaluation

1) Preparation of a Project Overview Sheet

Prior to the evaluation, a project overview sheet, which gives an overview of the target project, is prepared to summarize the scope of evaluation (see "Table 5: Project Overview Sheet" on pages 23 to 24). The sheet should be prepared in a format that makes it easy to compare the plan and the results. The logic model prepared in policy level evaluation is not mandatory in project level evaluation.

The evaluation team prepares the project overview sheet based on information published by MOFA, etc., materials provided by MOFA after concluding the contract, information collected from other relevant parties in Japan and the target country, and information from other sources. Both plans (expectations)/detailed plans and results (or expected results) concerning project details and effects are included in the final evaluation report, after collecting as much information as possible and summarizing the information. Detailed information is included in the evaluation results for relevance and effectiveness, as evidence.

Table 5: Project Overview Sheet

Country/Project name		
Area/Sector	(Based on the OECD DAC sector classification/classification in the DAC_CRS statistics, designated by MOFA.)	
Type of grant aid project	(While the main target is the Economic and Social Development Programme, other types of grant aid project can also be targets.)	
Date of receipt of the application		
Date of Exchange of Notes (E/N)		
Committee members of the partner country	(Include organizations responsible for/implementing the procurement, deployment, and sale of purchased goods, in addition to foreign and finance ministries)	
Contract with the procurement agency	Name of agency: Contract start date: Contract end date:	
Background and necessity	(Economic and social development status of the country at the time of project formation; necessity of grant aid that requires flexible implementation, in light of diplomatic relations with Japan or other circumstances)	
Purpose and project details		
Purpose and Project Summary: Aim to △△ and contribute to □□ by offering ○○		
Summary of plans and results/expected results for the below items (indicators)		
	Plan/Detailed plan*	Result/Expected result (timing)
1) Amount offered (input)		XX yen (year and month)
2) Items/Goods and equipment* (input)	Plan (at the time of E/N conclusion): Detailed plan:	
3) Purpose of use/Results achieved (output/outcome) (qualitative/quantitative indicators and results)**		
4) Development effects as expected effects of grant aid and diplomatic significance/effects (outcome) (qualitative/quantitative indicators and results)**		
[When the project requires the use of counterpart funds and the evaluation covers counterpart funds]		
5) The amount of counterpart funds reserved and the proportion to the FOB price of procured goods (output)		
6) Purpose of the use of counterpart funds/the projects for which counterpart funds are used, and sectors where the funds are used (outcome)		
*At the time of E/N signing, rough scopes of items (e.g. equipment related to XX/in the XX area) are agreed upon (planning). Specifications, manufacturers, etc. of equipment actually offered are decided after a review at intergovernmental meetings/committees, field surveys by the procurement agency, etc. (detailed planning), and		

finalized through bidding by the procurement agency (implementation).

**It must be noted that unlike JICA's projects, the project type does not involve prior surveys conducted to set indicators for the measurement of quantitative effects. When quantitative indicators are considered unsuitable at the time of ex-post evaluation, qualitative comments are given.

External conditions or points to be considered

If MOFA or the evaluator finds anything about the partner country, changes in the global political and economic situation, etc. that should be considered in the evaluation, it is stated here.

2) Points to be Considered

(I) Input and Output

The definition of input or output is unclear in most projects since there are no ex-ante evaluation reports. For example, if a statement in provided materials or published information says, "Aim to $\Delta\Delta$ and contribute to $\square\square$ by offering $\circ\circ$ " the evaluation team can start from regarding $\circ\circ$ as items/input, $\Delta\Delta$ as output or outcome, and $\square\square$ as outcome or impact.

(II) Counterpart Funds

When the E/N of the target project includes articles related to counterpart funds, the evaluation team consults with MOFA in preparing the project overview sheet. Counterpart funds are included in the scope of evaluation if the team and MOFA agree on doing so.

[When the evaluation covers counterpart funds]

1 When the evaluation covers counterpart funds, it needs to be taken into account that the projects carried out under counterpart funds are implemented independently by the partner country's government. The following points are to be considered in setting (detailed) evaluation questions (see Table 8 on pages 26 to 30) and deciding survey methods (who to interview, where to visit, etc.).

(1) Detailed evaluation questions on the use of counterpart funds are set separately from those on the purpose of/projects under the funds.

(2) Detailed evaluation questions on the use of counterpart funds are included in the scope of evaluation surveys.

(3) Detailed evaluation questions on the purpose of/projects under counterpart funds are included in the scope of evaluation surveys as part of the project plan, as far as the broad purpose usually included in the E/N is concerned. While the surveys look into how the funds have actually been spent, whether it is within the scope of rating is considered on a case-by-case basis. This is because the specific purpose of/projects under counterpart funds may not have been decided or implemented yet at the time of ex-post evaluation, and the Japanese government does not require prompt use (or use within a certain period of time) of the funds. (See Table 13: Scope of Rating on pages 34 to 35)

2 When considering, within the scope of the budget for and period of evaluation surveys, survey methods and the level of priority for each evaluation item, surveys for evaluation questions concerning goods and equipment procured in the grant aid project itself take priority. Specific detailed questions concerning counterpart funds and the scope of the surveys, including sources of information, are decided at the detailed planning stage of the evaluation, after sufficient consultation with MOFA.

Table 6: Overview of Counterpart Funds

Background and History of Counterpart Funds

1. History

- For the postwar reconstruction of Western European countries, the United States utilized counterpart funds in the European Recovery Program (the Marshall Plan) after World War II. Based on that experience, Japan introduced counterpart funds when it started food aid in 1968.

- Among the world’s major donors, Japan and the United States have institutionalized counterpart funds.

2. Reservation of Counterpart Funds

- In principle, the reserve rate is half or more (for the Economic and Social Development Programme*) or two-thirds or more (for food aid) of the FOB price for the purchased goods and equipment.

3. Purpose

- The funds are used for economic and social development projects by partner countries’ governments, to support the independent development efforts and policies of partner countries. The term “economic and social development projects” can be broadly interpreted, taking into account the development policies of the relevant countries’ governments and other relevant factors.

4. Relationship with DAC Statistics

- Rules on DAC statistics set forth that payments by the donor country shall be regarded as ODA. Under DAC statistics, expenditure from counterpart funds that belong to the partner country is not recorded as ODA.

5. Public Relations

- Partner countries’ governments are encouraged to engage in public relations to show the use of counterpart funds from Japan, such as to attach the Japanese national flag to the equipment procured with the funds. In addition, MOFA’s overseas establishments issue press releases and carry out other public relations activities.

Measures Taken to Ensure Appropriate Management and Use of Counterpart Funds

- A bank account is opened for the reserving of counterpart funds by the partner country’s government.
- The partner country’s government submits monthly statements for the bank account.
- The partner country’s government prepares monthly reports on the amount reserved.
- The partner country’s government conducts external audits.
- The partner country’s government prepares spending plans.
- The Japanese embassy follows up on the status of project implementation.
- The partner country’s government submits reports on the implementation of counterpart fund projects.
- The Japanese embassy gives guidance on the reserving and use of counterpart funds, as well as on the management of the bank account.

(2) Method of Evaluation

1) Evaluation Criteria

Evaluation criteria for project level evaluations consist of “Relevance of Plans” and “Effectiveness of results.” As stated in **3 Method of Policy Level ODA Evaluation** (2) 2) (III) (page 13) of this Handbook, appropriateness of processes is evaluated based on whether the processes to ensure the relevance of plans and the effectiveness of results were in place. It is, however, not an independent evaluation criterion, and relevant evaluation questions are included in those under “Relevance of Plans” and “Effectiveness of Results.”

Diplomatic viewpoints are integrated into development viewpoints. Verification items on diplomatic importance are integrated into those on relevance of plans, and verification items on diplomatic impact are integrated into those on effectiveness of results (see Table 7).

Table 7: Evaluation Criteria Where Diplomatic Viewpoints are Integrated into Development Viewpoints

Evaluation Criteria	Development Viewpoints	Diplomatic Viewpoints
1: Project goals and plan details (Intended outcome, output, and input)	Relevance (Links, consistency)	Importance
2: Project implementation and results (Actual outcome, output, and input)	Effectiveness (Including efficiency)	Contribution/Impact

(Note) Project formulation and implementation processes are analyzed as necessary in evaluations of development and diplomatic viewpoints. They are considered as evidence for evaluations of project goals, design, implementation, and results. It should be noted that it is difficult to measure each project's diplomatic impact and quantitative effects, or analyze cause-and-effect relations. **(I)**

Evaluation of Relevance of Plans

The relevance of planned purpose, details (input, output, and outcome, such as the amount, varieties, spending plan, and development and diplomatic effects of grant aid), implementation structure, and workflow of the project is reviewed. It must be noted that the nature of the project requires the planning stage, which is from the application to E/N conclusion, and the subsequent detailed planning stage (planning before the public notice of bidding for goods procurement by the procurement agency), which is until the decision on procurement items and is intended to ensure flexible and quick response to local needs through intergovernmental meetings/committees.

(II) Evaluation of Effectiveness of Results

Actual and expected input, output, and outcome, compared with the plan (results), and the relationship between input and output (efficiency) of the project are reviewed. When quantitative analysis is unsuitable for the flow from output to outcome, qualitative discussion takes place. With regard to the implementation structure and flows (processes), the appropriateness of actual implementation, monitoring, and follow-up processes, compared with planned processes; matters that are considered to have contributed to the results of the project (input, output, and outcome); and matters that should be improved are reviewed.

Table 8 shows specific evaluation questions and verification items for each of the above two evaluation criteria.

Table 8: Evaluation Questions and Verification Items for Each Criterion

Evaluation Items for Each Criterion	Verification Items
Evaluation criteria 1: Relevance of Plans (from the application to E/N signing, until procurement items are decided)	
Evaluation question 1-1 Links with the purpose: How and to what degree are the purpose and expected grant aid effects of the project linked to the policies of the partner country and region and Japan?	- It is desirable to review the development needs mentioned in 1-1-1 (areas, beneficiary regions, target persons, etc.) based on not only information from and opinions of administration and government officials of both countries but also objective information from literature by international organizations and experts, as well as interviews. - With regard to the links with the Japanese government's diplomatic and development policies mentioned in 1-1-2, the timing should be sufficiently reviewed, in addition to the details of policies related to the country (region) and the area. If appropriate, explanations should include specific Japanese policies for which promptness or aid commitment was
1-1-1: Links with the partner country's development needs and policies	
1-1-2: Links with the Japanese government's diplomatic and development cooperation policies (including international development goals the Japanese government has agreed on)	

	<p>necessary and the relevance of adopting the Economic and Social Development Programme instead of JICA's grant or other aid modalities. In particular, links with the timing of political and economic events, such as international conferences and other events, visits of important persons, changes of governments, etc. are reviewed. The review also covers public relations, media coverage, etc. in the partner country at the time of aid commitment and E/N conclusion.</p> <p>- As for details of diplomatic policies, the review covers the importance and positioning of the partner country in Japan's national security, trade relations, etc. If appropriate, links with the promotion of Japanese products, overseas expansion of Japanese companies, and regional revitalization policies are also analyzed.</p>
<p>Evaluation question 1-2 Consistency of the planned project details:</p> <p>In what way and to what degree were the planned project details consistent with the partner country's and Japan's policies?</p> <p>1-2-1: Consistency with the partner country's development plans and activities in the area</p> <p>1-2-2: Consistency with diplomatic and development cooperation plans and activities for the partner country of the area</p>	<p>- Project details include the amount, area, items (varieties), spending organizations, and whether the partner country has an obligation to utilize counterpart funds.</p> <p>- Examples of phrases that indicate the degree of consistency with policy documents and plans include "Direct/Indirect/Rough consistency was found" and "Little consistency was found."</p> <p>- In reviewing the consistency with the partner country's development plans and activities in 1-2-1, whether it is appropriate to explicitly include other donor's activities is decided selectively depending on the country and project, taking into account the nature of MOFA's grant aid.</p> <p>- Diplomatic plans and activities mentioned in 1-2-2 include promoting Japanese products and technologies and supporting overseas expansion of Japanese companies, etc.</p>
<p>[When the project requires the use of counterpart funds and the evaluation covers counterpart funds]</p> <p>1-2-3: Whether the planned amount of and timing of use of counterpart funds are consistent with the common rules for the project type</p> <p>1-2-4: Whether the planned purpose of counterpart funds/sector the funds are used is consistent with the common rules for the project type and linked with the partner country's development needs and policies</p>	<p>[Counterpart funds]</p> <p>- See Table 6 (page 25) and Table 9 (pages 31 to 32) for the common rules mentioned in 1-2-3.</p> <p>- Consistency with the partner country's development needs and policies is expected to be reviewed at the high-level theme/goal level, such as poverty reduction and health service improvement. (This is because activities/interventions on which counterpart funds are spent are usually unspecified at the time of planning.)</p>
<p>Evaluation question 1-3 Appropriateness of the planned implementation structure:</p> <p>In what way were the planned implementing agency/end user, implementation structure, and workflow consistent with the partner country's and Japan's relevant systems and structures?</p> <p>1-3-1: Consistency with the standard implementation structure and workflow the Japanese government expects for the project type</p> <p>1-3-2: Appropriateness in light of the implementation structures, capabilities, etc. of government agencies of the</p>	<p>The planned implementing agency/end user (organization that uses the goods and equipment), implementation structure, and workflow for the project are reviewed from the following two viewpoints.</p> <p>- In relation to the standard implementation structure and workflow the Japanese government expects, which is mentioned in 1-3-1, the planned implementation structure for the implementation and monitoring of the project (e.g. establishment of a committee and its composition) is identified and analyzed. This is carried out by taking into account the characteristics of MOFA's bilateral grant aid projects and referring to Table 9 (pages 31 to 32).</p>

<p>partner country, concerning the area/goods and equipment</p>	<p>- For example, planned countermeasures taken in the project can be analyzed in 1-3-2, if the application mentions difficulties, etc. in a similar aid project carried out by the Japanese government in the past. Whether or not the Japanese government has offered aid to the country in the past, countermeasures included in the procurement plan are analyzed, if past ODA evaluation surveys, etc. suggest that there are points to be considered in offering goods and equipment in the area. (For example, prior surveys by personnel with expertise in medical equipment and products may take place after the E/N signing as well.)</p>
<p>[When the project requires the use of counterpart funds and the evaluation covers counterpart funds]</p> <p>1-3-3: Consistency of the implementation structure and flow of use with the Japanese government's standard workflow</p> <p>1-3-4: Consistency of the workflow until the use/project with the Japanese government's standard workflow</p>	
<p>Evaluation question 1-4 Appropriateness of planning processes:</p> <p>To what degree and in what way were the project's planning processes appropriate or unsatisfactory for securing the relevance of plans?</p> <p>1-4-1: Appropriateness compared to the Japanese government's standard workflow</p> <p>1-4-2: Is there anything that contributed to or should have been taken into consideration in better securing the links and consistency mentioned in the above evaluation questions (1 to 3)? If yes, what was it?</p>	<p>- See Table 9 (pages 31 to 32) for the standard flow of planning processes.</p> <p>- In conducting the analysis, the difference between the planning processes, which is from the application to the E/N signing, and the subsequent detailed planning processes, which is from the conclusion of contract with the procurement agency to the decision on procurement items, needs to be noted.</p> <p>- If a part of the processes is not in line with the flow, check the reason (e.g. placed importance on diplomatic timing).</p>
<p>Evaluation criteria 2: Effectiveness of Results (from the decision on procurement items to the evaluation surveys)</p>	
<p>Evaluation question 2-1 Level of achievement and efficiency of the project:</p> <p>In what way and to what degree did the project achieve (or is the project expected to achieve) the planned project details and purpose?</p> <p>2-1-1: Level of achievement of fund provision (input)</p> <p>2-1-2: Level of achievement and efficiency of goods and equipment provision (output)</p> <p>2-1-3: Status of use of goods and equipment (output)</p> <p>2-1-4: Development effects through the provision and use of goods and equipment (outcome)</p> <p>2-1-5: Diplomatic effects through the provision and use of goods and equipment (outcome)</p>	<p>- 2-1-1 includes whether the amount and timing of provision were as planned, sooner than planned, etc.</p> <p>- 2-1-2 states what goods and equipment (procured items) are handed over (delivered, distributed, installed, or completed) to whom, as well as to what degree (contents and volume) and when.</p> <p>- 2-1-1/2-1-2 includes whether the input/output was as planned (expected), more than planned, different from the plan, etc. In addition to the efficiency in terms of timing, efficiency in terms of price is checked if possible, by comparing the ratio of procured goods and equipment to the amount of funds provided (or the unit price of goods and equipment) with information on the prices of similar goods and equipment (or by gaining qualitative information through interviews with relevant parties in the target country and experts).</p> <p>- Plans here are expected to include detailed plans formulated before the public notice of bidding by the procurement agency, which is within the scope of</p>

	<p>evaluation criteria 1 (relevance of plans).</p> <ul style="list-style-type: none"> - From a diplomatic viewpoint, public relations concerning handover ceremonies, etc. are also included. - For 2-1-3, information is organized based on by whom, for what, and to what degree goods and equipment (procured items) have been used (after delivery until the evaluation) or to whom (to what specific or unspecified group) they have been sold. To the extent possible, the characteristics of the beneficiary group, such as gender and social and economic status, are taken into consideration. - 2-1-4 reviews whether the provision, use, or sale of goods and equipment (procured items) is likely to contribute to (have an unexpected positive or negative impact on) the initially expected development effects (health, the environment, poverty reduction, etc.). - Survey and analysis methods for 2-1-4 take into account initial expectations. For example, the number (rate) of screenings/diagnoses/treatments/recoveries and the change in the number (rate) of deaths/seriously ill patients can be analyzed if medical equipment has been provided to a specific region. When the target region is unspecified, changes in relevant indicators can be analyzed at the country level. Interviews (qualitative evaluation) may take place to see whether the project is likely to have contributed to the government's and development partners' efforts to make improvements in the area. Annual progress reports concerning the sector prepared by the government and donors and other documents can be referred to see if they explicitly mention the project or cooperation from the Japanese government. - Examples of contribution to diplomatic effects through the use/sale of goods and equipment (procured items), which is reviewed in 2-1-5, are contribution to the promotion of Japanese products, such as medical equipment and vehicles, and to the development of diplomatic relations with the target country. - Quantitative analysis and analysis of causal relationships with the project are often unsuitable for 2-1-4/2-1-5. In many cases, the analysis is likely to be mainly qualitative. Country-level development indicators and expected impact and contribution to diplomacy are stated as reference information. It is desirable that they be reviewed in development and diplomatic effects in MOFA's future country assistance evaluation, and, as appropriate, it should be stated as such.
<p>[When the project requires the use of counterpart funds and the evaluation covers counterpart funds] Evaluation question 2-2 Status of counterpart funds: In what way and to what degree did matters concerning counterpart funds for the project make</p>	<ul style="list-style-type: none"> - It must be noted that when considering, within the scope of the budget for and period of evaluation surveys, specific amount of work allocated to and survey methods for each evaluation item, evaluation concerning goods and equipment procured by ODA, covered in evaluation item 2-1, takes priority over evaluation item 2-2. Counterpart funds

<p>progress (or are expected to make progress)?</p> <p>2-2-1: Level of achievement of counterpart fund use</p> <p>2-2-2: Use of counterpart funds (actual and expected)</p> <p>2-2-3: Development and diplomatic effects through the reserving and use of counterpart funds</p>	<p>are positioned as results of the procurement of goods and equipment. Although projects under counterpart funds may not be complete in some cases, the status of the funds are reviewed as effectiveness of results.</p> <ul style="list-style-type: none"> - The actual (recorded as government revenue) or expected amount of reserve, mentioned in 2-2-1, is reviewed against the planned amount and timing. - With regard to the use/project mentioned in 2-2-2, how specific expenditures are planned (or expected) to be used is reviewed against the broad purpose at the time of E/N conclusion. If the application for use of counterpart funds has already been submitted, the review is conducted based on the contents of the application. - 2-2-3 will be a detailed evaluation item if the application for use of counterpart funds has been approved and the project is being implemented or has been complete. Surveys will be based on relevant reports and interviews with relevant parties. Examples of diplomatic effects include increased presence of Japan due to facilities constructed and equipment purchased with counterpart funds and advancement of bilateral talks through discussions on the use of counterpart funds. - 2-2-2/2-2-3 reviews future schedules and plans if counterpart funds have been reserved but the project has not been implemented at the time of evaluation. It must be noted, however, that the Japanese government does not require prompt use (or use within a certain period of time) of counterpart funds, and that the fact that no spending plans have been prepared or the funds have not been used should not be the sole basis for a “partially unsatisfactory” rating. (Note that a separate bank account for counterpart funds is opened for each project. Whether countries that have more than one counterpart fund account manage the accounts centrally depends on the policy of the partner country’s government.)
<p>Evaluation question 2-3 Appropriateness of implementation, monitoring, and follow-up processes:</p> <p>In what way were the project’s implementation, monitoring, and follow-up processes appropriate or unsatisfactory for securing the effectiveness of results?</p> <p>2-3-1: Appropriateness compared to the Japanese government’s standard workflow</p> <p>2-3-2: Is there anything that contributed to or should have been taken into consideration in better securing the effectiveness or level of achievement mentioned in the above evaluation questions? If yes, what was it?</p>	<ul style="list-style-type: none"> - This aims to analyze the factors that explain the effectiveness of results for evaluation item 1-1 (and 1-2 for some projects). - In relation to the Japanese government’s standard workflow, the analysis is carried out by taking into account the characteristics of MOFA’s bilateral grant aid projects and referring to Table 9 (pages 31 to 32).

**Table 9: Standard Workflow for Procurement Agency Style Projects
(Economic and Social Development Programme)**

	No.	Key event [Key document]		
Planning	1	Request from the partner country's government [Application]		
	2	Examination of the contents of application at an overseas establishment (including whether the project is appropriate as an Economic and Social Development Programme), Discussion by country-based ODA Task Force members if appropriate [Embassy comment sheet]		
	3	Review by MOFA, Preparation of a cooperation plan (Neither detailed preliminary surveys for cooperation nor design takes place)		
	4	Consultation with the financial authorities [Materials for consultation on financial implementation]		
	5	Request for cabinet decision on the E/N (draft) conclusion for the implementation of the project		
	6	Cabinet decision		
	7	E/N signing ^{*1} [Exchange of Notes (E/N) and Agreed Minutes on Procedural Details (A/M)]		
Detailed planning ↑ Implementation and monitoring	8	Opening of a bank account under the name of the partner country's government (with a Japanese bank), Lump sum payment of grant by the Japanese government		
	9	Contract with a procurement agency (Within three months from signing the E/N ^{*2})		
	10	Intergovernmental meetings/committees in which the procurement agency participates (Selection of actual procurement items and specifications) [Minutes] ^{*3}		
	11	Payment from the partner country's bank account to the bank account for procurement		
	12-1	Procurement work by the procurement agency (bidding procedures, decision on procuring goods and equipment, conclusion of contract with suppliers, checking the progress, receipt and inspection/proof of implementation), Quarterly report to the governments of Japan and the partner country [Quarterly report]	Intergovernmental meetings/committees as necessary (making minor changes to the plan, identifying delays and discussing solutions, etc.) [Minutes]	
	12-2	Implementation of the contract by the supplier for the partner country, Payment from the procurement bank account to the supplier ^{*4}		
	13-1	When found appropriate, handover ceremony of the procured item with the attendance of representatives from Japan and the partner country		
	14	Completion report and completion notice by the procurement agency ^{*5} (no balance in the procurement bank account) [Completion report]		
	Follow-up	<When the project requires the reserving of counterpart funds (See Appendix 2 for rules on the management and use of counterpart funds)>		
		13-2	Reserving of counterpart funds by the partner country's government	
13-3		Confirmation of and report on the reserving of counterpart funds by the procurement agency ^{*5} (The procurement agency confirms the reserving of counterpart funds during the contract period but the following are beyond the scope of its responsibility)		
15		Request for use of counterpart fund from the partner country's government to the Japanese embassy [Application]		
16		Review by the Japanese embassy, Review and approval by MOFA headquarters [Consultation form for the use of counterpart fund]		
17		Implementation of the counterpart fund project by the partner country's government		
18		Report of counterpart fund project completion from the partner country's government to the Japanese government [Completion report]		
19		Receipt of the completion report by the Japanese embassy and submission of the report to MOFA headquarters		

(Notes)

*1: At the time of E/N signing, rough scopes of items (e.g. equipment related to XX/in the XX area) are agreed upon. Specifications, manufacturers, etc. of equipment actually offered are decided after the E/N conclusion, based on a review by the governments of Japan and the partner country at intergovernmental meetings, field surveys by the procurement agency, etc., and finalized through bidding by the procurement agency.

*2: From the E/N template.
 *3: Committee minutes are shared with MOFA headquarters by overseas establishments and stored for a certain period of time.
 *4: In principle, grants need to be used within a year (the period can be extended under unavoidable circumstances).
 *5: For projects that require the reserving of counterpart funds, the procurement agency receives monthly bank statements from the partner country's government and confirms the reserving. If the reserving is not complete within five years after the E/N conclusion, the overseas establishment takes charge of the confirmation, and the contract with the procurement agency can be completed.

2) Information Provision for Evaluation Surveys and Review

To increase the quality and efficiency of third-party evaluation surveys, MOFA's division in charge of the target project provides the evaluation team with basic documents on the project (see Table 10 for the names of specific materials), immediately after signing a contract with the contractor that carries out the evaluation and under a strict confidentiality agreement. When the necessity to keep diplomatic secrets or protect personal information or other circumstances make it difficult to allow the evaluation team to browse the documents, the relevant parts of the documents will be blacked out, covered, etc. When the evaluation team cite the received materials in the evaluation report (for the general public) under the confidentiality agreement, they shall check with and obtain the consent of MOFA as to the scope and ways of referencing.

Table 10 Materials on the Target Project Provided to the Evaluation Team*

To evaluate the relevance of plans (diplomatic secrets and personal information will be blacked out or covered)
1) Application or materials of a similar kind 2) Embassy comment sheet 3) Materials for consultation on financial implementation (on the Japanese side) 4) Main text of the Exchange of Notes (E/N) (includes the purpose, the amount, whether there are counterpart funds, the purpose of the funds, etc.) 5) Agreed Minutes on Procedural Details (A/M) of the E/N and attached documents (include the item list, information on committees, etc.) 6) Minutes of committees/intergovernmental meetings (minutes at the time of the decision on initial procurement items) or materials of a similar kind
To evaluate the effectiveness of results (diplomatic secrets and personal information will be blacked out or covered)
1) Minutes of committees/intergovernmental meetings or materials of a similar kind (As the meetings are held to discuss important agenda items, it is desirable to provide minutes of all meetings held) 2) Report on the trip to the field by the procurement agency (if a trip has been taken. Submitted to the Japanese government) 3) Completion report by the procurement agency (submitted to the governments of the recipient country and Japan)
[When the project requires the reserving of counterpart funds and the evaluation covers counterpart funds, the following are provided in accordance with the progress of the project]
4) Spending plan for counterpart funds (from the partner country's government) or materials of a similar kind 5) Materials concerning consultation on and approval of the use of counterpart funds (within MOFA) 6) Completion report on counterpart fund projects (from the partner country's government) or materials of a similar kind

(Note) *When the partner country's government is involved in the preparation of a document, their consent is required to provide the document to the third-party evaluation team.

Table 11 Examples of Basic Materials Desirable to be Collected in Domestic and Field Surveys

To evaluate the relevance of plans
<ul style="list-style-type: none"> - Materials related to the Japanese government’s diplomatic and development cooperation policies: Diplomatic Bluebook, Development Cooperation Charter, Priority Policy for Development Cooperation, Policy Evaluation Sheets, Administrative Review Sheets, ODA Data by Country, Country Assistance Programs, etc. - Development policies and plans of the partner country - Newspapers and online articles of the partner country (featuring aid commitment, E/N signing ceremony, etc.) - International agreements (SDGs, etc.), reports by international organizations and donors
To evaluate the effectiveness of results
<ul style="list-style-type: none"> - Materials related to the Japanese government’s diplomatic and development cooperation policies (other than those listed above), ODA evaluation reports by country - Progress and monitoring reports on development policies and plans of the partner country - Newspapers and online articles of the partner country (featuring handover ceremony, etc.) - Reports by international organizations and donors
(Note) Interviews are not included in this table.

(3) Rating

1) Use of Comments in Rating

A four-scale rating using qualitative comments has been adopted. Table 12 below shows the rating scale.

Table 12 Rating

Evaluation Criteria	Rating
Relevance of Plans	<ul style="list-style-type: none"> ●Highly Satisfactory Grounds for good practice, which exceeds general expectations and can inform future project formation, are found for at least one evaluation question. Grounds for sufficient relevance (links, consistency, and appropriateness) are found for other evaluation questions. ●Satisfactory Grounds for sufficient relevance are found for all evaluation questions. ●Partially Satisfactory No grounds for sufficient relevance are found (or grounds for a lack of/low level of relevance are found) for some evaluation questions, and the case, with room for improvement, can be considered as a lesson for future project formation. ●Unsatisfactory No grounds for sufficient relevance are found (or grounds for a lack of/low level of relevance are found) for many evaluation questions.
Effectiveness of Results	<ul style="list-style-type: none"> ●Highly Satisfactory Grounds for good practice, which exceeds plans and expectations (general expectations) and can inform future project formation, are found for at least one evaluation question. Grounds for sufficient effectiveness (plans were mostly* achieved or are expected to be achieved) are found for other evaluation questions. ●Satisfactory Grounds for sufficient effectiveness are found for all evaluation questions. ●Partially Satisfactory No grounds for sufficient effectiveness are found (or grounds for a lack of/low level of effectiveness are found) for some evaluation questions, and the case, with room for improvement, can be considered as a lesson for future project formation. ●Unsatisfactory No grounds for sufficient effectiveness are found (or grounds for a lack of/low level of effectiveness are found) or issues are found for many evaluation questions.
<p>(Note) *Due to the nature of MOFA’s grant aid, the analysis can be mainly qualitative. Bearing this in mind, quantitative benchmarks (e.g. 80% or higher), such as those used by JICA to measure the level of effectiveness, have not been set in deciding whether a case satisfies “mostly.” Nevertheless, it is desirable to present grounds for input and output that can be evaluated quantitatively.</p>	

2) Scope Covered by Rating

Evaluation questions and detailed sub-questions shown in Table 13 below are covered by rating. Rating is carried out in a comprehensive way for each evaluation criterion.

Table 13 Scope Covered by Rating

Evaluation Criteria	Evaluation Questions and Detailed Sub-Questions	Scope Covered
Relevance of Plans	Evaluation question 1-1 Links with the purpose 1-1-1: Links with the partner country's development needs and policies 1-1-2: Links with the Japanese government's diplomatic and development cooperation policies	Covered
	Evaluation question 1-2 Consistency of the planned project details 1-2-1: Consistency with the partner country's development plans and activities in the area 1-2-2: Consistency with diplomatic and development cooperation plans and activities for the partner country of the area	Covered
	[When the project requires the reserving of counterpart funds] 1-2-3: Whether the planned amount of and timing of reserving counterpart funds are consistent with the common rules for the project type 1-2-4: Whether the planned purpose of counterpart funds/sector the funds are used is consistent with the common rules for the project type and linked with the partner country's development needs and policies	Covered
	Evaluation question 1-3 Appropriateness of the planned implementation structure 1-3-1: Consistency with the standard implementation structure and workflow the Japanese government expects for the project type 1-3-2: Appropriateness in light of the capacities, etc. of government agencies of the partner country	Covered
	[When the project requires the reserving of counterpart funds and the evaluation covered counterpart funds] 1-3-3: Consistency of the implementation structure and flow of the reserving of counterpart funds with the Japanese government's standard workflow 1-3-4: Consistency of the workflow of the use of counterpart funds with the Japanese government's standard workflow	Covered
	Evaluation question 1-4 Appropriateness of planning processes 1-4-1: Appropriateness compared to the Japanese government's standard workflow 1-4-2: Is there anything that contributed to or should have been taken into consideration in better securing the links and consistency mentioned in the above evaluation questions (1 to 3)? If yes, what was it?	Only 1-4-1 is covered (1-4-2 does not need to be included because it mainly analyzes reasons for the previous items)
Effectiveness of Results	Evaluation question 2-1 Level of achievement and efficiency of the project 2-1-1: Level of achievement of fund provision (input) 2-1-2: Level of achievement and efficiency of goods and equipment provision (output) 2-1-3: Status of use of goods and equipment (output)	Covered

	<p>2-1-4: Development effects through the provision and use of goods and equipment (outcome)</p> <p>2-1-5: Diplomatic effects through the provision and use of goods and equipment (outcome)</p>	
	<p>[When the project requires the reserving of counterpart funds and the evaluation covered counterpart funds]</p> <p>Evaluation question 2-2 Status of counterpart funds</p> <p>2-2-1: Level of achievement of counterpart fund reservation</p> <p>[When the reservation of counterpart funds is complete*1]</p> <p>2-2-2: Use of counterpart funds</p> <p>2-2-3: Development and diplomatic effects through the reserving and use of counterpart funds</p>	<p>2-2-1 is covered (Whether 2-2-2 and 2-2-3 are covered depends on the progress at the time of evaluation)</p>
	<p>Evaluation question 2-3 Appropriateness of implementation, monitoring, and follow-up processes</p> <p>2-3-1: Appropriateness compared to the Japanese government's standard workflow</p> <p>2-3-2: Is there anything that contributed to or should have been taken into consideration in better securing the effectiveness or level of achievement mentioned in the above evaluation questions? If yes, what was it?</p>	<p>Only 2-3-1 is covered (2-3-2 does not need to be included because the it mainly analyzes reasons for the previous items)</p>
<p>(Note): Even if the surveys look into the use of counterpart funds, whether it is within the scope of rating is considered on a case-by-case basis. This is because the specific purpose/projects under counterpart funds may not have been decided or implemented yet at the time of ex-post evaluation, and the Japanese government does not require prompt use (or use within a certain period of time) of the funds.</p>		

(4) Recommendations

The evaluation team presents the recommendations derived from the evaluation results, with a clear indication of the intended recipients and scopes. Intended recipients and scopes can be classified in to the following four categories. While recommendations based on the main survey method (information collection and analysis concerning one project in one country) of individual project evaluation are expected to fall into 1) or 2), 3) and 4) are included in the recommendations as appropriate when they can be drawn from information based on the surveys.

When the intended partner is the partner country's government or an international organization, it needs to be stated separately from the following 1) to 4).

- 1) Recommendations on the necessity of follow-up on the country and the project [To the overseas establishment in the target country]
- 2) Recommendations on the formation, implementation, monitoring, follow-up, public relations, etc. of MOFA's bilateral grant aid projects in the country [To the overseas establishment in the target country]
- 3) Recommendations on the formation, implementation, monitoring, follow-up, etc. of projects where offered items or target sectors are similar [To overseas establishments in the target country and other countries and MOFA headquarters]
- 4) Recommendations on the processes, structures, public relations, etc. of the project type (Economic and Social Development Programme, etc.) [To MOFA headquarters]

(End)