

Development evaluation norm of the Ministry for Foreign Affairs (MFA)  
(Translation from Finnish, unofficial)

**1 §** Definition and legal basis of evaluation of development policy and cooperation

This norm is based on the State Budget Act (423/1988), the State Budget Decree (1243/1992), the Economic Rule of the MFA (norm 2/2011), as well as the Rules of Procedure (550/2008). The norm guides all evaluation function related to the development policy and development cooperation in Finland's foreign affairs.

Evaluation of development policy and cooperation (development evaluation) is a part of the responsibilities (accountability) for relevance, efficiency, effectiveness, and impact and their evaluation that is set for the MFA by the State Budget Act and State Budget Decree. Development evaluation serves the organization-wide learning from development cooperation experiences, as well as the improvement of quality by producing independent and impartial evidence-based knowledge of the activities. It is also an essential part of transparency and openness of development policies.

In this norm, evaluation is defined according to the OECD/DAC definition. As systematic and objective as possible, evaluation is an assessment of an on-going or completed project, programme or policy, its design, implementation and results. Evaluation refers to the process of determining the worth or value of the evaluated activity in relation to the set objectives.

**2 §** Responsibilities and division of labour in MFA development evaluation

According to the Ministry's Rules of Procedure, the Development Evaluation Unit is responsible for the guidelines and development of the evaluation function. The Development Evaluation Unit is operationally independent and reports to the Under-Secretary of State responsible for development policy and development cooperation.

In this norm, based on management responsibility and scope, development evaluation function is divided into centralized and decentralized evaluations:

- Centralised evaluations refer to comprehensive and strategic evaluations managed by the Development Evaluation Unit (e.g. evaluations of policies, country strategies, financing instruments, processes, results-, theme- or sector-based programmes or programmes of partner institutions).
- Decentralised evaluations are evaluations of projects or other entities that are financed and managed by units and embassies implementing and managing development cooperation (e.g. appraisals / ex-ante evaluations, mid-term and final evaluations,)

The examples given are indicative. Responsibilities may also be defined case by case depending on the strategic importance and scope of the evaluation.

### **3 §** General principles and scope of evaluation

The Ministry for Foreign Affairs applies the principles, standards and criteria of development evaluation agreed upon at the OECD/DCA and the EU. According to them, evaluation must be impartial, independent and credible. Independence of evaluation results is ensured by commissioning evaluations to external experts. Evaluation results must also be useful and helpful for planning, implementation and development of activities. Usefulness of evaluation is promoted for example by engaging stakeholders in the planning, implementation and follow-up of evaluations.

The Ministry has an evaluation manual. The guidance included in the manual can also be found in concise form in the AHA information management system.

The objective is that the entire field of development policy and cooperation is covered by evaluations. The evaluability of the interventions must be ensured in the proposals, decisions and agreements on the use of development cooperation funds as well as in the project management. The indicative plan of an evaluation and its funding must be included in the financing proposal, or alternatively in the guidelines of an entire financing instrument. The results of previous evaluations must be considered in the planning and implementation of activities, as well as the adequate follow-up and reporting on their results.

- a) Programme and project evaluations are an essential part of results-based programming. Projects and activities of limited financial value can be evaluated as part of the larger entity to which they belong. Similarly related appraisals and mid-term evaluations can be conducted as lighter reviews. Processes and structures can be evaluated with the aim of developing the functions.
- b) Evaluations of financing instruments are agreed with the Development Evaluation Unit already during their planning phase. Evaluations are scheduled to support new financing cycles. When the management of the instruments is commissioned outside of the Ministry, evaluation plans are included in the agreements.
- c) Evaluations of major policies are agreed with the Development Evaluation Unit already during the planning phase. The monitoring and evaluability of the policies must be ensured as part of the policy paper. An evaluation is not a monitoring mechanism of the policy, but an assessment of its effectiveness.
- d) In evaluating the effectiveness of international organisations (ODA eligible organisations), the organizations' own evaluation functions are used whenever they meet internationally agreed principles and quality requirements. The objective is to support the evaluation capacity of the organisations, also through peer reviews. The unit responsible for managing the cooperation ensures that the financing proposal includes an assessment

- of the evaluation capacity of the organisation and that evaluations are included in the financing agreement.
- e) Multi-bi projects are evaluated as any projects under the responsibility of the funding and managing unit (see point a). When the evaluation capacity of the host institutions meets the international quality requirements, the evaluation can also be conducted by the host institution based on the financing agreement.
  - f) Evaluations of Finnish NGO cooperation is planned and implemented in cooperation with the NGOs. The responsibility for accountability and results is based on the Act on Discretionary Government Transfers 688/2001 and its conditions. The effectiveness of the programmes of partnership organizations can also be evaluated by the Development Evaluation Unit on a rotation basis. Individual projects are evaluated as all projects by the unit financing the programmes (see point a).
  - g) In addition, when needed, evaluations can be conducted on any objectives, themes, operating modalities and processes that are related to Finland's development cooperation, development policy and international commitments.

#### **4 § Planning of development evaluation**

The Development Evaluation Unit prepares annually a comprehensive plan of evaluation in cooperation with other units conducting development evaluation.

Departments implementing development policy and cooperation prepare an evaluation plan that covers the evaluations included in their financing proposals and agreements for the next year and indicative plans for the following two years. The plan is updated annually. General evaluation principles guide the plans. Also a guiding principle is that the results will be available when the information is needed.

The Development Evaluation Unit compiles the plans of decentralised evaluations, and possible related training needs as a basis for the comprehensive evaluation plan. In addition and concerning the plan for centralised evaluations, the Development Evaluation Unit consults departments, units and embassies and other development policy stakeholders when necessary. The Development Evaluation Unit brings the comprehensive evaluation plan and possible subsequent changes to the Development Policy Steering Group (KEPO) for discussion, and presents it to the Under-Secretary of State for approval.

The comprehensive plan for centralised evaluations is binding concerning the first year. Changes in the decentralised evaluation plans must be communicated to the Development Evaluation Unit, and they must be confirmed in the next comprehensive plan.

The comprehensive evaluation plan is disseminated for information to the departments, units and embassies of MFA responsible for development cooperation. It is published at the MFA external internet site in Finnish and also in English as a short version. The plan is stored in the electronic archives.

To ensure the quality and utility of evaluations, a reference group may be established during the preparation of an evaluation including representatives of the users of evaluation results and possible external experts. The establishment of a reference group promotes participatory management and collaborative learning.

## **5 § Implementation of development evaluations**

The evaluations managed by the MFA are implemented by commissioning them to independent experts. Self-evaluations may also be conducted as part of the monitoring and development of the projects, but they do not adequately cover accountability requirements, and they do not replace actual evaluation. Cooperation partners may also implement evaluations when the partner has adequate evaluation capacity that meets the international evaluation standards. Joint evaluations with other development donors or partners are also possible. When the unit responsible for financing of an intervention does not manage the evaluation itself but includes the evaluation in the agreement on implementation, it must assess the evaluation capacity of the partner already when making the financing proposal.

When evaluations are commissioned, special attention must be paid to ensure in the Terms of Reference (ToR), the Instructions to Tender (ITT) and in the managing process that the evaluation questions correspond to information needs, that the conclusions and recommendations are implementable, and that the evaluations are ready when the information is needed.

When conducting evaluations, special attention must be paid to the quality assurance. In every agreement on an evaluation there must be clear stipulations on quality assurance. The evaluators must attach to their evaluations reports an external quality assurance report according to the contract terms. In addition, the commissioner of the evaluation may commission an external peer review at any phase of the evaluation. This review on the quality may be utilized to guide the evaluation process, and when necessary, to terminate the process and disbursements in cases where the quality of evaluation does not correspond to the requirements set.

When an evaluation starts and the evaluators have been selected, the staff and other actors responsible for the intervention to be evaluated will immediately be informed in writing. All stakeholders are requested to support in the collection of materials and in practical arrangements for the evaluation. The communication also includes information of the composition of the evaluation team, tentative schedule, needs for background documentation, preliminary information of the planned interviews and selected field visits.

The background documentation used in evaluations is either public or defined as of protection level IV (meaning "restricted use") in the norm for information security of the MFA. These documents of the MFA must be handled with care as instructed in the norm for information security.

## **6 § Follow-up actions of development evaluation**

All development evaluations carried out in the MFA are responded to by a management response. In these management responses it is considered to what extent the management of the MFA needs to react to the recommendations internally and to what extent together with partners.

Because the centralised evaluations concern strategic issues and often the MFA and the foreign affairs as a whole, their management responses are prepared according to the consultation requirements included in the MFA's internal rules and regulations. The Development Evaluation Unit facilitates the process as its secretariat.

When a centralised evaluation is ready the Development Evaluation Unit requests that the department responsible for the activities consults comprehensively other stakeholders and establishes a working group and nominates the chair for the group. Based on the recommendations of the evaluation, the group prepares a draft management response, that takes into account the roles and responsibilities of all actors for the future changes. The Development Evaluation Unit assists the group, including by preparing a follow-up table recording the findings, conclusions and recommendations of the evaluation, and possible comments received during the process. The chair of the working group takes the draft management response to the Development Policy Steering Group (KEPO) for comments after which the response is finalised. The chair of the working group presents the management response to the Under-Secretary of State for approval. The activities agreed in the management response are followed-up for two years after which the responsible department prepares a report of the implementation of the activities. The Development Evaluation Unit assists the departments in this process, and compiles periodically summaries of observations and good practices for the Development Policy Steering Group.

The results of decentralised evaluations are handled in relevant steering committees and advisory boards. The handling and decisions are clearly recorded in the common planning documents for monitoring. The follow-up is done in the context of common monitoring and reporting practices.

The management responses of evaluations by partners or joint evaluations are integrated in the plans and monitoring processes of the responsible units.

## **7 § Publishing and disseminating development evaluation results**

Evaluation reports are public. The publishing of evaluation results and reports and the communication of development evaluations are based on rules concerning the public access to documents. Transparency and openness of development cooperation are promoted also through evaluations according to Finland's International Aid Transparency (IATI) commitments.

Preliminary results of an evaluation may be presented internally in the MFA already before the finalisation of the evaluation report. It is good practice to organise a presentation to partners, stakeholders and beneficiaries at the end of field missions. This practice promotes the credibility and usefulness of the results and supports stakeholders in preparing for the possible consequences of the evaluation.

At the end of the evaluation, a debriefing session is organised for the relevant stakeholders. When more comprehensive and strategic evaluations are finalised, a public presentation event is organised. These events will be communicated to targeted groups but also to wider public by open invitations on the MFA internet site. The results are presented by the members of the evaluation team.

The evaluation team prepares a ready-to-publish report of the evaluation according to instructions by the Development Evaluation Unit. Finalised evaluation reports are archived in the MFA information management systems (AHA and/or Arkki).

The evaluation reports are also published in a user- friendly format on the MFA internet site. The unit responsible for evaluation also prepares a concise communication form in Finnish language. The Unit for Development Communications may edit this text to promote the communication.

The Development Evaluation Unit prepares annually a summary of development evaluation, its main results and decisions made. The report is widely disseminated to stakeholders, including Development Policy Committee and Committee on Foreign Affairs of the Parliament. The Development Evaluation Unit may also prepare a summary of the results of development evaluation during a government period.

## **8 §** Capacity development and training

The Development Evaluation Unit organises evaluation training together with the Staff Development Unit of the MFA and possibly also with other partners. Training needs are collected in the context of the evaluation planning processes. Furthermore the unit supports other units and embassies in evaluation issues. The unit also support the development of the MFA information management system (AHA) in aspects related to evaluation.

## **9 §** Participation in international cooperation and joint evaluations

Finland supports the development of evaluation capacity in partner countries and their participation in collaborative evaluation as an equal partner. The Development Evaluation Unit promotes the development of evaluation function through participation in international evaluation experts' networks.