



**MINISTRY OF FOREIGN AFFAIRS
OF DENMARK**
Danida

EVALUATION POLICY FOR DANISH DEVELOPMENT COOPERATION

DECEMBER 2020

FOREWORD

This Policy lays out the purpose, principles and main procedures for the evaluation of Danish development cooperation. At a time where there is increased interest in the effective use of development funding for development results, the Ministry of Foreign Affairs with this policy wants to clarify transparency of the evaluation processes as evaluations are an important source for information about development results.

Evaluation of development cooperation will continue to serve two inter-related purposes: Learning with a view to improving the quality and the results from development cooperation; and accountability through reporting and communicating results to stakeholders in Denmark and abroad.

The policy recognises that Danish development cooperation – knowledge as well as financial assistance – is a contribution to change processes in developing countries aiming at reducing poverty and inequality, promoting human rights, democracy, sustainable development, peace and stability. Evaluations will assess the Danish contribution to changes in these wider goals and make recommendations as to how this contribution can be strengthened.

Thus, evaluations play an important role in the programme cycle providing evidence for what works and what does not work and under which circumstances – evidence that is useful in the design and programming of future assistance. In the past years, the Ministry of Foreign Affairs/ Danida has strengthened its focus on results and evaluability in the planning and implementation of development interventions.

Design and preparation of programmes and projects is now based on a theory of change for how the Danish intervention will lead to the planned results and a results framework with indicators at the output, outcome/impact levels. These initiatives are important for better evaluations and hence increased opportunities to learn from past experiences.

To this, there is now increasing focus on Doing Development Differently (DDD), especially adaptive management in contexts of fragility and uncertainty and how evaluations can be supportive.

The implementation of this policy, including coverage and quality of the evaluations, will be reviewed in case of significant systemic changes in implementation and at the latest in 2025.

The Ministry of Foreign Affairs

November 2020

1. INTRODUCTION

Significant changes are taking place in international development cooperation, and evaluations are being carried out in an increasingly complex, fragile and dynamic environments. This is reflected in the widening of objectives that Denmark seeks to achieve and the fast changing contexts that cooperation is working in. The broad range of objectives that Danish development cooperation is expected to deliver on is reflected in the Law on Development from 2012 stating that the objective of Denmark's development cooperation is to combat poverty as well as promote human rights, democracy, sustainable development, and peace and stability. In addition, development cooperation should also serve Danish national interests in a peaceful, stable, and just world. The widening of objectives is also reflected in the Sustainable Development Goals.

It is long recognised that development cooperation works in combination with other development drivers, such as trade, the private sector, the governments' own resources, and that success of development cooperation also depends on the political economy and the political processes in a given country. In addition, Denmark is increasing its development cooperation in fragile situations where contexts are in a flux and a wide variety of instruments are brought to use and where the development cooperation has to work in tandem with other types of cooperation not least security measures.

Danish development cooperation is delivered through partnerships with governments – in accordance with national plans and through the budget – with Danish, local and international organisations, private sector operators, and with multilateral organisations.

Evaluation plays a critical role in assessing and understanding the contribution of Danish development cooperation to these wider objectives in this complex and ever changing environment: by generating learning and evidence for what worked and what did not work and why, in order to inform future cooperation and by assessing the results of the cooperation.

In January 2020, the Evaluation Department (EVAL) was merged with parts of the former Technical Advisory Services becoming the Department of Evaluation, Learning and Quality (ELK). The aim was to position learning centrally within the organisational structure of Ministry of Foreign Affairs/Danida, creating more learning loops and co-creation of evidence among staff in charge of evaluations, quality assurance and

technical advisory services, e.g. appraisals and reviews. The evaluation function will maintain its independence, impartiality, transparency and quality by adhering to OECD/DACs principles and norms and standards for evaluations as set out by the evaluation policy. This document sets out the policy for evaluation of Denmark's development cooperation.

The purpose is to:

- provide clarity and transparency in the conduct of evaluations of cooperation with developing countries
- further a shared understanding among stakeholders of the priorities, usefulness and value-added for development cooperation from these evaluations
- outline principles and standards to promote quality and utility of evaluations.

The evaluation policy is complemented by the Danida Evaluation Guidelines that in details sets out the procedures, processes, rules, and responsibilities of various parties involved in evaluation of development cooperation.

BOX 1: DOING DEVELOPMENT DIFFERENTLY

There is wide recognition in the international community that development cooperation alone will not deliver the desired change. There is a need for a more coherent and inclusive approach to development and a stronger synergy between all the drivers of change in a society. With this imperative Denmark embarked on a process of reviewing the way we do development to ensure a more holistic and effective use of our development engagements and instruments.

In 2020, the Aid Management guidelines were revised to include concrete guidance on how to build stronger and closer collaboration between embassies/missions and the MFA in Copenhagen and stronger synergies between multilateral and bilateral partners as well as civil society, private sector and other possible change agents. Furthermore, development programming has to be more flexible and adaptive to dynamic contexts based on a more effective Monitoring, Evaluation, Accountability and Learning (MEAL) system. The Kenya Country Engagement, approved in 2020, is the first programme designed based on the new guidelines. ELK is currently exploring what the implications are for evaluation design and implementation.

2. EVALUATION – DEFINITION AND PURPOSE

Evaluation is defined as the systematic and objective assessment of an on-going or completed project, programme, strategy or policy, its design, implementation and results¹. The term systematic involves that the methods used in an evaluation should be replicable and standard-driven, and the term objective refers to avoiding biases and conflicts of interest in the selection of subjects to evaluate and in the evaluation process.

An evaluation not only provides a systematic and objective assessment, it also identifies what changes have taken place as a result of the intervention and critically assess why these changes have occurred and how these changes may have impacted on people. It investigates the theory behind the change, including the hypotheses and assumptions, the context and causalities to understand better the results. Evaluations facilitate evidence-based policy-making and design of new interventions, not only for Denmark but also for development partners.

Evaluation of Danish development cooperation serves two interrelated purposes:

- Learning with a view to improving the quality and results of development cooperation through generation of knowledge about what works, and why.
- Accountability through reporting and communicating results from the development cooperation to stakeholders and the wider public in Denmark and abroad, including beneficiaries.

All evaluations serve both purposes. Hence, they will address accountability through an assessment of results and impact of the investment as well as provide learning used to strengthen implementation and improve design of new interventions.

BOX 2: EVALUATION, MONITORING, REVIEW AND AUDIT

Evaluations supplement and work in conjunction with other instruments and management tools to monitor and assess the cooperation. Evaluation, monitoring, reviews and audits are complementary, but serve different purposes. Evaluations are independent and focus on outcomes and impacts and on answering why change occurred. Monitoring and reviews are undertaken on behalf of the programme, and monitoring most often focus on activities and outputs, what has happened, whereas reviews are a periodic assessment and tend to emphasise operational aspects and hence is closely linked to the monitoring function. Audits look at the integrity of the processes.

1 OECD/DAC: Quality Standards for Development Evaluation, OECD 2010.

3. KEY PRINCIPLES

Addressing both accountability and learning, evaluation of Danish development cooperation is guided by the following core principles derived from the OECD/DAC quality standards for evaluation:

- **Independence:** High quality evaluations depend on evidence that is objective and credible. Development evaluation must be independent from programme design, management and implementation. Evaluations should be carried out by knowledgeable experts with high integrity that are independent of those responsible for the design, planning and implementation of the intervention that is being evaluated and they themselves must not have been involved with the subject of the evaluation. The methods applied, the governance arrangement for ensuring the quality of the evaluation, and the management of the evaluation should be designed to provide credible, reliable evidence.
- **Transparency:** Evaluations, including the process, data, conclusions, and recommendations as well as follow-up measures must be made publicly available for sharing lessons more widely and for accountability purposes. Disclosure will also allow review and test of the analysis and the methodologies used by other evaluators and researchers.
- **Quality:** Evaluation designs, approaches and methodologies should reflect the best available given the questions that needs answering. The purpose is to get the most reliable and useful answers to the evaluation questions. Impartial expert reviewers should be widely used to enhance evaluation quality. Denmark adheres to the OECD/DAC international quality standards for evaluation.
- **Utility:** The evaluation, the evaluation process and its products must be designed and implemented with the clear purpose of being useful for development practitioners. The users will be involved in identification of evaluation topics, in the timing of the evaluation to feed into new policies, strategies and interventions, in ensuring that the right questions are asked, in the evaluation process itself as informants and afterwards in the follow-up of the recommendations. ELK should safeguard the independence and integrity of the evaluation in this process.

3. KEY PRINCIPLES

- **Ethics:** The rights and dignity of all involved in an evaluation must be respected. The design of the evaluation must consider any ethical issues that may occur. Confidentiality and anonymity of participants must be respected when sought for. There must be no external pressures on the evaluators or the evaluation stakeholders regarding the outcomes of the evaluation. Evaluators must take account of differences in culture, local behaviour, religious beliefs, sexual orientation, gender roles, disability, ethnicity and social differences when designing and carrying out evaluations.
- **Partnerships and capacity development:** To enhance ownership, utilisation and capacity, partnerships are sought for with stakeholders in developing countries in designing and carrying out evaluations. Coordination and cooperation with other development partners will be considered to reduce transaction costs and ensure wider learning.
- **Participation:** Where possible the evaluation and the evaluation process must be designed to ensure that direct beneficiaries (women and men) of the development intervention under evaluation are consulted and have opportunity to bring forward views and suggestions for improvements.

All principles are important and will be pursued by ELK in its work with establishing the evaluation programme, designing evaluations, ensuring their quality, and in the follow-up work. The Head of ELK reports directly to the Minister for Development Cooperation through the Secretary of State for Development Cooperation. An important role for ELK is to protect the evaluators for undue pressure from stakeholders, including partners implementing Danish assistance and staff at the Ministry of Foreign Affairs. When ensuring independence, focus is on strong evidence and sound methodologies that can be replicated as well as careful observation of the independence and the integrity of all involved in the evaluations.

4. GETTING TO BETTER EVALUATIONS

High quality evaluations that lead to learning and accountability depend on a number of issues related both to the evaluability of the intervention as well as relevant monitoring during implementation, and the preparation of the evaluation itself. ELK will continue to be an active partner in developing the necessary tools to promote evaluability of development interventions. The decision to strengthen emphasis on results in the Ministry of Foreign Affairs, including the decision to base programming of new interventions on theories of change and related results frameworks, and increased focus on monitoring through the implementation phase, offer opportunities for better evaluations.

Well prepared terms of reference for the evaluation, with clear evaluation questions developed in close consultation with stakeholders, design of evaluation processes that involve key stakeholders, and rigorous quality assurance are essential for production of evaluations of high quality for accountability and usability.

The OECD/DAC evaluation criteria will continue to inform the conduct of evaluations in the data collection and the analysis:

- **Relevance** is the extent to which the intervention objectives and design respond to beneficiaries, global country and partner/institution needs, policies, and priorities, and continue to do so if circumstances change.
- **Coherence** is the compatibility of the intervention with other interventions in a country, sector or institution.
- **Effectiveness** is the extent to which the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups
- **Efficiency** is the extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way.
- **Sustainability** is the extent to which the net benefits of the intervention continue, or are likely to continue.
- **Impact** is the extent to which the intervention has generated or is expected to generate significant positive or negative, intended or unintended, higher-level effects.

4. GETTING TO BETTER EVALUATIONS

For evaluation of humanitarian response additional criteria will be considered following OECD/DAC guidance²:

- **Coverage:** The extent to which major population groups facing life-threatening suffering were reached by humanitarian action.
- **Appropriateness:** The need to tailor humanitarian activities to local needs, increasing ownership, accountability, and cost-effectiveness accordingly (Replaces the relevance criterion used in development evaluations.)
- **Connectedness:** The need to assure that activities of a short-term emergency nature are carried out in a context which takes longer-term and inter-connected problems into account. Replaces the sustainability criterion used in development evaluations
- **Coordination:** The extent to which the interventions of different actors are harmonised with each other, promote synergy, avoid gaps, duplication, and resource conflicts.

Not all criteria may be equally relevant in all evaluations. The OECD/DAC evaluation criteria should not become a straitjacket within which evaluations are designed, implemented and communicated. Rather, they should be understood as a tool in the evaluation process to ensure that the evaluation cover issues of importance to answer the essential questions of any evaluation: What worked, what did not work, and why, and then what now?

2 OECD/DAC (1999) Guidance for Evaluating Humanitarian Assistance in Complex Emergencies. Paris, pp 30-32, reviewed and updated in: ALNAP, Evaluating Humanitarian Action (EHA), 2016.

5. TYPES AND APPROACHES OF EVALUATIONS

The Ministry of Foreign Affairs basically operates with three types of evaluation products:

- Evaluations of policies, strategies, themes, and programmes. These ex-post evaluations are often strategic in nature as they seek to address issues of broader interest to policy makers and the public as to the results of development cooperation as well as provide learning to inform new policies, strategies, and programmes. Only ELK can initiate evaluations.
- Evaluation studies are studies of a particular issue where evidence is sought for. Evaluation studies can be used for documenting results. They may also take the form of meta evaluations/synthesis evaluations based on evaluation results produced by the Ministry of Foreign Affairs as well as other development partners and/or research. Evaluation studies may be studies in their own right or form part of the preparation for a larger evaluation.
- Follow-up evaluations: These evaluations are designed as immediate follow-up to just finalised evaluations with the purpose of supporting efforts to enhance evaluability of the next phase of the strategy or programme.

ELK seeks to employ the best methodological approach to evaluation that can answer most questions in the best-evidenced way given the context, the complexity and the data available. The most commonly used approach is the theory-based approach. In most cases, the theory-based approach offers the best possible opportunity to deliver answers to complex questions as the theory-based approach recognises that the Danish engagement only provides a contribution to the overall goals.

Through a theory-based approach contribution pathways between the activities funded and the overall goals are assessed. It is an approach that is suitable for complex settings, including fragile environments, where there are multiple related interventions and multiple assumptions and lines of enquiry made, and where it is difficult to collect large amounts of data. Theory-based approaches use a variety of methods and both qualitative and quantitative data. To the extent possible, and where data availability enables it, qualitative methods should be supplemented by quantitative methods.

5. TYPES AND APPROACHES OF EVALUATIONS

Similarly, ELK will seek to apply the most suitable evaluation process that can best lead to a high quality output of the evaluation. This is particularly important when it comes to complex evaluations of policy issues where traditional evaluation approaches and methodologies may not apply. Issues to consider are, among other aspects: The scope of the terms of reference, the requirements of the evaluators, the structuring of the reference group and the involvement of partners and other stakeholders. For very complex non-standard evaluations, it may be expected that a much closer involvement of stakeholders will be warranted to get to a usable result.

BOX 3: ELK WORKS IN COLLABORATION WITH A RANGE OF PARTNERS TO CARRY OUT EVALUATIONS

Ministries, departments, and embassies demand evaluations and are the primary users of the outcomes.

Consultancy companies most often provide the teams carrying out evaluations selected among consultants and experts on the subject matter from universities or think tanks.

Think tanks and Universities are involved in evaluations either as contract holders or through participation in evaluation teams or as members of reference groups.

Partner countries are part of the process and at a minimum involved in the reference group where relevant.

Civil society and private sector are often involved in implementing development cooperation, and will, where relevant, be involved in evaluations as informants, stakeholders, and members of reference groups.

Joint evaluations with other donors will be sought when deemed appropriate e.g. in connection with evaluations of joint modalities such as trust funds. Benefits in the form of low transaction costs for the evaluator and the evaluated will have to be observed.

6. WHAT SHOULD BE EVALUATED?

Within a reasonable timeframe of 5-7 years all types of bilateral development cooperation should be evaluated – that is all modalities, and thematic areas. All partner countries will also be covered either through evaluation of elements of a programme or a full country cooperation evaluation. Development cooperation is here understood in broad terms as all aspects of cooperation with developing countries and the neighbourhood countries, which involves development funding, even if this is just a small part of the intervention.

With regard to multilateral cooperation, Denmark works through governing boards of multilateral organisations to enhance the organisations' own evaluation functions. Denmark is ready to support peer reviews of multilateral evaluation functions with a view to supporting efforts to improve evaluations.

Contributions through multilateral organisations may be evaluated as part of a broader evaluation of a development theme or modality. Denmark will also seek to work in collaboration with multilateral organisations and other donors on joint evaluation of issues of common interest, which will as a by-product also enhance Danish insight into the evaluation function of a given organisation. Additionally, Denmark is a member of Multilateral Organisation Performance Assessment Network (MOPAN) that assesses the organisational and development effectiveness of the Multilateral Organisations.

Annually, the Ministry of Foreign Affairs establishes a two-year rolling evaluation programme based on the following criteria:

- **Timing:** To ensure usability, evaluations are timed to feed into upcoming strategy or programming processes
- **Coverage:** Over a 5-7 year period the aim is to cover most bilateral assistance – including thematic evaluations, modalities, large aid programmes and country engagements.
- **Innovative approaches and new themes:** To ensure fast learning from innovative approaches, such programme items may be selected for evaluation or where evidence gaps are identified. Studies may also be commissioned in areas where the role of development cooperation is under clarification and definition.

6. WHAT SHOULD BE EVALUATED?

The establishment of the two-year rolling evaluation programme is the responsibility of ELK. The primary users – the operational departments and embassies – are consulted to ensure their ownership of the outcomes of the evaluations produced. ELK is free to include any topic that it may deem relevant for evaluation and to bring forward topics for evaluation that are suggested from any source. The programme is forwarded for information to the Council for Development Policy and the Minister for Development Cooperation through the Director for Development Policy. It is published on the Ministry of Foreign Affairs' home page for public access. The realized programme may change during the year due to new demands for evaluations or due to changes in priorities.

The main focus of the evaluation programme continues to be on ex-post evaluations of broader strategic issues relevant for answering broader policy questions and generate more learning about what works and what does not work in development cooperation. Evaluations will also continue to cover more specific areas, typically as a response to a request where an evidence gap has been identified.

BOX 4: EVALUATION AND THE SDGS

The adoption of the Sustainable Development Goals in September 2015 provides a new framework for international development cooperation and has a number of implications for evaluation. The complexity and interrelated nature of the SDG targets require that evaluation take account of the linkages and potential trade-offs between targets and goals.

SDG implementation and monitoring processes are expected to be country-led, resulting in an increased focus on country-led evaluation work. Partner countries' national statistical capacity and evaluations systems will play a key role in follow-up and review processes. Therefore Denmark is supporting the Global Evaluation Initiative along with other multilateral and bilateral donors.

As we move towards the halfway point of the 2030 agenda the SDGs will increasingly influence what we evaluate and how. Denmark is continuously exploring with other development partners the best way to evaluate the Danish contribution to the SDGs in the global south.

7. STRENGTHENING UTILITY AND LEARNING

Learning from past experiences and sharing of knowledge are important corporate values in the Ministry of Foreign Affairs. Evaluations are an important part of the wider knowledge management and learning in the organisation, and ELK cooperates with other parts of the Ministry to promote evidence based policy and planning. This is done through participation in the Programme Committee and through participation in knowledge management and sharing, including networking across a range of topics. The Programme Committee is where evaluations and new programmes and policies are discussed to provide a central forum for learning, quality assurance and knowledge management.

Since January 2020, ELK is the secretariat of the Programme Committee, and has updated the procedures to enhance the learning opportunities of this platform, noticeably ensuring thorough preparation and participation of senior managers in the meetings. Furthermore, the establishment of ELK in January 2020 is expected to increase the exchange of evidence-based information about the quality of programmes and policies between the evaluation function and the units responsible for design, implementation and quality assurance.

The unit responsible for the subject under evaluation is responsible for the management response and hence for the follow-up to the evaluation. Management responses are discussed in the Programme Committee to promote institution wide learning from the evaluation. The follow-up actions by the direct users of the evaluation will be discussed after 1-2 years at the regular biannual evaluation meetings with senior management.

The evaluation programme contains a brief summary report on learning from the past year's evaluations for discussion in the Council for Development Policy. This summary will be made available to all staff dealing with preparation and implementation of development cooperation and it is made public on ELKs website.

Evaluations will, to the extent possible, be timed to align with policy/strategy processes and programming cycles. Evaluations will be designed and timed to ensure that evaluation results are fed directly into the strategy and programming processes to ensure fast up-take and reaction to the findings, conclusions and recommendations.

7. STRENGTHENING UTILITY AND LEARNING

To support follow-up and learning, ELK has the option to commission follow-ups to evaluations. This is an instrument that is specifically designed to support follow-up in areas where evaluability of the continued development engagement is a concern. The focus for the follow-up evaluation will be on ensuring evaluability of the next phase by helping to define results and success.

ELK sees itself as a part of a wider development community in Denmark consisting of a diverse group of individuals and organisations, including ministries, NGOs, universities, institutions, and companies engaged in or interested in development cooperation. ELK engages with this community to promote evaluation evidence with a view to strengthen general knowledge of development cooperation and ensure evidence based policies and activities. To this end, open public meetings regarding evaluation results and learning are conducted.

ELK also works with the wider international development and evaluation community to strengthen use of evidence in development cooperation. Denmark is part of the OECD/DAC Evaluation Network and has strong cooperation with a string of evaluation departments, and international evaluations networks and organisations across countries. This cooperation plays an important role in a number of fields including making sure that ELK is on top of new developments in the field of evaluations, including use of new methodologies, organisational development, and sharing of experiences on learning, usability and up-take. Cooperation with other evaluation departments and organisations are also important to ensure that evidence produced has broader use and is shared widely.

8. COMMUNICATION

Strong efforts will be made to communicate evaluation evidence and recommendations in a way that it is easily accessible even to non-specialists. Communication aspects will be considered as part of the preparation of the evaluation and during the implementation with a view to ensuring that findings and conclusions can be communicated and that concrete “stories” about the successes and failures of development cooperation are brought forward.

All final evaluation reports will be made available on the Evaluation web site (<https://um.dk/en/danida-en/results/eval/>) to ensure transparency and that evidence and methodologies can be checked and possibly tested. In addition, targeted products will be produced to ensure wider sharing of findings, conclusions and recommendations with the development community in the relevant countries and interested people inside and outside the Ministry of Foreign Affairs, in the Danish Parliament, and the wider public.

BOX 5: FOCUS ON LEARNING IN THE EVALUATION PROCESS.

There has over the past year been good experiences with ensuring early up-take of evaluations findings and recommendation through good timing and design of the evaluation process. As soon as the evaluation team is ready, a workshop is organised where the initial findings and recommendations are discussed not only looking backwards, but also discussion implications for the next programme using the theory of change approach. This has been helpful in the design of new phases not least with regards to stronger and well-developed theories of change and related results frameworks – and hence strengthened evaluability.

9. SUPPORT FOR STRENGTHENING OF EVALUATION CAPACITY IN PARTNER COUNTRIES

Evaluation is also about learning and accountability in partner countries. The new development agenda “Transforming our World: the 2030 Agenda for Sustainable Development”³ stresses the importance of country led review and evaluation processes, and Denmark will support capacity development to this end in a number of ways:

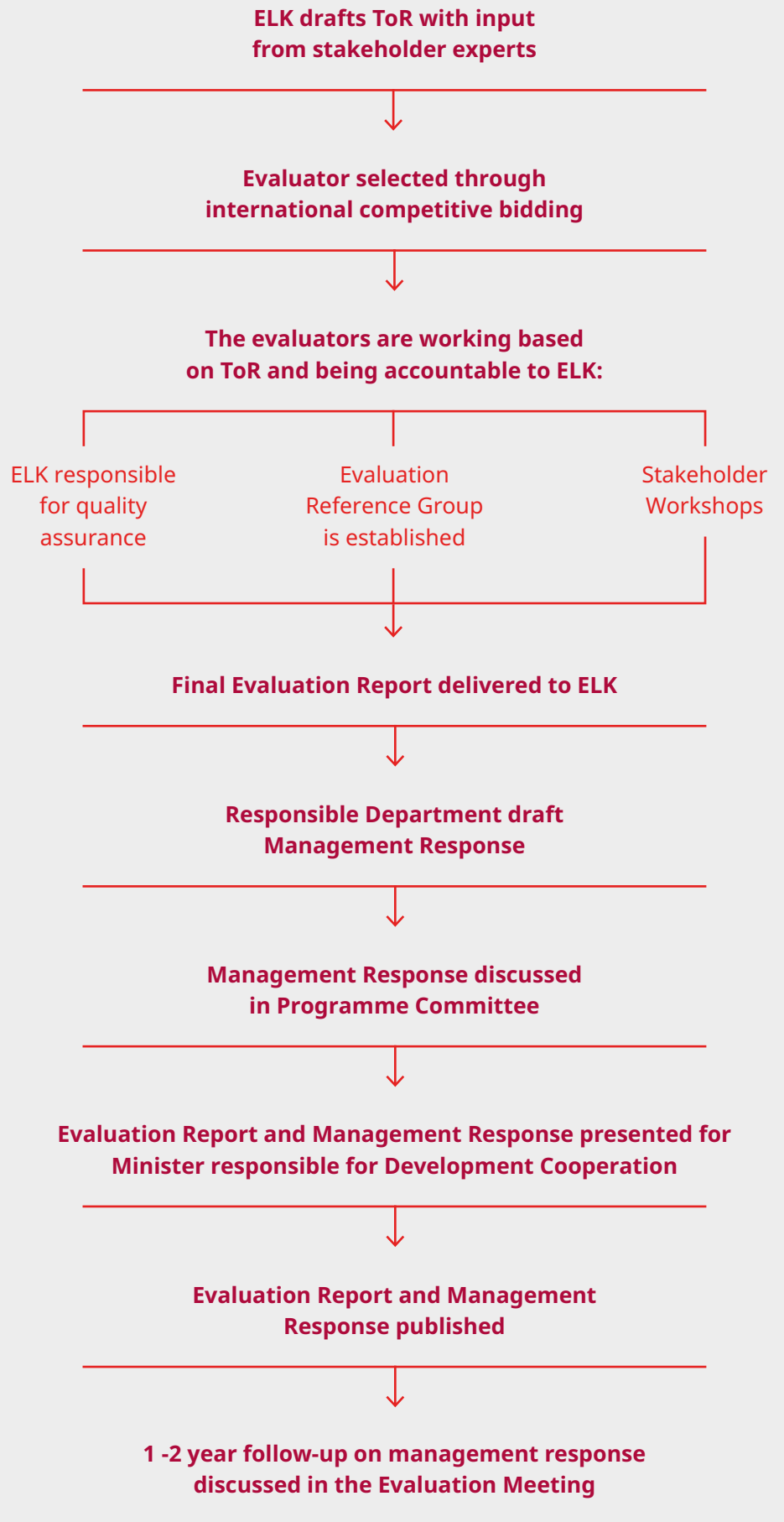
- Involve development partners in planning, implementation and use of concrete evaluations.
- Conduct joint evaluations with partners with partners in the lead.
- Support dedicated training of partners from developing countries through support for international training programmes.
- Support development of evaluation methodologies and their use and ensure that knowledge and evidence produced are made freely available in an easily accessible manner.

This evaluation policy will be reviewed in case of systemic changes in the implementation of the development cooperation and at the latest in 2025. The review will include, but not be limited to, an assessment of the following

- Clarity and transparency in the conduct of evaluations through an assessment of the evaluation processes.
- Shared understanding of the priorities, usefulness and value-added of evaluations.
- Quality and utility of evaluations based on assessments of follow-up of recommendations.

3 <https://sustainabledevelopment.un.org/post2015/transformingourworld/publication>

**ANNEX 1. THE
EVALUATION
PROCESS:
THE MOST
IMPORTANT
STEPS**



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