

4. Standard format Terms of Reference for an Evaluation¹

An evaluation study is required to analyse how successful a programme or project has been in meeting the needs and objectives originally identified as its justification. In the case of a mid-term review, the purpose is to analyse progress during the implementation phase and determine whether the original programme/project objective or design require revision.

An evaluation report should look at the project's impact (intended or not), its contribution to the overall objective and performance thus far in terms of project purpose and results. In this respect the monitoring indicators identified in the financing plan should be used to measure success.

Apart from specific variants, the terms of reference for an evaluation study will for the most part follow the format used for the feasibility study, and the reader is directed towards Section III of this chapter.

The evaluation issues should be analysed on the basis of the format below and the Project Cycle Management method. The scope of analysis may, however, be widened or focussed on more specific issues depending on the consultant's experience and the particular requirements of the study.

Guide for preparing Terms of Reference for an Evaluation.


This standard format is for use in preparing Terms of Reference for an evaluation. It is based on the logical framework and provides an outline of the approach and issues for study. For more information on these issues, see Chapter 11 (Evaluation). This standard format should be used to prepare the evaluation, in each case filling in and describing the specific requirements. The text in shaded boxes will assist in identifying the individual requirements for the study. It should be stressed that clear formulation will help ensure that all relevant issues are considered, thus enabling informed decision making.

A. Study background

The European Commission (EC) provided support for [project/programme title.....] in the [.....] region of [...the country], as a means to develop the economic, social and environmental potential of this region. This is reflected in

- (i) [....., e.g., co-operation agreement, National/Regional Indicative Programme (NIP/RIP)] which was signed by the Government of [.....] and the EC on [...../.....], or

¹ This section can also be used for preparing terms of reference for a mid-term review but will require modification as the contents may be less comprehensive and more focussed on circumstances unique to the project/programme.

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- (ii) in response to a project proposal presented by [.....NGO or institution] to the EC.

The EC has decided to undertake a study to evaluate the outcome of the [project/programme].

This section should contain further detailed information or reference to relevant documents

B. Study objectives

The evaluation study will provide the [.....] government and the EC with sufficient information, as to the outcomes of the programme or project and provide lessons learned for future project design. Identify key issues of special importance in the study objectives. (Note: If it is a mid-term review it may suggest modifications.)

C. Study results

The study will deliver the following:

- The principle features of the project/programme at the time of the evaluation – to include objectives, components, location, commitments/disbursements, important dates, timetable;
- An assessment of the planning and design phases of the project from the initial project idea to the final financing proposal;
- An assessment of the problems to be identified and the project objectives against their physical and policy environment;
- An assessment of the relationship between the activities and the results of the programme in the logical framework terminology;
- An assessment of the relationship between the results of the project and the project purpose referred to in the logical framework terminology;
- An assessment of the relationship between the project purpose and the overall objectives;
- An economic/financial analysis for an appropriate period (the entire duration, current year);
- An assessment of the sustainability/replicability of the project's activities and results where relevant;
- Overall outcomes and lessons learned for future actions.

D. Issues to be studied

The main issues to be studied are outlined below. Note that some issues need not be included in the study if irrelevant to the specific project. A fuller description is given in Appendix I.

- i Project preparation and design
- ii Relevance
- iii Efficiency
- iv Effectiveness
- v Impact
- vi Economic and financial analysis



E. Work plan

This section sets out the approach for the study and identifies key resource persons and organisations to be consulted. The consultants may propose alternative approaches to collecting information and to carrying out the study.

The work plan should set out the consultants' approach to the following activities:

- comment on the methodology proposed;
- propose methods of data collection and analysis;
- present a detailed timetable for the study.

F. Expertise required

This section specifies the expertise (qualifications, experience) required for each person assigned to the study. The experience required depends on the type of project being evaluated, and may include technical, economic and financial, institutional and management (public and private), environmental and social, and regulatory expertise. Experience may also need to be country specific.

For each expert proposed, a curriculum vitae, of no more than four pages, should be submitted.

G. Reporting

This section specifies the types of reports required, the language in which they should be written, the date of submission, the number of copies required and the recipients. The format for an evaluation report is presented in Appendix I.

The consultants will present a final report of [.....] pages, within [.....] weeks after [.....]. The final report will set out the findings and conclusions of the evaluation. It will contain no more than [.....] pages and annexes and shall be in [language] and submitted by [date].

H. Time schedule

A time schedule should be prepared for each element of the work plan (Section E) and of the reporting requirements (Section G).

The consultants should respond to this timetable in their offer, indicating whether and how they can adhere to or improve on it.

I. Assistance to the consultants by the Contracting Authority

This section specifies assistance to be made available by the Contracting Authority to the consultants including data, documents, offices, transport, counterpart staff, facilitation of the entry and exit of expatriate personnel. Adequate funds should be made available to the consultants to ensure their independence as regards local travel, office space and necessary equipment.

The Contracting Authority will make available the following information and facilities to the consultants' staff:

- all relevant reports, documents, maps, data;
- where available, office space, furniture, and access to computers and communication facilities;
- counterpart staff.

The Contracting Authority will facilitate:

- entry and exist visas for the consultants' staff to carry out their duties within the country;
- any permits required for the consultants' staff to carry out their duties within the country.

Appendix I: Standard Reporting Format for an Evaluation Study

The Evaluation Report should mirror the basic project format, taking into account the nature of the project and the stage at which evaluation is taking place. It should focus on the soundness of the choices made in relation to the context, objectives, means, likelihood of sustainability, etc., and include brief remarks on any adjustments made in response to developments up to the moment of evaluation.

The report should be structured using the headings given below. Except in exceptional circumstances, the report should not exceed 100 pages + Annexes.

The following text should appear on the front cover:

This report is financed by the [.....]; source of financing, e.g. European Development Fund] and is presented by [.....] for the Government of [.....] and the European Commission. It does not necessarily reflect the opinion of the Government or the European Commission.

Preamble (Maximum 2 pages)

The preamble should briefly describe:

- The principal features of the project/programme as at the time of the evaluation (including objectives, components, location, commitments/disbursements, important dates, timetable);
- The objectives and plan of work of the evaluation study itself (names of evaluators, dates and principal methods used).



1. Summary

2. Project preparation and design

This chapter assesses the planning and design phases of the project from the initial project idea to the final financing proposal. It establishes which preparatory activities have been undertaken by which actors and how the results of such activities (pre-feasibility and feasibility studies etc.) have been incorporated into the final project document. The chapter also assesses the internal characteristics of the project that can be discerned from the analysis of the preparation and design phases.

3 Relevance of the project

This chapter assesses the problems to be solved and the project objectives against their physical and policy environment, i.e. the main macro-economic and sectoral features of the country and pertinent policies (explicit and implicit) of the various actors: government, EU, other donors and interest groups. The evolution of the context over time and its consequence for the project should also be reviewed.

4 Efficiency

This chapter relates to what is known as the relationship between the activities and the results of the programme in the logical framework terminology. It is devoted to the evaluation of the efficiency with which the activities have been undertaken in order to yield the project results. Have the means of the project been efficiently transformed through the project's activities into the various project results? Could the same or similar results have been achieved at lower costs? This will require an assessment of the following factors that affect efficiency.

5. Effectiveness


This chapter relates to the relationship between the results of the project and the project purpose referred to in the logical framework terminology. It gives an assessment of the extent to which the project results have contributed towards the achievement of the Project Purpose, or whether this can be expected to happen in the future on the basis of the current results of the project (unplanned results should also be analysed). Particular attention should be given to the beneficiaries of the project.

6. Impact

This chapter, applicable in the case of completed projects or projects which have been running for several years, assesses the contribution of the project in a broader context (the relationship between the project purpose and the overall objectives). Both qualitative and, where possible, quantitative assessment should be made. 'With/without' analysis, if not treated here, might be dealt with in Chapter 6.

7. Economic and financial analysis

Description of economic entities included in the analysis; description of the actual 'with' project situation compared to the planned situation; description and calculation of benefits and costs; detailed analysis and justification of 'affordability' of water for low-income groups; description and justification of



type of analysis performed and of the results of the analysis; assessment of the project's relevance, effectiveness, efficiency and viability from the financial and economic perspective. Refer to the Manual ***Financial and economic analysis of development projects***, EC, 1997, and Chapter 13 of these Guidelines.

8. Factors affecting sustainability/replicability.

This chapter assesses the sustainability/replicability of the project's activities and results where relevant. The evaluator should, in the first instance, give an assessment in global terms of the sustainability prospects for the project. The weighting of the six principal sustainability factors referred to below will depend upon the nature of the project. It would also be useful to examine the manner in which the concern for neglect of one or other of the six factors may have affected the achievement of sustainable results. The possibility of replicating successful outcomes should also be analysed.

8.1 Policy support measures; correspondence between priorities of donor and recipient country; extent to which project has support in the recipient country's budget, price and subsidy policy.

- Regional/district policy, sectoral policies, etc.;
- Changes in overall priorities and policies: how have they (or will they) affect the project;
- Degree of agreement on objectives;
- Support from relevant organisation (political, public, business, etc.);
- Willingness to provide resources (financial and personnel).

8.2 Appropriate technology

Did the technology offered correspond to needs (problems to be solved, technological environment, level of technological skills of the beneficiaries and technical support services)? In particular, will the intended beneficiaries be able to adapt to and maintain the technology acquired without further project assistance?

8.3 Environmental protection


Verify whether the environmental effects of the project's activities and results could jeopardise the sustainability of the project itself and/or reach levels which are unacceptable for long-term environmental protection and management.

8.4 Socio-cultural and gender issues

Verify whether social-cultural and gender aspects could endanger the sustainability of the project interventions during project implementation or, especially, after termination of assistance. The issue of 'ownership' of the project activities by the various beneficiary groups and implementing agencies should also be discussed.

8.5 Institutional and management capacity, public and private

The commitment of all parties involved, such as government (e.g. through policy and budgetary support), counterpart institutions and beneficiaries should be examined. To what extent have the project activities been



embedded in local institutional structures to ensure sustainability? Were counterparts adequately prepared for the hand-over of the project and continuation of the project activities (technically, financially, managerially)?

9. Conclusions and recommendations

Under this heading the evaluator should, drawing on the conclusions, summarise the overall outcome and formulate proposals for future actions. The conclusions should cover all-important aspects requiring action identified under points 2 to 8. Each conclusion should lead to a corresponding operational recommendation.

9.1 Overall outcome

- What were the main successes/failures of the project to-date? What were the causes underlying the outcome?
- Do the effects/impacts identified justify the costs involved?
- Were the objectives achieved within the specified time and budget?

9.2 Sustainability

Conclusions should be drawn and recommendations made regarding the key sustainability factors relevant to the project, for example,

- Is post-project maintenance of infrastructure and support for institutional structures likely to be adequately funded and executed?
- Is the policy environment likely to ensure the sustainability of the project's benefits?

9.3 Alternatives

- Could the same effects/impacts have been achieved at lower costs?
- Would there have been different ways of achieving the same outcome?
- Should the project be re-oriented and, in particular, should all activities continue? If not, describe how the project should be re-oriented and summarise the proposal in the form of a logical framework

10 Lessons learned

The main value of Evaluation is to learn lessons that can be applied to future projects, such as;

- What policy, organisational (e.g. for EC) and operational lessons can be drawn specifically from the project?
- What pre-conditions might be recommended prior to deciding on the financing of similar projects?
- What general development lessons' can be drawn from the Evaluation in relation to policies and instruments; and sectoral, country or regional strategies?

Technical and administrative appendices to the evaluation report

- Original logical framework;
- Original Financing Proposal;
- Other technical appendices, if any;
- List of persons/organisations consulted;
- Documents consulted for the evaluation.