



European Bank
for Reconstruction and Development

EBRD's Evaluation Policy

Report on the Invitation to the Public to Comment

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Contents

Executive Summary..... 1

1. Introduction: Structure of this report and consultation process..... 2

2. Summary of stakeholder input..... 2

3. Next Steps..... 8

Executive Summary

The objective of this report is to summarise the key comments received from stakeholders during the public consultation period on the EBRD Evaluation Policy and provide joint responses of the Bank's management and independent Evaluation Department.

In accordance with the EBRD Access to Information Policy (AIP), the draft revised Policy was posted on the EBRD website in English for 45 calendar days starting from 14 July 2023. The public was invited to comment on the draft strategy no later than 29 August 2023. The previous Policy was also made available on the EBRD website.

Information about the public consultation process and the documents related to the draft strategy were posted on the EBRD's dedicated "Have your say" webpage, which highlights the latest opportunities for the public to comment on the Bank's policies and strategies under review. Targeted notifications of the consultation process were sent to the Evaluation Cooperation Group¹ (ECG) members comprised of independent evaluation departments of major Multilateral Development Banks (MDBs), as well as OECD-DAC Evaluation Network.

During the consultation period, the Bank received five sets of comments in written format.

Most of the comments received are of an editorial nature, or for clarification purposes. The two substantive comments that have led to a substantive change in the Policy refer to the tenure of the Chief Evaluator (now proposed as a non-renewable term of 5 years), and the clarification that the selection of the Chief Evaluator is solely the Board's responsibility with Management participating to the Selection Panel as observer.

¹ The [Evaluation Cooperation Group](#) (ECG) was established by the heads of independent evaluation in multilateral development banks (MDBs) in 1996 to: (i) strengthen the use of evaluation for greater MDB effectiveness and accountability; (ii) share lessons from MDB evaluations and contribute to their dissemination; (iii) harmonise performance indicators and evaluation methodologies and approaches; (iv) enhance evaluation professionalism within the MDBs and collaboration with the heads of evaluation units of bilateral and multilateral development organisations; and (v) facilitate the involvement of borrowing member countries in evaluation and build their evaluation capacity. The current membership of the ECG includes heads of independent evaluation in African Development Bank, Asian Development Bank, Black Sea Trade and Development Bank, Central American Bank for Economic Integration, European Investment Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, International Fund for Agricultural Development, Islamic Development Bank, and World Bank Group

1. Introduction: Structure of this report and consultation process

The Bank's Access to Information Policy requires the Bank to consult its stakeholders, including but not limited to members of public, civil society representatives, international and multilateral organisations, bilateral cooperation agencies, government institutions and municipalities, as well as private sector representatives, business associations, and consultants, on its governance policies, including the Evaluation Policy. This Report on the Invitation to Comment provides a summary of the stakeholder consultation process in the drafting and finalisation of the 2023 EBRD Evaluation Policy. More specifically, this report:

- Outlines EBRD's objectives and approach to stakeholder consultation during the review process;
- Identifies key stakeholder groups with whom EBRD has engaged;
- Details the means through which EBRD's external stakeholders were engaged;
- Provides a summary of all comments received;
- Details how stakeholder feedback was taken into account in the finalisation of the 2023 Policy; and
- Outlines the next steps in the finalisation and disclosure of the draft policy.

The goal of public consultation activities was to provide to interested parties and to those potentially affected by the Bank's operations the opportunity to participate in and provide input on the development of the draft Evaluation Policy.

The **public consultation** included posting the draft revised Policy on the EBRD website in English from 14 July to 29 August 2023, together with the previously approved Policy. Information about the public consultation process and the documents related to the draft strategy were posted on the EBRD's dedicated "Have your say" webpage, which highlights the latest opportunities for the public to comment on the Bank's policies and strategies under review. EvD invited **independent evaluation departments of IFIs** active in EBRD Countries of Operations (members of the Evaluation Cooperation Group - ECG), **international evaluation experts** (from the OECD-DAC Evaluation Network - EvalNet) and other interested parties to provide feedback on the content of a draft revised evaluation policy. Engagement platforms for external stakeholders included: (i) written feedback from public: emails to a dedicated Email address (ii) Specific stakeholder engagement focused invitation to comment to ECG members; and focused invitation to comment to Evalnet members.

2. Summary of stakeholder input

Following the closure of the 45-day public consultation period, all comments were reviewed and the potential to make changes to the Evaluation Policy were evaluated. The comments and responses are presented in the table below².

In their comments the independent evaluation departments contacted focused on ensuring independence, including the appointment and term of the Chief Evaluator. Comments also emphasised where potential lack of clarity between different terms remained.

² Only unique comments are noted.

Table 1: Summary of comments from the public consultation and responses

Issue	Summary of Comment	Response
Principles	P. 7, under credibility, it is stated that “Credibility also requires that evaluations be conducted ethically and in respect to a principle of “do no harm” in the design and conduct of evaluations”. We wonder whether “Ethics in Evaluation” has not become so important that its elaboration should be stated explicitly in the policy as one of the principles, rather than being subsumed in the principle of “credibility of evaluations”.	This was proposed in an earlier version of the draft revised evaluation policy. The discussion at ARC concluded that ethics in evaluation would not be a separate principle in the EBRD’s Evaluation Policy but rather highlighted under “credibility”. Action: No change.
Roles under evaluation function	P. 8-9, Evaluation System at the EBRD: we would advise to add a provision stating that IEvD is solely responsible for independent evaluation at the EBRD. This to prevent Management from commissioning an external evaluation and calling it independent. It would also clarify the current provision “Responsibility for the design and execution of evaluation by management, rests with Management, in consultation with IEvD”, which is not fully clear because it does not state which evaluations (self or independent) the Management has responsibility of designing and executing, and which may create confusion about the roles of Management and IEvD.	Provision will be added to state that IEvD is solely responsible for independent evaluation at the EBRD. Management is responsible for evaluation by management (as opposed to independent) This is the case currently but can be clarified in the policy wording. Action: Change
	P. 10: to the second round bullet I would suggest to add "Developing method/s and processes for independent evaluation and validation " to clarify that IEvD determines the methodology for its validations of Management self-evaluations. As you may recall, some of our sister institutions have issues with Management calling into question the validation methodology. To the fourth round bullet I would add "make recommendations to Management and/or the Board [or the Bank] ", since you may want to make recommendations to these two entities also. p. 13, “IEvD develops methods to be used for independent evaluation at the EBRD”: again I would suggest to add “ and validation ”.	The methodology for validations continues to rest with EvD, and this shall be clarified in the revised policy. Action: Change
	P. 11, The Board, third bullet: the word "appoints" appears twice. The second "appoints" should be "removes" instead.	This will be corrected Action: change
	On p. 12 it is indicated that Management "Responds in writing to all IEvD evaluation reports and provides management action plans for implementation" but it does not	Clarification added in the Policy. Action: change

	say that these are presented to or discussed/endorsed by the Board. It would be good to include that in the policy.	
	P. 14, Internal Distribution: "Independent evaluation reports will be made available to all relevant internal stakeholders, including the Board, consistent with confidentiality safeguards. The decision on internal disclosure rests with the Chief Evaluator taking account of advice from Management". With the independence of the evaluation function, why should the Chief Evaluator be advised by Management on internal disclosure of evaluation reports? This seems to be a potential risk. Also what does "taking account of" mean? Is the Chief Evaluator obliged to abide by Management's advice? It may be better to stipulate that the decision on internal disclosure rests with the Chief Evaluator taking into account the organization's Access to information policy, or simply that it rests with the Chief Evaluator full stop (the CE can of course voluntarily consult Management at any time).	Indeed, as per the principle of independence, the decision on internal disclosure rests with the Chief Evaluator, taking into account the AIP. The Chief Evaluator may voluntarily consult Management). This point shall be made clearer in the policy wording. Action: Change
	I did not find in the policy who has the final approval authority for evaluations. The Chief Evaluator? The Board? Does the Board need to formally approve or informally endorse evaluations before you can declare them final and publish them? The policy only states that the Board "discusses" evaluation reports (not "endorses" or "approves"), but it also does not explicitly say that the Chief Evaluator has the final approval authority (like others do)	This absence will be rectified. Wording to reflect the continued position that final approval authority rests with the Chief Evaluator, will be added. Action: Change
Term and status of Chief Evaluator	Several evaluation policies amongst MDBs have opted for a single non-renewable mandate of the Head of the Evaluation Office (five or six years, such as World Bank, AfDB, IADB, IFAD, UNDP). The single non-renewable mandate avoids potential conflict of interest <i>ex-ante</i> of the evaluation Head, who -before seeking a second term - may feel pressure to broker consensus with senior management, which could detract from upholding critical evaluation findings and recommendations P. 14, Special Provisions: it is stated that the Chief Evaluator is not part of Management, but the policy is not explicit on whether he/she is a staff member to which the staff rules and regulations apply. I'm not sure it is helpful to be ambiguous about this, as it can cause differences of interpretation of the policy. The status of the head of evaluation (as a staff member or having another status) has consequences, and can be contentious.	The term reflects discussion at ARC and preference of Board members at the time. Non-renewable mandate of 5 or 6 years to be discussed again in ARC. Policy will clarify the status of the Chief Evaluator Action: Change
Process of selection for Chief Evaluator	The composition of the panel selecting the Chief Evaluator is composed of representatives from Board and Management. It does not include recognized evaluation specialists. This is a major limitation, given that Board members and	The panel selecting the Chief Evaluator is composed of internal representatives but the possibility of including an evaluation specialist

	<p>managers are unlikely to possess the expertise and experience in conducting evaluations or managing an independent evaluation department and thus are not in a position to fully appreciate the skills of candidates against international standards and requirements.</p> <p>I may be misunderstanding but it seems from the text that Management has a role in the selection of the Chief Evaluator. This stands in stark contrast with the selection process in [...], carried out by the Board (with the support of an external company).</p>	<p>can be discussed and added. The role of Management as observer will be clarified.</p> <p>Action: Change</p>
Functional independence for hiring	<p>On p. 16, the draft states that the Chief Evaluator is free to appoint and remove staff, without Management or Board involvement. This is important as it creates a firewall to protect objectivity of independent evaluation staff. However, the policy could specify that staff need to have sufficient knowledge and familiarity with evaluation methodology and practices, to be assessed through a strong selection process. This is important to avoid the risk of the evaluation office becoming a division that mainly relies on transfer of staff from managerial divisions, who will collaborate with the office for a rather short time (two-three years) without strong commitment to evaluation professional standards.</p>	<p>For clarity's sake, the policy will be revised to specify that staff need to have sufficient knowledge and familiarity with evaluation methodology and practices, to be assessed through a strong selection process, which is the case currently.</p> <p>Action: Change</p>
External Disclosure	<p>On page 14, the draft asserts that the provision of EBRD on external disclosure of documents apply to independent evaluation as well. However, without any further detail, this could generate restrictions on what the evaluation office can share publicly. The policy could provide more information on what evaluation document will (not) be made available to the general public.</p>	<p>The policy already affirms that IEvD products will adhere to the AIP.</p> <p>Action: No change</p>
	<p>P. 7, under Transparency: "Public disclosure is part of standards for independent evaluation. Reports delivered by the evaluation system should comply with EBRD's Access to Information Policy." I would suggest to change "delivered" to "published". There may be evaluations for which you wish to present a full version to the Board, containing internal information that is confidential to the general public but not to the Board, that will be redacted before publication. Using the word "delivered" suggests that all reports going to the Board must already comply with what can be made public.</p>	<p>Wording to be corrected for accuracy of meaning</p> <p>Action: Change</p>
	<p>External Distribution: do the provisions apply only to evaluation reports or all evaluation products? Can IEvD decide to publish other evaluation products and materials other than the final evaluation reports (such as concept notes, approach papers, background reports, technical reports, etc.)?</p>	<p>Wording to be corrected for accuracy of meaning</p> <p>Action: Change</p>
Clarification of terminology and wording	<p>Some of the definitions provided in the glossary are confusing, though these may be important given IEvD's role as "guardian of the terminology" mentioned in the text. For example, the terms accountability and learning are included in their own respective definitions. Besides, those definitions seem to be defining roles rather</p>	<p>Precision will be added on self-evaluation (focus on operations) to differentiate better and the glossary updated..</p>

	than concepts. Also, it is hard to see the difference between self-evaluation and thematic assessments; are not the latter included in self-evaluation?	Action: Change
	It seems that the “two equally-important and mutually-reinforcing ways” that p.3 in pg.5 refers to are accountability and learning. If so, the concept of learning is not explicitly mentioned, although it is explained in the last paragraph of the page. I would suggest: “results; and by promoting institutional learning through the provision of objective analysis	New proposed wording: “results; and by promoting institutional learning through the provision of objective analysis” Action: Change
	Under A. Enabling Environment and the fourth bullet under 4. Management, the policy refers to the data and information “needed” and “required” for evaluation. Who decides what is needed and required and could this ambiguity become a source of problems?	The principle of independence implicitly supports that IEvD defines the information it requires for conducting its evaluations. However, IEvD and Management agree the current text is sufficient at the principle level to ensure access to information. Further clarifications will be provided as needed in accompanying documents. The only change in the Policy will relate to ensuring the consistency of formulation related to this point across the document. Action: Change
	On Accountability: neither in the Glossary nor on p. 5 is it defined <u>who</u> the EBRD is accountable to. Shareholders? Clients? Stakeholders of its interventions? Taxpayers in shareholder countries? Perhaps within the EBRD this is general knowledge, understood by all, but for a document that will be made public, it may be worth stating this explicitly.	The nature of the accountability of EBRD as a public institution is not for the Evaluation Policy to define. It is implicitly enshrined in the founding documents of the EBRD Action: No change
	P. 12: the provision “Delegates any of its evaluation-related responsibilities to one of its subordinate bodies as it so chooses” seems to leave open the possibility that the Board can delegate different responsibilities to different subordinate bodies, which would increase the risk of poor coordination. This is likely not the intention. A clearer wording could be considered, such as “delegates all of its evaluation-related responsibilities” or “ no more than one of its subordinate bodies” or simply emphasize “ one of its subordinate bodies”.	Wording to be corrected for accuracy of meaning Action: Change
	There where the policy refers to “periodic reporting” (for ex. on p. 12 “Reporting periodically to the Board on the results and lessons of the evaluation by management system” or “Tracks actions taken on agreed or partially agreed recommendations from independent evaluation and periodically reports to the Board	Periodicity of reporting is not appropriate to include in the policy. Rather, the Policy affirms part of the role of the Board that it <i>requests from IEvD and/or Management any such reports as it</i>

	<p>on implementation of such actions...”), it would be good to specify, either in the policy itself or in the complementary instruments, what is meant by this - every six months? annually? Once every three or four years is also periodic but is unlikely to be satisfactory to the Board. The complementary instruments can also elaborate what is meant by “the results and lessons of the evaluation by management system”: How will management report on results and lessons? Does it mean sharing self-evaluation reports which contains results and lessons with the Board? Or only sharing results and lessons from management system with the Board? And which established management system is being referred to in this policy?</p>	<p><i>sees fit for the purpose of reviewing evaluation findings, monitoring evaluation-related activities across the organisation, and assessing the performance of evaluation-related internal systems.</i></p> <p>Any further details will be clarified in ops guidance and subordinate documentation stemming from this Policy.</p> <p>Action: No change</p>
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3. Next Steps

Based on the comments received during the consultation period, a revised draft of the new Policy has been prepared. This draft, along with this report, will be submitted for consideration first by the Bank's Audit and Risk Committee and then by the Board of Directors together with recommendation by the President.

Following Board approval of the Policy, the Bank will post on the EBRD website English, Russian and French versions of the approved Policy, and an English version of this report.