|  |  |
| --- | --- |
| **Ministry for Foreign Affairs of Finland**  Development Evaluation Unit (EVA-11)  Evaluation Manual 2018 | 27.11.2018 |
|  |

# List of terminology applied in evaluations and project cycle management

The terminology used in developmental projects and in evaluations is often rather complicated and even confusing. The terms may also vary, depending on the financier or the financing instrument. The following vocabulary describes the terms used commonly in evaluations and in project cycle management.

**Activity**; action taken or work performed within a project in order to transform the inputs, such as human resources and materials, into results (new/improved systems, facilities, skills, etc.).

**Appraisal** (Ex-ante evaluation); assessment of a project plan prior to its final approval and implementation. The aim is to assess the relevance, feasibility, sustainability and risks of the project and identify the possible revision needs.

**Assumption**; external factor upon which a project’s success may depend.

**Baseline data**; Description of the situation in the indicators when the project is launched. Initially baselines are defined during project preparation and completed during the inception phase.

**Beneficiaries**; those groups at whom the project’s benefits are aimed. **Direct Beneficiaries** are the groups who directly benefit from the project e.g. through improved professional skills. Typically, they belong to the group of **duty bearers**. **Final Beneficiaries** are those groups at whom the project’s impacts are ultimately aimed (“end users”). They can be classified also as **rights holders**. In addition to the beneficiaries, a project may involve also several other stakeholders.

**Evaluation**; independent assessment of the project, conducted in accordance with the OECD/DAC evaluation principles and criteria. During the project cycle, various evaluations may be conducted: **Mid-term Evaluation** mid-term of a project or its phase; **Final Evaluation**, at the end of the project; and **Ex-post Evaluation** and/or **Impact Evaluation** some years after the project has been phased out.

**Effectiveness**; the extent to which a project is successful in achieving its outcome and main outputs.

**Efficiency**; the rate of how efficiently the means (inputs) are converted into results. Efficiency relates also to feasibility of project management arrangements.

**Impact**; the long-term impacts of a project. Desired positive impacts are defined in the impact statement, but a project may also have unintentional negative and positive impacts.

**Indicator**; factors whose follow-up enables the assessment of how the project has reached its targeted results and what kind of impact it has made. Indicators need to be both quantitative and qualitative factors. Indicators must have clearly defined baselines, targets and realistic monitoring methods and sufficient resources for monitoring.

**Monitoring**; continuous or periodical surveillance of the project implementation carried out by the project implementers. On one hand, monitoring focuses on the follow-up of work plans and budgets, and on the other hand, on achievement of results and impacts. Systematic monitoring is essential for learning and it also provides a base for evaluation. The findings of monitoring are presented in progress and annual reports.

**Objectives / Results**; the targeted results and positive changes of the project. The results are normally divided into three levels:

* **Impact**; the ultimate goal of the project.
* **Outcome**; the planned end-result of the project or its phase.
* **Output**; a term used for describing the key deliverables of a project.

**Participation**; an approach through which the beneficiaries and other stakeholders are able to influence the project’s planning, decision-making, implementation and/or monitoring processes. Participation is usually a pre-requisite for ownership, successful implementation and sustainability.

**Problem Analysis**; a process of analysing the reasons for the existing problem situation in a systematic and analytical way, whereby the causes of the problems are identified. Several methods may be used for problem analysis (problem matrix, problem tree, mind map, etc.). The problem analysis should always be a participatory process with the key stakeholders.

**Programme**; a group of related projects or actions directed towards the attainment of specific objectives. A wide ranging and phased long-term project may also be considered as a programme.

**Project**; a planned undertaking designed to achieve clearly defined objectives within given time and resources and by a specific organisation.

**Project Cycle, Project Cycle Management**; the system whereby a project advances from one stage to another through certain steps. Project Cycle Management combines the various planning, implementation, monitoring and evaluation stages into a learning process.

**Project Plan, Project Document;** a strategic plan and management tool for the project (ref. business plan in enterprise management). The Project Plan defines the beneficiaries, results, institutional arrangements, and resources, as well as on a rough level the main activities and their schedule.

**Relevance**; the extent of how relevant the project is in relation to the needs of the beneficiaries and/or other key stakeholders and to the partner country’s and Finland’s development plans, strategies and policies.

**Resources** (means, inputs); the resources such as experts, services, materials, travel, etc., which are required for implementing the project. The costs and the budget are calculated on the basis of required resources.

**Results Framework**; structure where the objectives, indicators and assumptions of a project are defined. Various models are available for this (Results chain, Logical framework, etc.)

**Risk**; internal or external factors which may threaten the project’s results, impact and/or sustainability. The risk level should be moderate. A risk management plan is a key tool to mitigate risks.

**Stakeholders**; all groups and organisations that have an interest in the project or participate in it. Beneficiaries are part of the stakeholders. In addition, other stakeholders may include various co-operation partners, administrative bodies as well as parties with whom a conflict may arise.

**Sustainability**; long-term functionality (sustainability) of the developed systems. Typically, sustainability consists of financial/economic, institutional, technical, socio-cultural and environmental sustainability. Climate sustainability is a key cross-cutting objective.

**Theory of Change**; the strategy behind the project. A ToC describes the logic of how activities lead into impacts and define the critical assumptions behind the strategy.

**Work Plan**; the practical operational plan of a project. It is usually prepared annually and adjusted quarterly or monthly. The focus is on detailed definition of activities schedules, and use of means.